Sub: Security Deposit in Existing Works Contracts

1. To increase cash flow of contractors so as to assist them to restart works after lockdown due to COVID-19 pandemic, following has been decided by Board (ME, FC) for all presently on-going works contracts, irrespective of value, if contractor requests for the same: -

   i) Security Deposit (SD) deducted from on account bills and Earnest Money converted into SD, may be released to the Contractor on submission of Bank Guarantee (BG) of equivalent amount by contractor from a Scheduled Bank. Further, Contractor may be allowed, if he so desires, to deposit full Security Deposit in the form of BG from any Scheduled Bank. Validity of submitted BG shall be 60 days beyond date of completion of work in case there is no maintenance period in the contract or 60 days beyond date of expiry of maintenance period provided in the contract.

   ii) In case Security Deposit is to be deducted from on account bills, the remaining Security Deposit shall be deducted at the rate of 6% instead of presently prescribed rate of 10% till full Security Deposit is available with Railways.

2. It shall be ensured by Railways, especially at the time of granting extension to date of completion of work that BG validity is also extended by the Contractor, if needed, upto the time pre-requisites for refund of SD as stipulated in contract conditions are fulfilled.

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

[Signature and seal]

Karyakari Nidhiak Sivatil Uchhi. (Ji)/Railway Board

[Phone: 030-44803(Rly) : 011-23383379(MTNL)]

No. 2018/CE-I/CT/38/GCC/Correspondence. Dated: 21.05.2020

Copy forwarded for information to:

1. The PFAs, all Indian Railways.
2. The Deputy Comptroller & Auditor General of India (Railways), Room No. 224, Rail Bhawan, New Delhi

[Signature]

For Financial Commissioner/Railways
LIST FOR DISTRIBUTION

1. General Managers, All Indian Railways & Production Units
2. General Manager (Con), N.F. Railway, Guwahati
3. General Manager /CORE, Allahabad.
4. Chief Administrative Officers (Con), All Indian Railways (Except N.F. Railway)
5. Principal Chief Engineers, All Indian Railways
6. FA&CAOs, All Indian Railways

(A)

1. CAO, COFMOW, Tilak Bridge, New Delhi
2. Principal CAO, Diesel Loco Modernisation Works, Patiala (Punjab)
3. CAO (Workshop Projects), Chamber Bhawan, Judge’s Court Road, Anta Ghat, Patna-800001, Bihar

(B)

1. Director General, RDSO, Manak Nagar, Lucknow
2. Director General, NAIR, Vadodara
3. Director, IRICEN, Pune – 411 001 (Maharashtra)
4. Director, IRIEEN, PB No.-233, Nasik Road-422101 (Maharashtra)
5. Director, IRISET, Taa Naka Road, Lalla Guda, Secunderabad-500017
6. Director, IRIMEE, Jamalpur Distt-Jamalpur, PIN-811214 (Bihar).
7. Director, IRITM, Sarswati Residential Estate, IRITM Campus, Manak Nagar, Lucknow

(C)

1. MD, CONCOR, Concor Bhawan, C-3, Mathura Road, Opp. Apollo Hospital, New Delhi- 110076.
2. IRCON International Limited, C-4, District Centre, Saket, New Delhi- 110017
3. MD, RITES Ltd., RITES Bhawan, Plot No.1, Sector-29, Gurgaon.
4. CMD, RVNL, August Kranti Bhawan,Plot No.25, 1st Floor, Bhikaji Cama Place, New Delhi.
5. MD, MRVC Ltd., Churchgate Station Bldg, Mumbai- 400020
6. CMD, KONKAN Railway Corporation Ltd, Rail Bhawan, New Delhi-110001.
7. MD, DFCCIL, 5th Floor, Pragati Maidan Metro Station Building Complex, New Delhi-110001
8. MD, RLDA, Near Safdarjung Railway Station, Moti Bagh, Phase-I, New Delhi-110021
9. MD, CRIS, Chanakyapur, New Delhi.
10. CMD, RailTel Corporation of India Ltd. Plot No. 143, Institutional Area, Sector-44, Gurgaon – 122003.
11. CME, IROAF, 12th Floor, Core-1, Scope Minar, Distt. Centre, Laxmi Nagar, Delhi-110092
12. Managing Director, IRFC Limited, UG Floor, EastTower, NBCC Place, Bhisham Pitamah Marg, LodhiRoad, Pragati Vihar, New Delhi.
13. CMD, IRCTC Ltd., B-148, 11th Floor, Statesman House, Barakhamba Road, New Delhi 110001
14. CMD, Braithwaite & Co. limited, 5 Hide Road Kolkata 700043.

Copy to:
(A)
1. General Secretary, IRCA, DRM Office, New Delhi.
2. General Secretary, AIRF, Rail Bhawan, New Delhi
3. General Secretary, NFIR, Rail Bhawan, New Delhi
4. General Secretary, IRPOF, Rail Bhawan, New Delhi
5. General Secretary, FROA, Rail Bhawan, New Delhi
6. General Secretary, AIRPA, Rail Bhawan, New Delhi
7. General Secretary, AISC & STREA, Rail Bhawan, New Delhi
8. The Secretary, RBSS, Group (A) Offices Association, Rail Bhawan
9. The Secretary, RBSS, Group (B) Offices Association, Rail Bhawan
10. General Secretary, RBSSS Association, Rail Bhawan
11. The Secretary, RBMSA, Rail Bhawan
12. The Secretary, Railway, Group (D) Employees Association, Rail Bhawan

(B)
1. Concerned PSO for kind information of CRB, ME, MTR, MRS, FC, MS, MST, MMM.
2. Chief Vigilance Officers, All Indian Railways.
3. DG(RHS), DG(RPF), AM(CE), AM(Works), AM(B), AM(Elec.), AM(RS), AM(ME), AM/Tele, AM/C&IS, AM/Sig., AM(Plg.), PED/SDE, PED(Bridges), PED(Vigilance), PED/Transformation, EDCE(G), EDCE(P), EDTK(M), EDTK(MC), EDTK(P), EDCB(SE), EDFX(I), EDFX-II, ED(Works), EDW(Plg.), ED/Project(Mon.), ED(L&A), ED/SDE, ED(PSU), EDV, ED(Safety), ED (Sig. Dev.), ED( Tele), EDRS(G), EDRE, EDEE(G), EDFE, EDE(N), ED(Accounts), ED/T&MPP, EDME(Chg.), EDME(Frt.), ED/Plg., ED/MTF, JS(conf), JS(P), JS(G), JS(D), Vigilance-III, Vig(Conf) of Railway Board.