



Government of West Bengal
Panchayats & Rural Development Department
Joint Administrative Building (6th-10th Floor)
Block – HC/7, Sector – III, Salt Lake City, Kolkata – 700 106

Memo No. ²⁵⁹⁴ -PRD-37099/40/2021-Engg Sec-Dept. of PRD

Dated: 11.02.2021

NOTIFICATION

As per existing Rules and provisions, Performance Security/Security Deposit is obtained from the successful bidder at the rate of ten (10) percent of the contract to ensure due performance of the contract.

- i) The instructions issued by the Ministry of Rural Development, Government of India vide their File No. P-17017/2/2020-RC(FMS-373544) dated 28.12.2020 referring the Office Memorandum of Ministry of Finance, Department of Expenditure, Government of India and subsequent Memorandum of Finance Department, Audit Branch, Group T under Government of West Bengal vide File No. 329975 and Memo No. 201-F(Y) dated 18th January, 2021 have already reduced the rate of Performance Security for all existing contract as well for all tenders/contracts issued/conducted till 31.12.2021 from the existing 5-10% to 3% of the value of the contract on receipt of requests from different quarters for such reduction.
- ii) In view of the above, it is decided that the Performance Security for all existing contracts or the contracts which will be entered into within 31.12.2021 shall be reduced to 3% from the existing 10%. However, the benefit of the reduced Performance Security will not be given in the contracts under disputes wherein Arbitration or Court proceedings have already been started or are contemplated.
- iii) In all contracts where Performance Security will be reduced to 3% in view of above stipulations, the reduced rate of Performance Security shall continue for the entire duration of the contract and there should be no subsequent increase in Performance Security even beyond 31.12.2021. However, there shall not be any further deduction of Performance Security from subsequent RA Bills if deducted Performance Security already reached 3% or more of entire value of contract.
- iv) Wherever, there is compelling circumstances to ask for Performance Security in excess of 3% as stipulated above, the same should be done only with the approval of the next higher authority to the authority competent to enter into agreement for contract, or the Departmental Secretary. Specific reasons justifying the exception shall be recorded.

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- v) However, Additional Performance Security is to be obtained from the bidders as per prevailing Guideline of Standard Bidding Documents (SBD) of BGSY original works (Roads, Bridges & Buildings) and Memo No. 4608-F(Y) dated 18.07.2018 of Finance Department, Audit Branch, Group T under Government of West Bengal shall be followed for BGSY Maintenance and all other works in this Department.
- vi) Notwithstanding what has been stated above, for cases where more than 3% Performance Security has already been obtained/deducted, refund of such excess amount is to be done as per original Terms & Conditions of SBD subject to retention of minimum 3% Performance Security (Bank Guarantee/Fixed Deposit and Security Deposit deducted) till the end of the Defect Liability Period (DLP).

This Order will take immediate effect.


(D. BHATTACHARYYA)

Joint Secretary to the Govt. of West Bengal
Panchayats and Rural Development Department
&
Joint Chief Executive Officer, WBSRDA

Memo No. ^{2599/}1(18)-PRD-37099/40/2021-Engg-Sec-Dept. of PRD

Dated: 11 .02.2021

Copy forwarded for information to:

- 1) The Additional Chief Secretary to the Govt. of West Bengal, P & RD Department.
- 2) The Principal Secretary to the Govt. of West Bengal, Finance Department.
- 3) The Chief Engineer, P&RD Deptt., Govt. of West Bengal.
- 4) The All District Magistrates & Executive Officers, All Zilla Parishads.
- 5) Shri D. Biswas, SE & SQC, WBSRDA.
- 6) Shri S. Manna, SE (HQ), P&RD Deptt., Govt. of West Bengal.
- 7) Shri A. K. Roy, SE (HQ), P&RD Deptt., Govt. of West Bengal.
- 8) Shri B. Acharya, SE (HQ), P&RD Deptt., Govt. of West Bengal.
- 9) Shri S. Khan, SE (HQ), P&RD Deptt., Govt. of West Bengal.
- 10) Shri D. Majumder, Superintending Engineer, North Bengal Circle, WBSRDA.
- 11) The All Additional District Magistrates & Additional Executive Officers, All Zilla Parishads
- 12) Shri A. Biswas, EE (HQ), P&RD Deptt., Govt. of West Bengal.
- 13) Shri G. Roy, EE (HQ), P&RD Deptt., Govt. of West Bengal & ITNO, WBSRDA.
- 14) Shri S. Ghosh, EE (HQ), WBSRDA.
- 15) The Executive Engineers/ PIUs/APIUs, WBSRDA, All Divisions.
- 16) The District Engineers, All Zilla Parishad.
- 17) The Finance Controller, WBSRDA.
- 18) Guard File.


(D. BHATTACHARYYA)

Joint Secretary to the Govt. of West Bengal
Panchayats and Rural Development Department
&
Joint Chief Executive Officer, WBSRDA