

No. F. 10(4)-FIN (G)/15(L)/Part-I/ 592-732  
GOVERNMENT OF TRIPURA  
FINANCE DEPARTMENT

Dated, Agartala, the 16<sup>th</sup> March, 2024.

**NOTIFICATION**

**Subject: Modification of Rules of the General Financial Rules, 2017 (as adopted by the State of Tripura).**

In pursuance of the Office Memorandum of Department of Expenditure (Procurement Policy Division), Ministry of Finance, Government of India Vide Notification No.F.1/2/2023-PPD, dated 01<sup>st</sup> January, 2024 (copy enclosed herewith) the Governor of Tripura is pleased to make following partial modification in Rule 171 (i) in the General Financial Rules, 2017 (as adopted in the State of Tripura) vide Notification No. F. 10(4)-FIN(G)/15(L) dated 24.08.2017.

**A. In Rule 171(i): Performance Security**

The provision shall be read as, "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, **in respect of procurement only of Goods/ Consultancy Services/ Non Consultancy Services, should be for an amount of three to five per cent (3% to 5%)** 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)** Accordingly, amount of Performance Security will also stand modified from existing to 3% to 5% at all places, including following paragraphs in the Procurement manuals:

(i) Para 6.1.2 of Manuals for Procurement of Goods.

(ii) Para 6.2.6(iv) of Manuals for Procurement of Consultancy and Other Services.

**(C)** All procuring entities are requested to issue future tenders with the performance security as stipulated above. They may also consider modifying tenders already issued and yet to open, as above, wherever feasible.

**(D)** The amount of performance security plus security deposit/retention money for Procurement of Works will continue to be 3% to 10%.

By order of the Governor,

Encl: As stated above.

Signed by Prithwiraj

Debnath

Date: 16-03-2024 14:55:55

Reason: Approved

(P. Debnath)  
Under Secretary to the  
Government of Tripura

To

The all Principal Secretaries/Secretaries/Special Secretaries of all Departments/ All Heads of Departments.

Copy to:

1. The Secretary to the Governor of Tripura, Agartala.
2. The Principal Secretary to the Chief Minister, Tripura, Agartala.
3. PS/PA to all Ministers, Tripura, Agartala.
4. PS to the Chief Secretary, Tripura, Agartala.
5. The Secretary, Tripura Legislative Assembly, Agartala.
6. The Secretary, TPSC, Agartala.
7. The Accountant General (A&E), Tripura, Agartala.
8. The Accountant General (Audit), Tripura, Agartala.

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- 9. The Director, GA (Printing & Stationary) Department for publication in the next Tripura Gazette.
- 10. All Treasury/Sub-Treasury Officers, Tripura.
- 11. The Web Administrator, Finance Department to upload a copy of the notification in the Finance Department's Web portal.

NOTIFICATION

Subject: Modification of Rules of the General Financial Rules, 2017 as adopted by the State of Tripura.

In pursuance of the Office Memorandum of Department of Expenditure (Procurement Policy Division) Ministry of Finance, Government of India vide Notification No.FIN(2017-19) dated 01<sup>st</sup> January, 2024 (copy enclosed herewith) the Governor of Tripura is pleased to make following partial modification in Rule 173 (b) in the General Financial Rules, 2017 as adopted in the State of Tripura vide Notification No. F. 104(FIN(G)15(L)) dated 24.08.2023.

A. In Rule 173(b): Performance Security

The provision shall be read as: "To ensure due performance of the contract, Performance Security is to be obtained from the successful bidder, awarded the contract, within a period of 30 days and Form, in case of contract for goods, the need for the Performance Security depends on the market conditions and commercial practice for the contract. Performance Security in respect of procurement only for goods, Procurement Policy Division, Ministry of Finance, Government of India, shall be for an amount of three to five per cent (3% to 5%) of the value of the contract as specified in the bid document. Performance Security may be furnished in the form of bank guarantee, 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 retaining the purchaser's interest in all respects."

(B) Accordingly, amount of Performance Security will also stand modified from existing 10% to 3% of all cases, including following categories in the procurement manual etc.

(i) Part 8.1.2 of Manual for Procurement of Goods

(ii) Part 8.2.6(iii) of Manual for Procurement of Consultancy and Other Services

(C) All procuring entities are requested to issue fresh tenders with the performance security as stipulated above. They may also consider modifying tenders already issued and yet to open, as above, wherever feasible.

(D) The amount of performance security plus security deposit/retention money for Procurement of Works will continue to be 3% to 10%.

By order of the Governor,

Signed by Secretary,

General,

Order: 18-08-2024 14:55:32

Secretary to the

Government of Tripura

File No. As stated above.

To: The All Financial Secretary, Department of Expenditure, Ministry of Finance, Government of Tripura.

Copy to:

- 1. The Secretary to the Governor of Tripura, Agartala.
- 2. The Principal Secretary to the Chief Minister, Tripura, Agartala.
- 3. P&A to all Ministers, Tripura, Agartala.
- 4. To the Chief Secretary, Tripura, Agartala.
- 5. The Secretary, Tripura Legislative Assembly, Agartala.
- 6. The Secretary, TSC, Agartala.
- 7. The Assistant General (A&E), Tripura, Agartala.
- 8. The Director General (Audit), Tripura, Agartala.

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:

<b>Existing Rule</b>	<b>Revised Rule</b>
<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.

2. Accordingly, amount of Performance Security will also stand modified from existing to 3-5% at all places, including following paragraphs in the procurement manuals:

- (i) Para 6.1.2 of Manuals for Procurement of Goods,
- (ii) Para 6.2.6(iv)(a) of Manual for Procurement of Consultancy and Other Services.

3. All procuring entities are requested to issue future tenders with the performance security as stipulated above. They may also consider modifying tenders already issued and yet to open, as above, wherever feasible.

4. The amount of performance security plus security deposit/ retention money for procurement of works will continue to be 3% to 10%.

5. This OM is also available on website of Department of Expenditure; [www.doe.gov.in](http://www.doe.gov.in) -> Notification -> Circular -> Procurement Policy OM.

*by*  
*01/01/2024*  
(Kanwalpreet)  
Director (PPD)  
Tel.23093811

email: [kanwal.irss@gov.in](mailto:kanwal.irss@gov.in)

To,

All the Secretaries and Financial Advisors to Government of India.

Copy to:

- 1. Secretary, Department of Public Enterprises with a request to issue same instructions to Central Public Sector Enterprises (CPSEs).
- 2. Secretary, Department of Financial Services with a request to issue same instructions to Public Sector Banks (PSBs).