

CIRCULAR

Sub-Standardization of Interest rate in clause for Mobilization Advance.

Ref :- Docket File No.04/2023/SE(NAINA & Metro) /E-209318.

CIDCO's Competent Authority has accorded approval to the Guidelines for Implementation of standardization of interest rate in the clause for Mobilization Advance in bid document. The modified clause of Mobilization Advance shall be as under:

MOBILIZATION ADVANCE

Mobilization Advance equivalent up to 10 % of Contract Sum against submission of Bank Guarantee from Scheduled bank at the issuance of work Order and signing of Contract agreement will be paid by the Employer. The recovery of Mobilization Advance will start from 1st monthly payment onwards on pro-rata basis in such a way that total Mobilization advance to get recovered by the time 80% of the work is completed. Interest at the rate equal to prevailing SBI MCLR (Marginal Cost of the Fund-Based Lending Rate) + 3% shall be charged on Mobilization Advance. The Contractor to submit a Bank Guarantee of equivalent amount as per enclosed proforma valid for contract period and Bank Guarantee shall be released on recovery of equivalent advance.

All SEs and EEs are requested to take note of the Circular and start implementation with immediate effect.

Issued with approval of Competent Authority.


(P.S. Phulari)
Superintending Engineer (HQ)
Emp. No. 32897

To,

All SEs & EEs

c.c. to :

CE(NM)/CE(NMIA)/CE(SP)/CGM(T&A)/ACE(I)/ACE(II)/ACE(III):-for information please

cc to : CAO/FA

cc to : PS to VC & MD

PS to JMD-I

PS to JMD-III