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NATIONAL TEXTILE CORPORATION LIMITED
(A GOVERNMENT OF INDIA UNDERTAKING)

Registered Office:
SCOPE Complex, Core-IV,
7, Lodhi Road,
New Delhi – 110 003

No. 4(1)/2011-Vig(74)
Dated: 4.8.2011

Addl. CVO-SRO&WRO,
& Sr. V.O.(Ahd)

Sub: Examination of Public Procurement (Works/Purchases/Services)
Contracts by CVO's office

Please refer to our letters of even number dated 8.3.2011 and 8.4.2011 on the subject mentioned above.

2. It was brought to your notice vide said letters that as per the CVC's guidelines/instructions, inspections are to be conducted in respect of 'Contracts & Major purchases' in respect of value of Rs. 2 crores and above in each case. It was also clarified that apart from periodic/surprise inspections, such inspections of 'Contracts and Major Purchases' have also to be carried out by the Vigilance Officers and outcome of such inspections is to be reported in para-9 of the revised proforma of the Monthly Report. It was, accordingly, directed that such inspections for the quarter 1.10.10 to 31.12.10 may be carried out expeditiously and the report should be sent to this office on or before 31.3.2011.

3. From the monthly CVO's report received in this office for the months of May and June,2011, it has been observed that under Col. No. 9- Sub Col. - Major Works which relates to "Inspections Conducted by CVO (nos) (CTE like Inspections and Others)", the progress has been shown as nil. It is apparent from the monthly reports received in this office for the month of May & June,2011 that this aspect of work of inspections of Major Works has not been taken seriously.

4. This matter was recently discussed in the Annual Zonal Review Meeting held in CVC on 20.6.2011, wherein it was also stressed that the number of such inspections should be increased and the outcome of such inspections may be reported in the Monthly CVO's Report being sent to CVC.

5. Also enclosed is a copy of circular No. 21/05/06 dated 1st May,2006 pertaining to Examination of Public Procurement Contracts by CVOs, which may be gone through in order to appreciate the importance of the work relating to the scrutiny of Public Procurement Contracts, and the CTE - type inspections.

6. Further enclosed are the copies of the quarterly reports for the quarter ending 30th June,2011 in respect of (i) Civil, Electrical and Horticulture works, and (ii) Stores/Purchase Contracts, undertaken by various Regional/Sub Offices of NTC.

7. You are, NOW, directed to carry out close scrutiny of Public Procurement Contracts as appearing in the enclosed reports in order to ensure that the laid down systems and procedures have been followed and that there has been total transparency in award of contracts, and further that there is no misuse of power in decision making. To begin with, the scrutiny of these contracts should be taken up on top priority and your report/detailed comments should reach this office by 31st Aug, 2011.

8. As mentioned above, this office has been emphasising this aspect of work right from March,2011 but no headway has been made so far. Accordingly, as a first step, the above mentioned scrutiny of contracts should be carried out positively within the prescribed time frame.

9. The above may please be noted for strict compliance. In case of failure to comply with the above instructions, adverse view will be taken.

(B.D.Gupta)
Chief Vigilance Officer