

No.F.1/1/2022-PPD
Government of India
Ministry of Finance
Department of Expenditure
Procurement Policy Division

264-C, North Block, New Delhi.
2nd February, 2022.

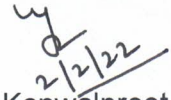
OFFICE MEMORANDUM

Subject: Amendment to General Financial Rules (GFR), 2017 to include Insurance Surety Bonds as Security Instrument.

It has been decided to partially amend Rule 170(i) and Rule 171(i) of General Financial Rules (GFR), 2017 regarding 'Bid Security and Performance Security respectively' as under:

Rule/ Para	Existing provision	Amended Rule
170(i)	The bid security may be accepted in the form of Account Payee Demand Draft, Fixed Deposit Receipt, Banker's Cheque or Bank Guarantee from any of the Commercial Banks or payment online in an acceptable form, safeguarding the purchaser's interest in all respects.	The bid security may be accepted in the form of Insurance Surety Bonds , Account Payee Demand Draft, Fixed Deposit Receipt, Banker's Cheque or Bank Guarantee from any of the Commercial Banks or payment online in an acceptable form, safeguarding the purchaser's interest in all respects.
171(i)	Performance Security may be furnished in the form of an Account Payee Demand Draft, Fixed Deposit Receipt from a Commercial bank, Bank Guarantee from a Commercial bank or online payment in an acceptable form safeguarding the purchaser's interest in all respects	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 from a Commercial bank or online payment in an acceptable form safeguarding the purchaser's interest in all respects

2. This OM is also available on website of Department of Expenditure; www.doe.gov.in -> Notification -> Circular --> Procurement Policy OM. Hindi version of this OM will follow.


2/2/22

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To
Secretaries to All Central Government Ministries/ Departments