

No.IPI/F.1(6)23/ 976  
Dtd. 31<sup>st</sup> December, 2010.

OFFICE - ORDER

The management of the Corporation has approved changes in the existing Contract Agreement/Tender Documents, as follows :-

- 1) The amount deposited by bidders on account of Earnest Money (EMD) shall be refunded after 7 days of opening of the bids, except two lowest bidders. The amount of earnest money of L-2 would be refunded after prescribed time of accepting the bid including time extension, if any, or decision on the tender, whichever is earlier.
- 2) In order to curb tendency on the part of bidders to quote rates much below G-Schedules based on latest BSR, which are considered un-workable, it has been decided by the management of the Corporation to take additional performance security deposit from the successful bidders, over and above 10% security deposit presently taken for successful performance of the work.

Therefore, in case the successful bidder had quoted a tender premium (T.P.) which has been worked out to be more than 10% below on G-Schedule based on the concerned latest PWD BSR, the bidder would be required to furnish additional performance security deposit equal to 50% of the T.P. and the same shall be computed on the amount of T.P. which is below 10% beyond initial 10% of the T.P. (For example : in case a bidder has quoted 26.00% below G-Schedule based on PWD BSR 2008, which works out to 18.33% below G-Schedule based on PWD BSR 2010 (being latest), the bidder would be required to provide additional performance security deposit equal to 50% of 08.33% (i.e. 18.33% - 10%) of the work order amount.

This deposit shall be in-addition to the Security Deposit of 10% presently deposited by the contractor and/or deducted from the bills. The additional performance security deposit may be furnished in the form of Bank Guarantee/FDR/Cash and have to be deposited/furnished before execution of the contract agreement, and would be refunded, without interest, after 7 days from the date of satisfactory completion of the work.

If the G-Schedule on which the bids have been invited are not based on the latest PWD BSR of the concerned district, it would be the responsibility of the Unit head to prepare the G-Schedule based on latest PWD BSR and invariably indicate the corresponding amount (s) in the tender document.

All the Unit Heads are, therefore, advised that the above changes must be incorporated in contract agreement/documents wherever required. Decision at (1) above shall be effective immediately whereas (2) above will come into effect on all the tenders invited on or after 15.12.10.



(Aparna Sahay)  
Financial Advisor.