

KERALA STATE CONSTRUCTION CORPORATION LIMITED
(A Government of Kerala Undertaking)

Administrative Office

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No.F4-560/A/2013/1426

23.04.2013

Circular No. 1/2013-14

INWARD

Recd. on Dt. 25/4

No. 191

Sub: - KSCC – rates of EMD, Security Deposit and Retention
for works executed through contractors / sub contractors –modified –
instructions issued

Ref: - (1) This office circular No. 400 dt. 24.4.2002 vide CC/IAD/2002-03/SD.
(2) GO (P) No.13/2012/PWD dt. 1.2.2012.
(3) GO (MS) No.60/2012/PWD dt. 20.9.2012.
(4) Note No. CC/IAD/IAN/2012-13/285 dt. 4.3.2013 of the CIAO, Ekm.

MD

M

PM

DDM

Sec.

DB

Others

The rate of EMD, Security Deposit and Retention to be deducted from the part bill of the various works executed through the contractors / sub contractors are regulated under the provisions of the circular 1st cited. Subsequently, as per the GO 2nd cited the Government have issued the revised KPWD Manual by which the rate of EMD security deposit and retention amount of works have been revised. As the KSCC is arranging the works for execution based on the principles and procedure prescribed in the KPWD manual etc, it deemed proper that the rate of EMD/ security deposit amounts to be produced / recovered from contractors / sub contractors in force as prescribed in the circular 1st cited be modified suitably.

GA circular

Techn. file

25/4

Hence in partial modification to the orders contained in the said circular, the following instructions are issued for general information, guidance and strict compliance with immediate effect.

- (i) Earnest Money Deposit.- Each tender shall be accompanied by an EMD in such form and manner as specified in the tender notice. The rate of EMD for works shall be 1.50% of the estimate PAC subject to a maximum of Rs. 5,00,000/-.
- (ii) Security Deposit. – The selected bidder or sub-contractor shall produce a security deposit equivalent to 5% of the contract amount in the form of a bank guarantee or a fixed deposit receipt duly pledged in the name of the KSCC from a nationalized or scheduled bank which shall remain in force till the 28th day from the date of completion of the defect liability period of the work, subject to the following conditions.

- (a) The security deposit for work having the contract PAC up to Rs. 2 Crores - 2.5% of the CPAC subject to a maximum of Rs. 2 lakhs.
- (b) Works beyond the contract PAC of Rs 2 Crores - 5 % of the contract PAC subject a maximum of Rs. 75 lakhs.
- (iii) Retention amount from each work bill:- Works having contract PAC up to Rs. 10 Crores - 10% including security deposit limited to Rs. 50 lakhs.
- (iv) The amount to be retained by the tendering authority of the KSCC up to the defect liability period – 5% of contract PAC.
2. All the General Managers and Regional and other level of officers in the KSCC are requested to give effect to the modified rate of EMD, Security deposit, Retention from bills etc., as above scrupulously. Necessary formal orders making changes in the contract agreement being followed in the KSCC for execution of works will be issued separately.


MANAGING DIRECTOR

Divin
23/10/13

To

The General Manager, KSCC, Trivandrum and Ernakulam. ✓
The Regional Manager, KSCC, Trivandrum / Kottayam / Aleppey / Ernakulam/
Trichur / Kozhikode and Kannur.
The Secretary & FM, KSCC, Ernakulam.
The CIAO / Sr. AO, KSCC, Ernakulam.

Copy to AAO I & II and all officers of GM Section.