



ಬೆಂಗಳೂರು ನೀರು ಸರಬರಾಜು ಮತ್ತು ಒಳಚರಂಡಿ ಮಂಡಳಿ
BANGALORE WATER SUPPLY AND SEWERAGE BOARD

Office of the Executive Engineer, (K-3) Division, T.K.Halli – 571 421,
Malavalli Taluk, Mandya District.

No. BWSSB/EE(K-3)/AEE(K-3)-2/AE/1175/2021-22, Dated: 06/08/2021.

To,
ACE(K-2),
BWSSB.

Sub: JICA Assisted Bengaluru Water Supply and Sewerage Project (Phase 3)
[Cauvery Water Supply Scheme (CWSS) Stage V] – Procurement of
Design/Engineering, Construction, Commissioning of 775 MLD Water
Treatment Plant at T.K.Halli with Seven (7) Years of Operations and
Maintenance (Contract Package – BWSSP(III)/JICA/CP-02).
Reg: Reduction in Performance Bank Guarantee.

Ref: 1) SITW/BWSSB/TKHWTP/2020/114, Dt: 26.05.2021.
2) ONTB/BWSSB/BWSSP(III)/CP-02/2021/2306, Dtd: 08.07.2021.
3) BWSSB/CE(K)/ACE(K)-1/2/TA-10/11/452/2021-22, Dtd: 14.06.2021.

With reference to the above, the contractor have requested for reduction in the performance bank guarantee for the above said project vide reference (1). Where in contractor have requested to reduce the performance bank guarantee to 3% from 10% as per the Government of India, Ministry of Finance, Office Memorandum No.F9/4/2020-PPD dated 12th Nov 2020.

The proposal for reduction of performance security Bank Guarantee on case to case basis based on progress of work was placed before the board of BWSSB on 18.02.2021, upon approval; it was forwarded to JICA for their concurrence. JICA vide their letter dated 24.03.2021, provided their concurrence for relaxation of the performance security deposit on case by case basis, which is also in line with OM issued by the GOI.


M/s. ONTB Consultants have recommended the relaxation of Performance Security Bank Guarantee from the current 10% to 3% of Accepted Contract value if physical progress is near to the target value vide letter cited under ref (2).

Now as per the proceedings of progress review meeting held on 7th July 2021 in T.K.Halli. Hon'ble Chairman expressed displeasure that there is abnormal delay in submission of Design and Drawing documents in the said package and instructed the contractor to submit the pending documents and instructed to issue a notice for slow progress of work.

The physical progress of the contract package CP-02 is 9.9% as against the target value of 16.8%. The quantum of the progress has to be increased to meet the milestone deadlines and approved construction program as specified in the contractual agreement.

In view of the above, in the current scenario, where the progress of package CP-02 is very less compared to target value, the proposal of the contractor of Reduction of Bank Guarantee from 10% to 3% may not be considered.

This is for your kind perusal and further needful


Executive Engineer
(K-3) Division, BWSSB,
T.K.Halli - 571 421.

Encl: Copy of ONTB letter.

- 1) Copy submitted to Team Leader, M/s ONTB Consultants for information.
- 2) Copy submitted to M/s SIPL & TWSPL for information.

BWSSP (PHASE-3), STAGE - V	
Date Recd.	31/08/2021
Chrono In No.	ONTB-6153
File Name	CP-02
File No.	02
Copies To	yathish/pk

Circulate to & Then to File	
Action By	
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