

**Government of Jammu and Kashmir,
Finance Department (Codes Division),
Civil Secretariat Jammu/Srinagar**

**Subject:- (1) Additional Performance Security in case of Abnormally Low Bids (ALBs).
(2) Bid Security/Earnest Money Deposit.
(3) Performance Security.**

CIRCULAR

Attention of all Administrative Departments is invited to Circular instructions issued by the Finance Department Vide No. A/Misc(2018)-III-895/J dated 22-12-2020 regarding **Additional Performance Security in case of Abnormally Low Bids (ALBs), Bid Security/Earnest Money Deposit, Performance Security** in line with O M No. F.9/4/2020-PPD dated 12-11-2020, issued by Government Of India, Ministry of Finance, Department of Expenditure.

Government Of India, Ministry of Finance, Department of Expenditure, Procurement Policy Division vide O M No. F.9/4/2020-PPD dated 30-12-2021 has extended the validity of OM dated 12-11-2020 regarding "Performance Security" till 31-03-2023.

Accordingly, it is hereby ordered that the validity of the Circular issued vide No. A/Misc(2018)-III-895/J dated: 22-12-2020 regarding "Performance Security" in Union Territory of Jammu & Kashmir has been extended till 31-03-2023 in line with O.M No. F.9/4/2020-PPD dated 30-12-2021 issued by Government of India, Ministry of Finance, Department of Expenditure.

**Sd/-
(Atal Dulloo), IAS,
Financial Commissioner,
(Additional Chief Secretary),
Finance Department.**

No. FD-Codes/233/2021-02-27

Dated: 10.02.2022

Copy to the:

1. Advocate General, J&K High Court Srinagar/Jammu.
2. Principal Accountant General J&K Srinagar/Jammu.
3. All Financial Commissioners.

4. Director General of Police, J&K.
5. Principal Secretary to the Hon'ble Lieutenant Governor.
6. All Principal Secretaries to Government.
7. Jt. Secretary (J&K), Ministry of Home Affairs, Government of India.
8. Principal Resident Commissioner, 5-Prithvi Raj Road New, Delhi.
9. Chief Electoral Officer, J&K.
10. All Commissioner/ Secretaries to Government.
11. Divisional Commissioner Kashmir/ Jammu.
12. Principal Secretary to Chief Justice J&K High Court Srinagar/Jammu.
13. Registrar General, J&K High Court Srinagar/Jammu.
14. Director Anti Corruption Bureau, J&K.
15. Director General, Audit and Inspections.
16. Director General, Budget Division J&K.
17. Director General Accounts and Treasuries.
18. Director General Funds Organization.
19. Director Local Fund Audit & Pensions, J&K.
20. Director Information J&K.
21. All Head of Departments/ Managing Directors/ Chief Executives of State PSU's/ Autonomous Bodies/ Societies.
22. Secretary J&K Public Service Commission.
23. All District Development Commissioners.
24. Secretary, J&K Legislative Assembly.
25. Director/Principal, Northern Zonal Accountancy Training Institute Jammu.
26. Director Accounts & Treasuries Kashmir/ Jammu.
27. All Directors of Finance/Financial Advisors & CAOs.
28. Principal Accountancy Training School Srinagar.
29. Joint Director, J&K Funds Organization Srinagar/Jammu.
30. General Manager, Government Press, Srinagar/ Jammu for publication in Government Gazette.
31. Private Secretary to Hon'ble Advisors (F)/(B).
32. Private Secretary to Chief Secretary.
33. Private Secretary to Financial Commissioner (Additional Chief Secretary), Finance Department.
34. All Treasury Officers.
35. I/C website, FD (www.jakfinance.nic.in).
36. I/C website, GAD (www.jkgad.nic.in).
37. Government Order File (W2 scs).


S.I. Pandita,
Director General (Codes)
Finance Department.

**Government of Jammu and Kashmir
Finance Department, Civil Secretariat
Jammu/Srinagar**

- Subject: 1) Additional Performance Security in case of Abnormally Low Bids (ALBs).
2) Bid Security/ Earnest Money Deposit.
3) Performance Security.**

CIRCULAR

Attention of all Administrative Departments is invited to DO No. 9/4/2020-PPD dated 12.11.2020 of Department of Expenditure, Ministry of Finance, Government of India, wherein Government of Union Territory of J&K has been advised to issue instructions in respect of procurement by the Government bodies, Government Public Undertakings, local bodies and all agencies controlled by them in line with O.M No. F.9/4/2020-PPD dated 12.11.2020, issued by Department of Expenditure, Ministry of Finance, Government of India.

Keeping in view the exceptional circumstances created due to pandemic and acute financial crunch faced by many commercial entities and contractors, which in turn is affecting timely execution of contracts, Government of India has issued following instructions:-

- a) Reduction in Performance Security from existing 5-10% to 3% of the value of the contract for all existing contracts. The benefit of reduced performance security will not be given to Contracts under dispute. All tenders/contracts issued/concluded till 31.12.2021 should also have the provision of reduced performance security.
- b) No provisions regarding Bid Security should be kept in the Bid Documents in future and only provisions for Bid Security Declaration should be kept in the Bid Documents. Wherever there are compelling circumstances to ask for Bid Security, the same should be done only with the approval of next higher authority to the authority competent to finalize the particular tender. These instructions shall be applicable to all tenders upto 31.12.2021.
- c) No provisions should be kept in the Bid Documents regarding Additional Security Deposit/ Bank Guarantee (BG) in case of Abnormally Low bids.

The detailed guidelines in this regard issued by Government of India, are enclosed as Annexure "A".

It is hereby ordered that all these instructions shall apply mutatis mutandis to the Union territory of Jammu & Kashmir.

Sd/-
(Dr. Arun Kumar Mehta), IAS
Financial Commissioner,
Finance Department.

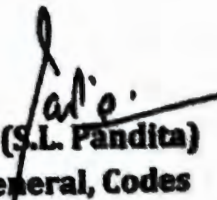
No. A/Misc(2018)-III-895/J

Dated: 22.12.2020

Copy to the:-

1. Advocate General, J&K High Court Jammu/Srinagar.
2. All Financial Commissioners.
3. Principal Accountant General J&K Jammu/Srinagar.
4. All Principal Secretaries to Government.
5. Principal Resident Commissioner, 5-Prithvi Raj Road New, Delhi.
6. Principal Secretary to Lieutenant Governor.
7. Chief Electoral Officer, J&K.
8. Joint Secretary (J&K) Ministry of Home Affairs, Government of India.
9. All Commissioner/ Secretaries to Government.
10. Divisional Commissioner Jammu/Kashmir.
11. Director Anti Corruption Bureau, J&K.
12. Registrar General, J&K High Court Jammu/Srinagar.
13. Director General, Audit and Inspections
14. Director General, Budget Division J&K.
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17. Director General Local Fund Audit & Pensions, J&K.
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21. All District Development Commissioners.
22. Secretary, J&K Legislative Assembly.
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34. Government Order File (W2scs).

(2)


(S.L. Pandita)
Director General, Codes