



केन्द्रीय रेशम बोर्ड CENTRAL SILK BOARD
(वस्त्र मंत्रालय, भारत सरकार Ministry of Textiles - Govt. of India)
केरेबो कॉम्प्लेक्स, बी टी एम लेआउट, मडिवाला
CSB Complex, BTM Layout, Madiwala
बेंगलूरु Bangalore - 560068
☎: 080-26282699 Fax: 26780434
e-mail: store csb@nic.in

No. CSB-1(99)/2017-18-Admn/Vol.I.

Date: 24.11.2020

Speed Post

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Sub: Performance Security - reg

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This has reference to the subject cited above and to forward herewith a copy of Office Memorandum F.No.9/4/2020-PPD dated 12/11/2020 received from the Deputy Secretary to the Govt. of India, Ministry of Finance, Department of Expenditure, Procurement Policy Division, New Delhi regarding Performance Security for strict compliance of the instructions contained therein, which is self explanatory.

In this connection, keeping in view the Ministry's instructions all the CSB units are hereby informed that the **Performance Security has been reduced from existing 5-10% to 3% of the value of the contract for all existing contract.** This will be applicable for all kinds of procurements viz., Goods, consultancy, works, non-consulting Services etc., and are issued under Rule 6 (1) of the GFRs 2-017, for all tenders/contracts issued/conducted till 31.12.2021.

Action taken in the matter may be informed to Central office, to appraise this to Ministry.


[DR. NARENDRA REBELLY, IRS]
DIRECTOR (FINANCE)

To

- 01] The Director, CSR&TI, Mysore,
- 02] The Director, CSR&TI, Berhampore
- 03] The Director, CSR&TI, Pampore
- 04] The Director, CTR&TI, Ranchi
- 05] The Director, CSTRI, Bangalore
- 06] The Director, CMER&TI, Lahdoigarh
- 07] The Director, NSSO, Bangalore
- 08] The Director, CSGRC, Hosur
- 09] The Director, BTSSO, Bilaspur
- 10] The Director, SBRL, Bangalore
- 11] The Scientist D & Head, MSSO, Guwahati
- 12] Regional Office, Central Silk Board, Guwahti
- 13] Regional Office, Central Silk Board, Hyderabad
- 14] Regional Office, Central Silk Board, Kolkatta
- 15] Regional Office, Central Silk Board, New Delhi



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CSB Complex, BTM Layout, Madiwala

बेंगलूरु Bengaluru-560 068

सं केरेबो-1(99)/2017-18/प्रशासन/खंड I

दिनांक : 19.11.2020

परिपत्र

विषय : निष्पादन सुरक्षा के संबंध में ।

उपर्युक्त विषय के संदर्भ में, निष्पादन सुरक्षा से संबंधित उप सचिव, भारत सरकार, वित्त मंत्रालय, व्यय विभाग, प्रापण नीति प्रभाग, नई दिल्ली से प्राप्त कार्यालय ज्ञापन एफ सं.9/4/2020-पीपीडी दिनांक 12.11.2020 की प्रति सख्त अनुपालनार्थ इसके साथ अग्रेषित करना है, जो स्वतः स्पष्ट है ।

इस संबंध में, मंत्रालय के अनुदेशों की दृष्टि में, केरेबो के सभी इकाईयों को एतद् द्वारा सूचित किया जाता है कि निष्पादन सुरक्षा सभी विद्यमान संविदा के लिए संविदा मूल्य वर्तमान के 5-10% से 3% तक कम किया गया है । यह सभी प्रकार के प्रापण नामतः माल, परामर्श, कार्य, गैर परामर्श सेवाएं आदि के लिए लागू होगा और 31.12.2021 तक जारी/उत्पन्न सभी निविदा/संविदा के लिए जीएफआर 2-017 के नियम 6 (1) के अधीन लागू होगा ।

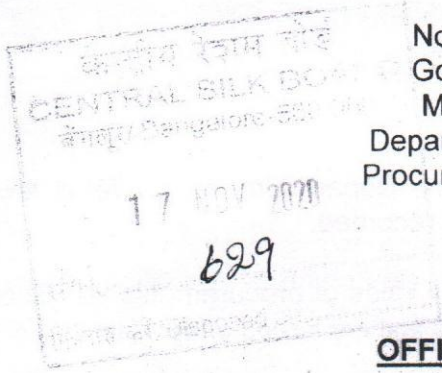
इस मामले में की गई कार्रवाई से केन्द्रीय कार्यालय को सूचित किया जाए ताकि मंत्रालय को अवगत कराया जा सके ।

