

GOVERNMENT OF NATIONAL CAPITAL TERRITORY OF DELHI  
FINANCE DEPARTMENT  
(POLICY DIVISION)

4<sup>TH</sup> LEVEL, 'A WING' DELHI SECRETARIAT  
I.P. ESTATE, NEW DELHI 110002

No. F. 20/26/2021/PD/012678347/Jsfin/Ay-102 Dated: 12/01/2024

ENDORSEMENT

The copies of under mentioned OMs are forwarded herewith for information and necessary action to the following: -

1. All Heads of Department, Govt. of NCT of Delhi.
2. All Pay & Accounts Officers through Principal Accounts Office, Vikas Bhawan, Govt. of NCT of Delhi.
3. All Heads of Autonomous Bodies, Govt. of NCT of Delhi.
4. The Commissioner, Municipal Corporation of Delhi, Civic Centre, Minto Road, New Delhi.
5. Chairperson, NDMC, Palika Kendra, New Delhi.
6. Chief Executive Officer, Delhi Cantonment Board, Delhi.
7. CEO, Delhi Urban Shelter Improvement Board, I.P. Estate, New Delhi.
8. Sy. Analyst with the request to upload the same on Website of Finance Department and all the Departments are requested to download the same from Website of Finance Department (No hardcopy of enclosures will be dispatched to any Organisation/Department).
9. Guard File.

(Manoj Kumar V.M.)

Joint Secretary (Finance/Policy)

List of paper forwarded

S. No.	Name of the Ministry/ Department	O.M. No. and Date	Subject
1.	Ministry of Finance, Govt. of India Department of Expenditure, Procurement Policy Division	No.4/1/2023-PPD (1) 19.12.2023 <a href="https://doe.gov.in/sites/default/files/OM%20No.%204%201%202023%20PPD%28I%29%20dated%2019.12.2023.pdf">https://doe.gov.in/sites/default/files/OM%20No.%204%201%202023%20PPD%28I%29%20dated%2019.12.2023.pdf</a>	Relaxation for procurement of certain items through Global Tender Enquiry (GTE)
2.	Ministry of Finance, Govt. of India Department of Expenditure, Procurement Policy Division	No. 1/7/2022-PPD 29.12.2023	Vivad se Vishwas II (Contractual disputes)

Contd.....

3.	Ministry of Finance, Govt. of India Department of Expenditure, Procurement Policy Division	No.1/2/2023-PPD 01.01.2024	Amendment in General Financial Rules, 2017 – Rule 171(i) Performance Security Regarding
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*Murphy*  
12/01/2024

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

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264-C, North Block, New Delhi,  
01.01.2024

**OFFICE MEMORANDUM**

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

**Reference: In supersession of OM of even No. dated 29.12.2023.**

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
<b>Rule 171(i):</b> 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 <b>three to ten per cent (3-10%)</b> 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.	<b>Rule 171(i):</b> 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, <b>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%)</b> 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.