

Numaligarh Refinery Limited

Circular

Date : 24-10-2017

Competent Authority has approved the following guidelines for releasing the Security Deposit retention money.

1. Release/refund of security deposit.

1. (a) The security deposit amount deposited by the contractor against a particular contract or work order (WO) or purchase order (PO) will be retained by NRL till completion of execution of the contract or till end of defect liability period whichever is later as per the terms and conditions of the particular contract. Refund of security deposit amount whether full or part, during any time of execution of the contract and due to any reason will not be admissible.

1. (b) In the cases where defect liability period is not applicable as per contract terms and conditions the security deposit will be refunded to the contractor's bank account as provided by the contractor and registered in the NRL vendor master database, within 30 days from date of completion of contract as certified by the respective Engineer In-Charge (EIC) of NRL and after adjustment of recoveries (if any) as per procedure.

1. (c) In the cases where defect liability period is applicable as per contract terms and conditions the security deposit will be refunded to the contractor's bank account as provided by the contractor and registered in the NRL vendor master database, within 60 days from date of expiry of defect liability period as certified by the respective Engineer In-Charge (EIC) of NRL and after adjustment of recoveries (if any) as per procedure.

1. (d) Wherever defect liability period is not applicable, in case the contractor has deposited the security deposit amount in full as per original PO and successfully executed the work as per contract terms and condition without any recoverable from security deposit amount, however the scope of work / quantity / time period has been extended or increased with increase in total contract value through an amendment over original contract, then security deposit equivalent to 10% of the additional / increased contract (PO) amount will be retained by NRL and the balance amount (if any) of security deposit will be refunded to the contractor. This provision will not be applicable for the service / work contracts where defect liability period is applicable, and in such cases an additional amount equivalent to 10% of the increased value of contract will be deposited by the contractor immediately after acceptance of amendment of original contract, either in full or in installments.

2. Amount of Security Deposit in case of extended AMCs.

AMCs for manpower supply, where no defect liability period exists; Security Deposit shall be released after completion of one year (12 months). If contract is awarded for more than one year then SD shall be released on completion of each year (12 months) based on the recommendation of respective EICs, and fresh security deposit will be deducted from running bills for the subsequent year.

Note: For one time job 80% of Security Deposit may be released and balance 20% of Security Deposit to be released after the contract is closed.

Above guidelines shall be applicable for all new tenders with immediate effect.

Sd/-

Chief General Manager (Commercial & Legal)