(डॉ. नरेन्द्र रेबेल्ली, आईआरएस)

निदेशक (वित्त)

सेवा में,

1. निदेशक, केरेअवप्रसं, मैसूरु
2. निदेशक, केरेअवप्रसं, बहरमुपर
3. निदेशक, केरेअवप्रसं, पाम्पोर
4. निदेशक, केतअवप्रसं, राँची
5. निदेशक, केरेप्रौअसं, बेंगलूरु
6. निदेशक, केमूएअवप्रसं, लाहदोईगढ़
7. निदेशक, रारेबीसं, बेंगलूरु
8. निदेशक, केरेजसंके, होसूरु
9. निदेशक, बुतरेबीसं, बिलासपुर
10. निदेशक, रेजैअप्र, बेंगलूरु
11. वैज्ञानिक-घ व प्रधान, मूरेबीसं, गुवाहाटी
12. क्षेत्रीय कार्यालय, केन्द्रीय रेशम बोर्ड, गुवाहाटी
13. क्षेत्रीय कार्यालय, केन्द्रीय रेशम बोर्ड, हैदराबाद
14. क्षेत्रीय कार्यालय, केन्द्रीय रेशम बोर्ड, कोलकाता
15. क्षेत्रीय कार्यालय, केन्द्रीय रेशम बोर्ड, नई दिल्ली



No. F.9/4/2020-PPD
Government of India
Ministry of Finance
Department of Expenditure
Procurement Policy Division

512, Lok Nayak Bhawan, New Delhi
Dated the 12th November 2020

OFFICE MEMORANDUM

Subject: Performance Security.

As per Rule 171 of General Financial Rules (GFRs) 2017, Performance Security is to be obtained from the successful bidder awarded the contract for an amount of five to ten percent of the value of the contract to ensure due performance of the contract. Similar provisions also exist in the Manual for Procurement of Works 2019 and Manual for Procurement of Consultancy & other Services 2017 issued by this Department.

2. The Government is in receipt of many representations that on account of slowdown in economy due to the pandemic, there is acute financial crunch among many commercial entities and contractors, which in turn is affecting timely execution of the contracts. It has also been represented that this may affect the ability of contractors to bid in tenders and hence reduce competition. Requests are being received for reduction in quantum of Security Deposits in the Government contracts.

3. In view of all above, it is decided to reduce **Performance Security from existing 5-10% to 3% of the value of the contract** for all existing contracts. However, the benefit of the reduced Performance Security will not be given in the contracts under dispute wherein arbitration/ court proceedings have been already started or are contemplated.

4. Further, all tenders/ contracts issued/ concluded till 31.12.2021 should also have the provision of reduced Performance Security.

5. In all contracts where Performance Security has been reduced to 3% in view of above stipulations, the reduced percentage of Performance Security shall continue for the entire duration of the contract and there should be no subsequent increase of Performance Security even beyond 31.12.2021.

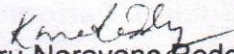
Similarly, in all contracts entered into with the reduced percentage of Performance Security of 3%, there will be no subsequent increase in Performance Security even beyond 31.12.2021.

6. Wherever, there is compelling circumstances to ask for Performance Security in excess of three percent as stipulated above, the same should be done only with the approval of the next higher authority to the authority competent to finalise the

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particular tender, or the Secretary of the Ministry/ Department, whichever is lower. Specific reasons justifying the exception shall be recorded.

7. These instructions will be applicable for all kinds of procurements viz. Goods, Consultancy, Works, non-consulting Services etc and are issued under Rule 6(1) of the GFRs 2017.


(Kotluru Narayana Reddy)
Deputy Secretary to the Govt. of India
Tel: 24621305
Email: kn.reddy@gov.in

To,

All the Secretaries and Financial Advisers to Government of India

Copy to: Secretary, Department of Public Enterprises with a request to issue the same instructions to Central Public Sector Undertakings (CPSUs).