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DLI/4-3-88

DD: E.O. 1(10) 83/2131

Circular No. 223

This office is granting exemption from payment of earnest money in individual cases to contractors after a bond is executed by the contractor with the Department and on deposit of certain fixed amounts. As per the bond conditions the contractor is required to deposit 2% of the estimated cost of work as Earnest Money immediately on acceptance of the tender. Further 7% are to be deducted from the amount of bills as Security payable subsequently.

The above provisions are brought to the notice of all the officers to ensure that once a work is awarded to a contractor, the earnest money must be got deposited from the contractor.

S. Murti

15/3/88

(V.S. Murti)
Engineer Member

Copy to:-

1. All C.Es.
2. All S.Es & Dir. (Hort.).
3. All EEs and Dy. Directors (Hort.).