CIN No. U74899DL 1995GOI068150

दूरभाष Tel. : 25335325
फैक्स Fax : 25335324

दिल्ली मेट्रो रेल कॉर्पोरेशन लि०
DELHI METRO RAIL CORPORATION LTD.
(भारत सरकार एंव दिल्ली सरकार का एक संयुक्त उपक्रम)
(A JOINT VENTURE OF GOVERNMENT OF INDIA AND GOVT. OF DELHI)

No. DMRC/20/CPM-1/DWK-NJF/85/Signage/1334 Dt. 22.12.2020

LETTER OF ACCEPTANCE

M/s Jai Matarani and Company
Shop No. 50, Anand Vihar Block C Najafgarh
New delhi-110043.

Name of work: Contract CPM-01(03)-Manufacture, Supply, Installation, Testing And Commissioning of Signage And Graphics at Dhansa stand station Of Delhi MRTS Project. Phase-III

Ref:-Your tender submission for the subject work dated 13.11.2020

Dear Sir (s),

With reference to above, Letter of Acceptance (LOA) is hereby issued to you for the above mentioned work at the total cost of **₹ 13,26,117.00(Thirteen Lakhs Twenty Six Thousand One Hundred and Seventeen only inclusive of all taxes, GST & duties etc.)**

1. This letter of Acceptance is sent herewith to you in duplicate. You are requested to return one copy of it duly signed by you on all pages indicating "Unconditional Acceptance" thereof so as to reach the under signed within one week of the receipt of this letter (as per Clause F3.1 of instructions to Tenderers ITT).

2. You shall ensure full compliance with Tax Laws and labour laws of India with regards to this contract and you shall be solely responsible for the same. You shall keep the employer fully indemnified against your liability of tax, interest, penalty etc. in respect thereof, which may arise.

3. Contractor shall provide tax invoice as per GST act and rules for releasing payments time to time.

4. The 'Notice to Proceed' shall be seven days from issue date of this letter i.e. 29/12/2020 and the work shall be completed in 02 (Two) months from 29/12/2020.

5. **PM/NJF** of this organisation will be the Engineer for this contract.

6. You are requested to contact **PM/NJF** immediately for further necessary action in this matter and to start the work.

1/2

7. It is requested to submit PBG as per clause F5.1 of ITT and DMRC latest circular no 21/2020 dated 04.12.2020 (Four pages Copy enclosed) , **wherein contractor has been given an option to submit performance Security for an amount of 3% of Contract value valid up to 6 months beyond the defect liability period in place of existing provisions of GCC of tender document .**

8. It may pleased be noted that until a formal agreement is executed, this letter will constitute a binding Contract between you and DMRC. Please take necessary action as required vide Clause Nos. F4 and F5 of instructions to Tenderers (ITT) regarding signing of agreement and submission of performance security.

Thanking you,

Yours faithfully,

22/12/2020

(Gabdu Ram Choudhary)
Project Manager/NJF

Encl: (i) Copy of DMRC circular no 21/2020 dated 04.12.2020 (Four pages)

(ii) One copy of this letter in duplicate

DELHI METRO RAIL CORPORATION LIMITED

No. DMRC/20/III-502/2018 Date: 04.12.2020

Circular No. 21/2020

Sub.: Relaxation in Performance Security due to Covid-19 pandemic in DMRC Contracts

Ref:
(i) Clause 4.2.1 of GCC (Nov 2019)
(ii) DMRC Circular No. 03/2020 dated 24.01.2020
(iii) DMRC Circular No. 12/2020 dated 26.06.2020
(iv) MoHUA Letter No. K-14011/03/2020-MRTS-Coord(E-9086215) dated 18.11.2020

1.0 Vide above ref. (i) & (ii), amount of Performance Security in DMRC Contracts has been laid down. Also vide ref. (iii) above, a one-time relief was granted due to Covid-19 pandemic in all the on-going DMRC Contracts to release Performance Security proportional to the value of supplies made/contract work completed, up to the start of lock down period i.e. 24.03.2020.

