



GOVERNMENT OF KERALA

Abstract

Stores Purchase Department - Procurement of Goods - Relaxation in Performance Security rate in the State - Orders issued.

STORES PURCHASE (A) DEPARTMENT

G.O.(P)No.2/2022/SPD Dated, Thiruvananthapuram, 15-06-2022

- Read 1. Office Memorandum No. F.9/4/2020-PPD dated 12.11.2020 of GOI, Ministry of Finance.
2. GO(P) No. 7/2021/FIN dated 07.01.2021.
 3. Office Memorandum No. F.9/4/2020-PPD dated 30.12.2021 of GOI, Ministry of Finance.
 4. GO(P) No. 32/2022/FIN dated 15.03.2022.

ORDER

As per para 8.17 of the Stores Purchase Manual Performance Security is to be obtained from every successful bidder for a contract value above Rs. 1,00,000/- to ensure due performance of the contract.

2) Vide Office Memorandum read 1st above, Performance Security rate was reduced by the Central Government from the existing rate of 5-10% to 3% of the total value of the contract, for all kinds of procurements viz Goods, Consultancy, Works, Non-consultancy Works etc. and extended the validity of the same up to 31.03.2023 as per Office Memorandum read 3rd above on account of slowdown in economy due to covid 19 pandemic.

3) Accordingly, vide Order read 2nd above State Government also reduced the Performance Security rate for the execution of Public Works from 5% to 3% and extended its validity period upto 31.03.2023 as per Order read 4th above .

4) Consequently, requests are being received to extend the benefit of reduction in Performance Security rate to contracts for procurement of goods also.

5) Government have examined the matter in detail and are pleased to reduce the Performance Security rate for all kinds of procurement of goods from the existing 5% to 3% of the total value of

the contract for a period from 07.01.2022 to 31.03.2023.


6) Whenever, 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 competent to finalise the particular tender. Specific reasons justifying the exception shall be recorded.

(By order of the Governor)
RAJESH KUMAR SINGH I A S
ADDITIONAL CHIEF SECRETARY

To:

1. The Accountant General (A&E) Kerala, Thiruvananthapuram
2. The Accountant General (Audit-II) Kerala, Thiruvananthapuram
3. The Private Secretary to Hon'ble Chief Minister
4. All Private Secretaries to Hon'ble Ministers.
5. The Private Secretary to the Leader of Opposition.
6. The Secretary to Governor.
7. The Chief Secretary of Kerala.
8. All Secretaries to Government.
9. The Registrar, High Court of Kerala.
10. The Secretary, Kerala Human Rights Commission, Thiruvananthapuram.
11. The Election Commissioner, State Election Commission, TVPM.
12. All Departments of Secretariat.
13. All Heads of Departments/Offices
14. The Registrar, All Universities of Kerala.
15. The Chief Engineer [PWD/WRD/LSGD /HED]
16. C-DIT, Gorky Bhavan, Van Rose jn., Thiruvananthapuram (for hosting the Government Order in Government website ww.spd.keralagov.in).
17. The Web & New Media, I & PRD. Thiruvananthapuram (for hosting the Government Order in the Government website. www.kerala.gov.in).
18. Stock File/Office Copy.

Forwarded /By order


Section Officer