भारत सरकार / Government of India
परमाणु ऊर्जा विभाग / Department of Atomic Energy
सचिवालय समन्वय अनुभाग / Secretariat Coordination Section
अणुशक्ति भवन / Anushakti Bhavan,
छत्रपति शिवाजी महाराज मार्ग / C.S.M. Marg,
मुंबई / Mumbai - 400 001
इ-मेल / Email: sectcord@dae.gov.in

No.32/1/2024-SCS/E-File/ 1207 Dated: 19.01.2024

पृष्ठांकन / ENDORSEMENT

विषय /: Amendment in General Financial Rules, 2017 - Rule
Subject: 171(i) Performance Security - regarding

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उपरोक्त विषय पर वित्त मंत्रालय, नई दिल्ली से प्राप्त दिनांक 29.12.2023 के कार्यालय ज्ञापन संख्या F.1/2/2023-PPD की एक प्रति सूचना एवं आवश्यक कार्रवाई हेतु अग्रेषित है ।

A copy of office Memorandum No.F.1/2/2023-PPD dated 29.12.2023 received from Ministry of Finance, New Delhi on the above-mentioned subject is forwarded for information and necessary action.

2. इसे सक्षम प्राधिकारी के अनुमोदन से जारी किया जाता है ।

This issues with the approval of competent authority.

संलग्न / Encl.: 2 Pages.

वर्षा के. देसाई
19/01/2024

वर्षा .के. देसाई / Varsha .K. Desai
(अनुभाग अधिकारी / Section Officer)

पऊवि के सभी संघटक इकाईयों / सार्वजनिक क्षेत्र के उपक्रमों / सहायता प्राप्त संस्थानो के प्रशासनिक प्रधान ।
All Administrative Heads of Constituent Units/PSUs/Aided Institutions of DAE.

प्रतिलिपि / Copy also to:

i. पऊवि के सभी अधिकारी एवं अनुभाग / All Officers & Sections in DAE Secretariat.-DARPAN
ii. सचिव, स्टाफ साइड, पऊवि विभागीय परिषद् / Secretary, Staff Side, DAE Departmental Council.
iii. E- फाइल संख्या :32/1/2024-SCS/E-File.
iv. गार्ड फाइल संख्या:69/SCS-DAE

No.F.1/2/2023-PPD
Government of India
Ministry of Finance
Department of Expenditure
Procurement Policy Division
*****

264-C, North Block, New Delhi,
29.12.2023

OFFICE MEMORANDUM

Subject: - Amendment in General Financial Rules, 2017 – Rule 171(i) Performance Security Regarding.

Attention is invited towards Rule 171(i) of General Financial Rules, 2017 regarding Performance Security as amended vide OM No. 1/2/2023-PPD dated 03.04.2023. It has been decided to amend the Rule 171(i) of GFRs, 2017 as under:

Existing Rule	Revised Rule
Rule 171(i): To ensure due performance of the contract, Performance Security is to be obtained from the successful bidder awarded the contract. Unlike contracts of Works and Plants, in case of contracts for goods, the need for the Performance Security depends on the market conditions and commercial practice for the particular kind of goods. Performance Security should be for an amount of **three to ten per cent (3-10%)** of the value of the contract as specified in the bid documents. Performance Security may be furnished in the form of Insurance Surety Bonds, Account Payee Demand Draft, fixed Deposit Receipt from a Commercial bank, Bank Guarantee (including e- Bank Guarantee) from a Commercial bank or online payment in an acceptable form safeguarding the purchaser's interest in all respects.	**Rule 171(i):** To ensure due performance of the contract, Performance Security is to be obtained from the successful bidder awarded the contract. Unlike contracts of Works and Plants, in case of contracts for goods, the need for the Performance Security depends on the market conditions and commercial practice for the particular kind of goods. Performance Security, **in respect of procurement only of Goods/ Consultancy Services/ Non Consultancy Services, should be for an amount of three to five per cent (3-5%)** of the value of the contract as specified in the bid documents. Performance Security may be furnished in the form of Insurance Surety Bonds, Account Payee Demand Draft, fixed Deposit Receipt from a Commercial bank, Bank Guarantee (including e- Bank Guarantee) from a Commercial bank or online payment in an acceptable form safeguarding the purchaser's interest in all respects.

2. Accordingly, amount of Performance Security will also stand modified from existing i.e. 5-10 % to 3-10 % at all places, including following paragraphs in the procurement manuals:

(i) Para 6.1.2 of Manuals for Procurement of Goods,
(ii) Para 6.2.6(iv)(a) of Manual for Procurement of Consultancy and Other Services.

3. All procuring entities are requested to issue future tenders with the performance security as stipulated above. They may also consider modifying tenders already issued and yet to open, as above, wherever feasible.

4. The amount of performance security plus security deposit/ retention money for procurement of works will continue to be 3% to 10%.

5. This OM is also available on website of Department of Expenditure; www.doe.gov.in - > Notification -> Circular -> Procurement Policy OM. Hindi version of this OM will follows.

29.12.2023

(Kanwalpreet)
Director (PPD)
Tel.23093811
email: kanwal.irss@gov.in

To,

All the Secretaries and Financial Advisors to Government of India.

Copy to:

1. Secretary, Department of Public Enterprises with a request to issue same instructions to Central Public Sector Enterprises (CPSEs).
2. Secretary, Department of Financial Services with a request to issue same instructions to Public Sector Banks (PSBs).