2.0 Now vide ref. (iv) above, Ministry of Housing and Urban Affairs (MoHUA) has forwarded Ministry of Finance O.M. No. F.9/4/2020-PPD dated 12.11.2020 in which it has been decided to reduce Performance Security from existing 5-10% to 3% of the value of the contract for all existing contracts and for all tenders/contracts issued/concluded till 31.12.2021 on account of slowdown in economy due to Covid-19 pandemic. In such cases, the reduced percentage of Performance Security shall continue for the entire duration of the contract and there should be no subsequent increase in Performance Security even beyond 31.12.2021. Also O.M. emphasize that the benefit of reduced Performance Security will not be given in the contracts under dispute wherein arbitration/ court proceedings have been already started or are contemplated.

3.0 Hence, it has been decided to reduce the amount of Performance Security to 3% of Contract value in all existing DMRC Contracts and also for all already floated tenders and for all future DMRC tenders issued till 31.12.2021 as per table below:

S.No	Description	Amount of Performance Security	Remarks
1.	For all already floated tenders and all future DMRC tenders issued till 31.12.2021	3% of Contract value	Suitable Clause to be added in SCC against Clause 4.2.1 & 4.2.3 of GCC (Nov 2019) as per **Annexure-I**.
2.	For all tenders which are under evaluation and all existing Contracts where LOA has been issued but Contract Agreement has not been executed so far	3% of Contract value	Contractor shall be given an option to submit Performance Security for an amount of 3% of Contract value valid up to 6 months beyond the Defect Liability Period in place of existing provisions of GCC of tender document.
3.	For all existing Contracts under execution	3% of Contract value	On receipt of request of Contractor for reduction of Performance Security, the concerned CPM/HOD shall write to the concerned bank for reduction of PBG of 10% of Contract Value to 3% of Contract value valid up to 6 months beyond the Defect Liability Period. It may be noted that where Contractor has submitted two PBGs as per Clause 4.2.1 of GCC (May/Nov 2019), PBG for an amount of 5% of Contract Value valid up to 6 months beyond the date of completion of work shall be released to the Contractor and letter for reduction of PBG of 5% of Contract Value to 3% of Contract value valid up to 6 months beyond the Defect Liability Period shall be written by the concerned CPM/HOD to the concerned bank. Sample format of letter to the concerned bank is enclosed as **Annexure-II**.

Rkgupta 04/12/20

			Further, it may also be noted that where Contractor has chosen option for deduction of retention money from RA Bills against 5% of Performance Security, no retention money shall be deducted and if any retention money has already been deducted, same shall be released to the Contractor. However, in all the cases, it has to be ensured that PBG of 3% of Contract value valid up to 6 months beyond the Defect Liability Period is available with DMRC. It may also be noted that this benefit of reduced Performance Security will not be given in the Contracts under dispute wherein arbitration/ court proceedings have been already started or are contemplated.

Note: In all the existing Contracts under S.No.2 & 3 above,

i. Relaxation in Performance Security is to be extended after the approval of tender accepting authority and in case of MD being the accepting authority, it should be done with the approval of concerned Director.

ii. The reduced Performance Security of 3% of Contract value shall be returned only after the issue of Performance Certificate and there will not be any reduction or part release after completion of work.

4.0 It may be noted that in all the above cases, the reduced percentage of Performance Security shall continue for the entire duration of the Contract and there should be no subsequent increase in Performance Security even beyond 31.12.2021.

5.0 It may be noted that where ever there are compelling circumstances to ask for Performance Security in excess of 3%, the same shall be done only with the approval of authority one level above the tender accepting authority or the Secretary of the Ministry of Housing and Urban Affairs (MoHUA), whichever is lower. Specific reasons justifying the exception shall be recorded.

6.0 These instructions will be applicable for all kinds of procurements viz. Goods, Consultancy, Works, non-consulting Services etc.

This is issued with the approval of MD.

Encl: Annexures-I and II.

