

ORMAS

Odisha Rural Development & Marketing Society
Panchayati Raj Department & Drinking water, Govt. of Odisha

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Notification No. 02/2017-DDU-GKY (Odisha)

With reference to the Notification No. 50/2017, dated 13th September 2017 issued by MoRD, Govt. of India, it is hereby notified that henceforth, at the time of signing of MoU for a *fresh project* under DDU GKY, including Roshni & Sagarmala projects, a Project Implementation Agency (PIA) shall have to provide a *performance Guarantee from Bank for minimum value of 6.25% of the total approved cost of the project*. The PIA shall ensure that the performance guarantee from Bank shall be *valid for a period starting on / before the date of MoU signing till 180 days after the end of approved duration of the project in the State*. The performance guarantee shall be irrevocable and unconditional. Any type of Government funds which have been given to a PIA for a DDU-GKY including Roshni & Sagarmala cannot be used as a margin/collateral for performance guarantee. Any costs relating to performance guarantee from a Bank will have to be borne by the PIA concerned.

A performance guarantee from Bank merely guarantees that if the PIA fails to perform, bank will be liable to pay the agreed guarantee money to ORMAS.

In assessment of PIAs performance, the decision of ORMAS shall be the final decision for invoking a performance guarantee. However, ORMAS shall be required to issue a notice to the PIA and provide for a hearing to the PIA before such a decision is taken by ORMAS. In case of consortium, the lead partner will have to furnish the performance guarantee.

All other terms & conditions are also applicable as per the Notification No.50/2017, date 13th September 2017 of MoRD, Govt. of India.


Executive Director
ORMAS