CIRCULAR

Sub:- Standard Operating Procedure (SOP) for refund of Earnest Money Deposits (EMD)-reg.

I am directed to refer to above mentioned subject and to enclose herewith a SOP (Standard Operating Procedure) duly approved by the Competent Authority for compliance.

(Umesh Kumar Sahai)
Assistant Secretary (E)

To
1. Chief Engineer - I, II, III, IV/ Hy. Chief/ Chief Accounts Officer, IWAI, Noida
2. Director, IWAI, Patna/Kolkata/Kochi/Guwahati

Copy to:
PPS/PS/PA, to Chairperson/Vice-Chairman/Member (Fin)/Member (Tech), IWAI, Noida
STANDARD OPERATING PROCEDURE REFUND OF EARNEST MONEY DEPOSITS (EMD)

The EMD are being deposited by bidders/ tenderers as per tender terms & conditions issued by concerned departments/wings in the Authority. It has been observed that the refund of EMD to unsuccessful bidders is not being done timely. The following Standard Operating Procedure (SOP) is issued to streamline the process of refund of EMD in order to prevent the delay in refund:

1. The EMD furnished by all the tenderers except the lowest tenderer shall be refunded within 07 days after approval of TEC minutes by the Competent Authority. Officers of the concerned wing shall process the file for refund of EMD within 4 days and Finance wing shall release the same within 3 days after receipt of recommendations. Entry of Demand Draft/ Banker’s cheque/ Fixed Deposit Receipts received as earnest money with the tenders may be kept in the Tender Opening Register; and these need not be deposited in the bank except for the lowest tenderer.

2. The concerned Officer in-charge shall periodically review the Tender Opening Register with a view to ensure that the EMD is refunded in time.

3. If the Officer-in-charge considers that an item of EMD, instead of being refunded, be carried to the credit of the IWAI-Fund then the fact is required to be recorded on the Deposit Receipt with the Officers initial records, and request the Accounts Wing to effect necessary adjustment in Accounts.

4. In case of Joint Venture (JV), only Lead Partner can deposit EMD and same will be refunded to the bank account of the Lead Partner provided by bidders/lead tenderers in the bid.

5. In case part file is opened for refund of EMD to the unsuccessful bidder, the same shall be merged with the main file once the processing is complete. In case of failure in compliance, the concerned Officer-in-charge will be accountable for erroneous release, if any.

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