RKGupta
04/12/20

(R. K. Gupta)
Sr.GM/Contract

1. All EDs, PDs, CGMs, HODs, CPMs, CVO & GM/Legal
2. GM/IT: For uploading on intranet please

Copy to:

1. DP, DW, DF, DE, DBD, DO & DRS.
2. OSD to MD- For kind information to MD please.

For all already floated tenders and all future DMRC tenders issued till 31.12.2021, following Clauses to be added in SCC as follows:

Sub-Clause 4.2 **Performance Security Amount**

Sub-Clause 4.2.1 Within 30 days from date of issue of the Letter of Acceptance, the successful Tenderer shall furnish Performance Security, for an amount of three per cent of the Contract value in types and proportions of currencies in which the Contract Price is payable either in the form of a Bank Draft, FDR or in the form of a Bank Guarantee from a branch in India of a scheduled foreign bank or from a scheduled commercial bank in India acceptable to the Employer. The Performance Security shall be valid up to 6 months beyond the Defect Liability Period.

The Extension of time for submission of Performance Security beyond 30 (Thirty) days up to 60 days from date of issue of LOA may be given by the Authority who is competent to sign the Contract Agreement. However, a Penal Interest of 15% per annum shall be charged for the entire period i.e. from the date of issue of LOA to the date of submission of Performance Security. In case the Contractor fails to submit the requisite Performance Security within 60 days from the date of issue of LOA, the Contract shall be annulled duly forfeiting any dues, payable against the Contract. The failed Contractor shall be debarred not only from participating in re-tender for that work but also in any other tender of DMRC for a period of two years from date of issue of LOA. The approved form provided in the "Instructions to Tenderers documents shall be used for Bank Guarantee.

In case, if Contract is terminated due to Contractor's default in terms of GCC Clause 13.2, the full 3% Performance Security amount shall be forfeited. Shortfall amount, if any, shall be recovered by the Employer from monies due to the Contractor under the Contract including, without limitation, and the Employer shall have the power to recover any balance from monies due to the Contractor under any other Contract between the Employer and the Contractor.

In case the Contract value exceeds beyond 25% of the Original Contract Value, the Contractor shall have to submit additional Performance Security as follows:

a. If variation amount on plus side exceeds 25% of the Original Contract Value either due to Employer's variation or due to Contractor's variation, the Contractor shall submit additional performance security equal to an amount of 3% of the variation amount exceeding 25% of the Original Contract Value.

b. No additional Performance Security will be required to be submitted if the variation amount on plus side is within 25% of the Original Contract Value.

Sub-Clause 4.2.3 **Release**

The Performance Security shall become due and shall be paid to the Contractor on signing of the Performance Certificate after the expiry of the final Defect Liability Period as per Clause 10.9 of GCC.

Rkgupta
04/12/20

Annexure-II

Sample format

File No. xx **xx.xx.2020**

To

The Manager

xxx Bank Ltd.

xxx

Sub: Reduction in value of Bank Guarantee No. xxx dated xxx in favour of Delhi Metro Rail Corporation Ltd. on request of xxx (Name of Contractor)

Ref: BG No. xxx dated xxx

In view of O.M. No. F.9/4/2020-PPD dated 12.11.2020 by Ministry of Finance, Government of India and subsequent approval of competent authority in Delhi Metro Rail Corporation Ltd., you are requested to issue amendment for reduction of the value of the above mentioned PBG to the value as mentioned below.

S.No.	BG on Account of	BG No.	Existing value	Revised value
1.	Performance Security	xxx	xxx	xxx

The copy of amendment should be sent in original to this office.

All other terms and conditions of PBG shall remain unchanged.

Please acknowledge the receipt.

(xxx)
CPM/HOD
For Delhi Metro Rail Corporation Ltd.

Copy to: xxx (Name & address of the Contractor) for information and necessary action w.r.t. your request vide letter no. xxx dated xxx

Rkgupta
04/12/20

Signature Not Verified

Digitally signed by Kumar Saurav
Date: 2020.12.23 10:18:27 IST
Location: eProcure-EPROC