

GOVERNMENT OF ODISHA
WORKS DEPARTMENT

No.07556900052021(Pt.)-

5984

/W.,

Dated

27-04-2021

OFFICE MEMORANDUM

Subject: Bid Security / Earnest Money Deposit (EMD)

As per amendment to Para 3.5.19 (a) (b) of OPWD Code, Volume-I, Security for the due fulfilment of the contract should invariably be taken. The security may be taken in the shape of N.S.C / Post Office Savings Bank Account / Post Office Time Deposit Account / Kissan Vikas Patra / Bank Guarantee in favour of the Divisional Officer from any Nationalised / Scheduled Bank in India counter guaranteed by its local branch at Bhubaneswar towards E.M.D.

2. The State Government is in receipt of many representations that on account of slowdown in economy due to the pandemic, there is acute financial crunch among vendors, which in turn is affecting timely execution of the contracts. It has also been represented that this may affect the ability of vendors to bid in tenders and hence reduce competition. Besides, Government of India have made provision in Rule-171 of General Financial Rule, 2017 asking the bidders for executing a "Bid Security Declaration" in lieu of Bid Security with stipulation that if they withdraw or modify their bids during period of validity etc., they will be suspended for the time specific in the tender documents.

3. Considering the difficulties faced by the vendors and to facilitate competition in wake of slowdown of the economy due to COVID-19 pandemic, it is hereby decided that **no provisions regarding Bid Security should be kept in the Bid Documents and only provision for "Bid Security Declaration" should be kept.** Further, wherever, there are compelling circumstances to ask for Bid Security, the same should be done only with the approval of the next higher authority to the authority competent to finalize the tender.

4. These instructions shall be deemed to be a part of OPWD Code and Rules made there under.

5. **The above instructions will be applicable for all the tenders issued till 31.12.2021.**

By order of Governor,

(Dr. Krishan Kumar)

Commissioner-cum-Secretary to Government

Memo No.

5985

/W.,

Dated. 27-4-21

Copy forwarded to Private Secretary to Hon'ble Chief Minister, Odisha/Private Secretary to Hon'ble Minister, Works, Steel & Mines, Odisha for kind information of Hon'ble Chief Minister, Odisha & Hon'ble Minister, Works, Steel & Mines, Odisha.

FA-cum-Additional Secretary to Government

