

ताग : 'फूडकोर्प'
Gram : 'FOODCORP'
फैक्स नं: एचएफसीआई एनडी
Fax No.: HFCI ND

भारतीय
खाद्य
निगम



FOOD
CORPORATION
OF INDIA

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No. Hq/Engg./Circular/2019-20

Dated: 16.02.2021

Circular 01/2021

Ministry of Finance, Department of Expenditure vide Office Memorandum No.F.9/4/2020-PPD dated 12th November 2020 has issued certain guidelines in view of the current pandemic situation and the financial crunch being faced by the contractors, thus affecting the timely execution of work. Moreover on the same lines as well as on GFR, Food Corporation of India's finance division has also issued Circular no 06/FIN/2021 & 01/FIN/2021 dated 08.01.2021 & 22.01.2021 respectively. Accordingly, the following decisions have been taken to be followed by Engineering Division henceforth for all tendering process.

1. Tender Cost:

No amount shall be collected towards the cost of tender document (tender processing fee) for procurement of goods and non-consulting services. The same shall however not apply while inviting tenders for consulting services and cost shall be collected. This will apply to all the tenders henceforth.

2. Bid Security (Earnest Money Deposit):

• No provision regarding Bid Security (Earnest Money Deposit) shall be kept in the Bid documents in future and only provisions for Bid security declaration should be kept in the bid documents (Copy of Format enclosed).

• In case of any compelling circumstances to ask for Bid Security, the same shall be done only with the approval of the next higher authority to the authority competent to finalise the particular tender. Specific reasons justifying the exception shall be recorded.

• No provision shall kept in the Bid Document regarding additional Security Deposit/Bank Guarantee (BG) in case of abnormally low Bids.

• The above instructions will be applicable for all tenders issued till 31.12.2021.

3. Reduction in the Performance Security:

• The Performance security for all the existing contracts is to be reduced from 5-10% to 3%. The benefit shall however not be applicable to contracts under dispute wherein arbitration/court proceedings have been already started or are contemplated.

• Further, all tenders/contracts issued/concluded till 31.12.2021 should also have the provision of reduced Performance Security. The reduced percentage of performance security shall continue for the entire duration of the contract and cannot be increased even beyond 31.12.2021. The same shall be applicable for the contracts entered into with the Performance Security of 3%.

• In case of any compelling circumstances to ask for Performance Security excess of three percent, the same shall be done only with the approval of the next higher authority to the authority competent to finalise the particular tender. Specific reasons justifying the exception shall be recorded.

• The above instructions will be applicable for all tenders issued till 31.12.2021.

This issues with approval of Competent Authority.

Distribution: by e-mail

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(O P Goyal)
General Manager (Engg.)


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