GOVERNMENT OF INDIA
MINISTRY OF RAILWAYS
(RAILWAY BOARD)

No. 2007/CE-I/CT/18(Pt.I) **New Delhi, dated 10.9.2008**

As per list attached

Subject:- Refund of Earnest Money Deposit(EMD) to unsuccessful tenderers- Streamlining of procedure – reg.

Streamlining the procedure for early release of Earnest Money Deposit of the unsuccessful tenderers has been under consideration in the Board's Office for a long time. The following guidelines have been formulated for the guidance of the Zonal Railways/PUs in order to expedite the release of EMD of the unsuccessful tenderers so as to reduce the lock-in period of the tenderer's liquidity and enable them to participate in more number of tenders.

1. In case of single packet system of tendering, the Earnest Money submitted by all the tenderers except L1, may be released after the acceptance of the offer of L1.

2. In case negotiations are proposed to be held, the Earnest Money submitted by all the tenderers other than the tenderer with whom negotiation has been proposed, may be released after the acceptance of the recommendations of the tender committee by the accepting authority for holding negotiations.

3. If the tender is not finalized within the original validity period, the EMD of the tenderers who do not agree to extend the validity of their offers, may be released. This may, however, be done only after the receipt of refusal from the tenderers for any further extension, in writing.

4. In two packet system of tendering, the EMD of tenderers not found technically suitable(for opening of the price bid), may be released after acceptance of recommendations of the Tender Committee by the accepting authority on the first packet.

This issues with the concurrence of the Finance Directorate of the Ministry of Railways.

Please acknowledge receipt.

(T.GUPTA)
Executive Director Civil Engg.(G)
Railway Board

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Copy forwarded for information to:

(i) FA & CAO – All Indian Railways.
(ii) Dy. Comptroller & Auditor General of India(Rlys), Room No. 224, Rail Bhawan, New Delhi(with 40 spares)

For Financial Commissioner/Railways