

ANDHRA PRADESH POWER GENERATION CORPORATION LIMITED
ABSTRACT

APGENCO – Regulations – Finance Department – Treasury Financial Rules – Earnest Money Deposit (EMD) & Further Security Deposit (FSD) – Relaxation of Contractual obligations in view of COVID -19 pandemic - Adoption of GoAP orders – Issued.

G.O.O.No. 45/ CGM(Adm, IS&ERP)/2022

Dt. 03.06.2022
Read the following:-

1. G.O.No. 2451 Finance (HR-V-TFR-A & L-EWF) Deptt., dt. 07.10.2020
2. G.O.Rt.No.266, Finance(HR-V-TFR-A&L-EWF) Department, Dt.15.02.2021.
3. G.O.O.No. 605/CGM(Adm, IS&ERP)/2020, dt. 12.03.2021.
4. G.O.Rt.No.117, Finance(HR-V-TFR-A&L-EWF) Department, Dt.17.05.2022.
5. Minutes of 186th Board meeting held on 31.05.2022.

ORDER:

The GoAP has issued orders vide reference 4th cited, with regard to period of extension for relaxation of contractual obligations in the works agreements in view of outbreak of Covid-19 pandemic specifically in respect of Earnest Money Deposit (EMD) and Further Security Deposit (FSD).

2. After careful examination, the APGENCO hereby adopts the orders issued by the GoAP in G.O.Rt.No.117, Dt.17.05.2022 (copy enclosed) with regard to period of extension for relaxation of contractual obligations in the works agreements in view of outbreak of Covid-19 pandemic and for providing immediate relief to the Agencies/contractors engaged in the execution of works in APGENCO.

3. These orders are also available on APGENCO website and can be accessed at the address www.apgenco.gov.in.

(BY ORDER AND IN THE NAME OF A.P POWER GENERATION COIRPORATION LIMITED)

B. SREEDHAR
MANAGING DIRECTOR

To

All Chief Engineers // Superintending Engineers
All FA&CCAs/Dy.CCAs
The Chief General Manager (Adm, IS & ERP)

Copy to the :-

Dy.EE(T) to Managing Director/VS/VJA
AO to Director (Finance & Commercial)/VS/VJA
Dy.EE(T) to Director (Thermal)/VS/VJA
Dy.EE (T) to Director (Coal &Logistics)/VS/VJA
Dy.EE (T) to Director (Hydel)/ VS/VJA.
PO to Director (HR&IR)/VS/VJA
PA to the Asst. Company Secretary /VS/VJA
AS to Chief of Vigilance & Security/VS/VJA
All Deputy Secretaries // Assistant Secretaries
Pay Officer // Accounts Officer (CPR)/VS/VJA
Stock file.

C.No.CGM(Adm, IS&ERP)/DS(E)/AS(R)/PO(PNT&R)/46 /2021

// FORWARDED :: BY ORDER //

J. Nalin
Assistant Secretary

**GOVERNMENT OF ANDHRA PRADESH
ABSTRACT**

Finance Department – Treasury Financial Rules – Earnest Money Deposit (EMD) & Further Security Deposit (FSD) – Relaxation of certain contractual obligations in view of COVID-19 pandemic– Further Orders – Issued.

Finance (HR-V-TFR-A&L-EWF) Department

G.O. Rt. No.117

**Dt:17.05.2022
Read the following:**

- 1.G.O.No.2451,Finance(HR-V-TFR-A&L-EWF) Department, dated 7.10.2020.
- 2.Govt of India Memorandum No.F.9/4/2020-PPD, dated 12.11.2020.
- 3.Govt. Memo No. ICDO1-COOR/18/2020- Reforms, dated: 06.01.2021.
- 4.G.O.Rt.No.266, Finance(HR.V-TFR-A&L-EWF)Department, Dt.15.02.2021.
- 5.Govt of India Memorandum No.F.9/4/2020-PPD, Dt.30.12.2021.
- 6.I&I Dept. File No. INI01-PORT/113/2020-PORT(Computer No. 1286233)

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ORDER:

In the reference 1st read above, the Government have ordered for relaxation of certain contractual obligations in the works agreements relating to securities for performance & defect liabilities, with the intention to provide immediate relief to agencies/contractors engaged in the execution of works, duly keeping in view reliefs granted by Government of India & certain other State Governments, in view of outbreak of COVID-19 pandemic, & specifically with regard to the stipulations relating to the Extension of Time(EoT) & the Further Security Deposit (FSD).

2. In the Memorandum 2nd read above, the Government of India, on account of slowdown of the economy due to the COVID-19 pandemic, have issued certain further guidelines regarding the reducing of Performance Security, subject to certain conditions specified therein.

