

From

The Director, Supplies & Disposals, Haryana,  
SCO. No. 09 (1<sup>st</sup> & 2<sup>nd</sup> Floor), Sector-16, Panchkula.

To

1. All the Heads of Departments in the State of Haryana
2. All the Heads of Boards/ Corporations/ Federations in the State of Haryana

Memo No. DS&D/Accounts/2017/  
Dated Panchkula the :

Subject:

Release of Performance Security in respect of rate contract/ supply orders that have been completed satisfactorily.

I am directed to invite your kind attention to Government Instruction contained in Para-6.21 of "Manual of Office Procedure for Supplies & Disposals of Stores" which provides for deposit of Performance Security by the tenderer as per Condition No.8 of Schedule-B of the Stores Purchase Rules. The relevant provisions for the release of security are as contained under Para-6.36 of the manual. As per these rules, the Security is released when the contract has been completed satisfactorily and a "No Demand Certificate (NDC)/ No Objection Certificate (NOC)" is submitted by the Indenting Organization (I.O.). Where despite a reference to Indenting Officer, no reply is received within the period prescribed or where penalty for delay has been recovered from the contractor by I.O., the Security of the contractor/ bidder is released by this office.

It has been further observed that the I.Os do not submit the required "No Demand Certificate/ No Objection Certificate" to this office after the logical conclusion of the Supply Order/ Rate Contract arranged by this office in spite of repeated reminders in this regard. This results in seeking extension/ Invocation of the Performance Security to safeguard the interest of State Government. However, repeated extension of Performance Security (BGs etc) by this office due to non submission of NDC/NOC by the IOs results in causing inconvenience to the accounts section of this office as well as causing inconvenience to the participating bidders/ firms in Public Procurement of the State.

The matter has been considered by this office and it has been decided that all Indenting departments must send No Demand Certificate (NDC)/ No Objection Certificate (NOC) within 45 days after satisfactory execution of the Supply Order/ Rate Contract related to their department failing which it will be assumed that the firm/



contractor has executed the Supply Order/ Contract as per the terms & conditions of the Supply Order/ Contract and noting is recoverable from the firm/ contractor and so their security will be released. It is further informed that if any complication arises later on due to release of security, than the concerned Indenting Department will be responsible for the same.

The above instructions may be brought to the notice of all concerned for compliance.

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Additional Director (Admin),  
For Director Supplies & Disposals, Haryana

Endst.No. DS&D/Accounts/2017/ 18344 Dated:- 28/3/17

A copy of the above is forwarded to the following for information and necessary action:

1. Dy. Supdt. (Admin) O/o Director Supplies & Disposals Haryana with the direction to ensure its implementation by all Purchase Branch Heads and for uploading the same on the departments website.
2. Accounts Branch In charge O/o Director Supplies & Disposals Haryana in reference to their note on the subject.

  
Additional Director (Admin),  
For Director Supplies & Disposals, Haryana