

## Instant Release of EMD for Unsuccessful Bidders

Government of West Bengal  
Public Works Department  
Works Branch  
Nabanna, Howrah – 711102

No. 148-W(C)/1M-23/15 Date: March 16, 2018

### MEMORANDUM

#### **Sub: Refund of Earnest Money deposited by the unsuccessful bidders for e-tendering process**

State Government has been receiving requests from agencies working with PWD that in the current e-tendering process, the EMD of both L-1 and L-2 bidders are retained by the Department. Due to this process, the L-2 bidders face constraints in their working capital management and makes it difficult for them to participate in other tenders.

2. Presently, after opening of financial bid of any tender, comparative statement (BOQ comparative chart) is generated automatically by the e-procurement system. After that there are two steps to complete the e-tendering process, namely Financial Bid Evaluation and uploading of Award of Contract (AOC). The earnest money deposited online by the unsuccessful bidders remains in the pooling account of ICICI Bank, until the bids are rejected or the AOC is uploaded in favour of the L1 (successful) bidder.

3. After opening of the financial bid, generally Tender Inviting Authority "ACCEPT" the other technically accepted bid to make it live or to hold the EMD till completion of the bid process and uploading of AOC. In several cases, after opening of the financial bid, it is required to send the same to the higher authority or to the Tender Committee for their approval, which takes time and due to this a huge amount of earnest money of the unsuccessful bidders lies idle in pooling account unnecessarily.

4. After the amendment of Rule 220 of PWD code regarding post-tender negotiation vide Notification [No. 178-W\(C\)/1M-23/15 dated 09/03/2017](#), it is not possible to allow any further bid from any other bidder, except L-1 (lowest one).

5. Accordingly, to overcome the aforesaid difficulty and to prevent unnecessary blocking of earnest money of the unsuccessful bidders, the Governor, after careful consideration, is hereby pleased to direct that the bid evaluation committee shall carry out the financial evaluation of the tender just after financial bid opening (selection of L1 bidder) and all the unsuccessful bids (L2 onward) shall be "REJECTED" citing the reason that the bid is not L1 (lowest one). This would ensure instant release of EMD for unsuccessful bidders.

6. All concerned are being informed accordingly.

Sd/- Indevan Pandey  
Additional Chief Secretary  
Public Works Department