

GOVERNMENT OF INDIA
MINISTRY OF RAILWAYS
(RAILWAY BOARD)

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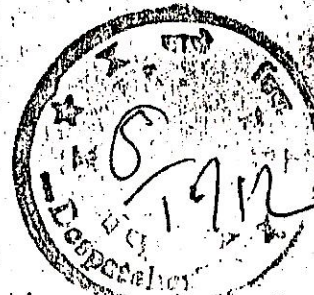
NO.06/RS(5)/709/14.

NEW DELHI, DATED 5-12-1986.

The General Managers,
All Indian Railways including
CLW, DLW, ICF, WAP and MTP Calcutta.

The Chief Administrative Officers,
DCW Patiala, RE Allahabad, RCF Kapurthala.

Sub: Earnest Money deposit for sale of
scrap by invitation of tenders.



In terms of para 2321(a)S, firms submitting tenders for purchase of Railway materials are required to deposit as earnest money an amount equivalent to 10 per cent of the total price offered by them against the tender. One Zonal Railway has expressed difficulty in disposal of Rails through tender in view of large Earnest Money involved and has come up with the proposal to limit the Earnest Money upto Rs.50,000/- for an advertised tender for sale of about 5000 MTs of scrap rails. After careful consideration, Board have decided that the amount of Earnest Money to be deposited alongwith the tender as initial security may be fixed as under :-

"Earnest Money may be restricted upto 5% of tender value subject to a maximum of Rs.50,000/- with the stipulation that full 10% security deposit should be made by the successful tenderer before ordering sale."

2. It is, however, clarified that individual lot size may be limited to 2000 MTs only. The above relaxation will hold good upto 31-3-1987. An appreciation of the results achieved in terms of this relaxation duly vetted by your FA&CAO should be furnished to the Board towards the end of April, 1987 so that continuance of these orders beyond 31-3-87 may be considered.
3. This issue with the concurrence of the Finance Directorate of Railway Board.
4. Receipt of this letter may please be acknowledged.

N. SAHU

(N. SAHU)

O/C Addl. Exec. Director, Railway Stores (Steel)
Railway Board