3. In the G.O. 4th read above, the Government, after careful examination of the matter have ordered to adopt the following measures for providing relief to the agencies/ contractors engaged in the execution of works in the State.

a) The EMD @ 1% of ECV shall be collected, as per the existing procedure, from all the participating bidders for fresh tenders.

b) The EMD @ 1% on Contract Value shall be collected, in the form of B.G./D.D. from the successful bidder at the time of concluding the agreement, instead of the prevailing 2.5% of contract value.

c) After receiving the EMD mentioned in (b) above from the successful bidder, the EMD collected in (a) above will be returned to the successful bidder at the time of concluding the Agreement.

d) In respect of the ongoing works/agreements, out of the EMD of 2.5 % on Contract Value collected in the form of B.G./D.D. at the time of agreement, 1.5 % on Contract Value shall be returned in the same form as it was collected i.e., B.G./D.D. to the concerned agencies/contractors.

e) During intermediate bill payments, the Further Security Deposit (FSD) shall be collected @ 2% instead of the existing 7.5 % or any other specific percentage mentioned in the agreement, in the form of cash on the value of work done from the agencies/contractor's running account bill, & that the FSD shall not be released in exchange of B.G.s.

f) The amount of FSD accumulated to 2% on Contract Value at the end of final bill & the 1% EMD in the form of B.G./Cash/DD will be returned to the agency/ contractor on the successful completion of the Defect Liability Period (DLP)/ maintenance period (+) 28 days' grace period from end of DLP /maintenance period (or) from the date of check measurement of the rectification plus 28 days of grace period in case the defect rectification is completed beyond the DLP / maintenance period.

g) The aforesaid reliefs are applicable to all the existing agreements in force and the fresh agreements concluded till 31st December 2021 and such relief would continue to apply till the closure of the contract or till 31-03-2023, whichever is earlier.

4. Further, In the Memorandum 5th read above, the Government of India have decided to extend the validity of the earlier Office Memorandum issued in the matter till 31-03-2023 on account of the slowdown of the economy due to COVID – 19 pandemic.

5. In the reference 6th read above, the I&I Department, GoAP has requested that the aforementioned relief be made applicable to all the existing agreements in force & the fresh agreements concluded till 31st December 2021 & such relief continue to apply till the closure of the contract or till 31-03-2023.

6. Government, after careful examination of the matter, & in continuation to the orders issued in the reference 4th read above, hereby order that the reliefs granted in the reference 4th read above be made applicable to all existing agreements in force & the fresh agreements concluded till 31st March 2023 & that such relief be continue to apply till the closure of the contract or till 31-03-2024, whichever is earlier.

7. The usual procedure of collecting the EMD @ 2.5% (1+1.5%), as per G.O.No.94, I&CAD Department, dated 1-7-2003 shall be restored w.e.f. 01-04-2023 for new works i.e., works for which agreements are concluded on or after 01-04-2023.

8. The recovery of FSD @ 7.5% on the value of the work done or any other specific percentage mentioned in the agreement shall be restored for the works for which agreements are concluded on or after 01-04-2023.

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9. The relief/s provided by this order shall not be made applicable to contracts which are under dispute or wherein arbitration/court proceedings have commenced or are contemplated. Agreements ordered to be closed on mutual consent basis can be given this relief. All the concerned D.D.O.s shall append a certificate to this effect while extending the relief measure/s & the P.A.O.s concerned shall ensure the same prior to releasing the balance EMD /FSD & any deviation will be viewed seriously.
10. The relief/s extended vide this order is subject to be revoked/modified, as & when found warranted by the Government.
11. The relief/s provided by this order are applicable to the L.S./E.P.C./E.A.P/etc., contracts entered into with agencies/contractors by all Departments, Public Sector Undertakings, Societies, Universities, Local Bodies and all other Institutions of the Government of Andhra Pradesh.
12. All the Secretaries of the Departments, the Heads of Departments, the Director of Works Accounts, the Director of Treasuries, the Pay & Accounts Officer shall take further necessary action in terms of this order.
13. The Chief Executive Officer, A.P.C.F.S.S. shall make necessary changes in the CFMS software to facilitate the extending of the reliefs provided in this order.
14. A copy of this order is available online at apegazette.cgg.gov.in.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADSEH)

SHAMSHER SINGH RAWAT
SPECIAL CHIEF SECRETARY TO GOVERNMENT

To

All the Departments of Secretariat.

All the Heads of the Departments.

The Director of Works Accounts, A.P. The Director of Treasuries, A.P. The Pay & Accounts Officer, A.P.

The Chief Executive Officer, APCFSS, Ibrahimpatnam

Copy to:

The Secretary to the Hon'ble Chief Minister

The OSD to Hon'ble Finance Minister.

The OSD to Chief Secretary.

The Private Secretary to the Spl.Chief Secretary to Government, Finance Department.

The Accountant General, A.P.

SF/SCs (1289564)

//FORWARDED::BY ORDER//

N. Praveen
SECTION OFFICER
17/11/22