

[ADVICE & INSTRUCTION TO THE PRINCIPAL EMPLOYER, PROPRIETORS / DIRECTORS]

1. In case the Principal Employer does not contact DGR sponsored agencies / companies / corporation within 30 days of signing of the Sponsorship Letter, then the DGR sponsored agencies should establish contact with the Principal Employer.
2. **Tendering.** On the basis of Sponsorship Letter the Principal Employer would carry out **limited tendering** by inviting technical and / or commercial quotes from DGR **sponsored** agencies / companies / corporations **only**. DGR **empanelled** agencies / companies are not eligible for participating in the Tender Enquiry directly i.e. **without DGR sponsorship**. In case the Principal Employer calls for e-tendering, the **DGR sponsored** agencies / companies / corporations are to be in possession of **Digital Tokens**. **DGR Sponsored security agencies do not require minimum experience, minimum turnover and charges for tender document.**
3. **Commercial Quote.** While prospective service providers are free to quote the price for service(s) outlined in the Tender Enquiry by the Principal Employer, **the price so quoted shall not be below the promulgated minimum rates in accordance with DGR Wage Notifications**. The Security Agency will be **paid service charges @ 14 % of the total bill** by the Principal Employer. The expenses towards GST / any other statutory taxes will be borne by the Principal employer as per prevailing rates. The costing by these service providers is to factor all quality expectations outlined in the Tender Enquiry and the Office Memorandum No 28(3)/2013-D(Res-I) dated 09 July 12 (as amended vide 28(3)/2012-D(Res-I) on 16 Jan 13) issued by GoI/MoD. The prospective service providers are encouraged to survey the environment to assess the realistic cost of delivering the expected services in effective and efficient manner.
4. ***In the eventuality of all the DGR sponsored Agencies quoting the same rates, the Principal Employer will award the contract to the senior most sponsored Agency.*** The order of seniority of sponsored agencies / private limited companies / corporation has been **indicated in the sponsorship letter**.
5. **Tender Closure Report :** The Principal Employer **as well as** the agency / company / corporation are to intimate the DGR of the outcome of the sponsorship within 30 days from the expiry of the validity of the sponsorship letter. (vide Para 23 (a) of Office Memorandum No 28(3)/2013-D(Res-I) dated 09 July 12 and amendments to Office Memorandum No. 28(3)/2012-D(Res-I) dated 16 Jan 13) **(Tender Closure Report : Format available on DGR Web Site)**
6. ***In case the Principal Employer or the proprietors/directors fail to inform the DGR of the outcome of the sponsorship as mentioned above, further sponsorship in their respect will not be done till compliance.***
7. The Proprietor / Director of the agency /company awarded the contract should produce the following in person at the time of signing of the contract, and the Principal Employer will verify the same:-
 - (a) Copy of the DGR Sponsorship Letter
 - (b) Original copy of DGR Empanelment Certificate (with photograph and signature of Proprietor/Directors).
 - (c) PSARA License for the State of operation of the security agency.
 - (d) All other documents as stipulated in the tender document.
8. **The proprietor will present himself in person for all dealings with Principal Employers. No dealing through representatives on Power of Attorney are permitted (refer Para 25(d) of the OM dated 09 Jul 2012).** Further, holder of Power of Attorney / representative of Proprietor / Director is not authorised to conclude the contract with the Principal Employer.
9. The ESM will submit Notarized Rent Agreement for office space in the local area **within 30 days of the award of first contract**. The office should be set up in an authorized area manned during the office hours, have landline telephone and fax (vide Para 11 of GoI/MoD Office Memorandum No 28(3)/2013-D(Res-I).
10. ***At least 90 percent ESM will be employed by the individual ESM and 100 percent by the State ESM Corporations as per Para-14(a) of the Office Memorandum No 28(3)/2012-D(Res-I) GoI, MoD dated 09 Jul 2012.***
11. **In addition to the above all instructions of the Office Memorandum No 28(3)/2012-D(Res-I) GoI, MoD dated 09 Jul 2012 and its subsequent amendment issued vide Office Memorandum No 28(3)/2012-D(Res-I) GoI, MoD dated 16 Jan 2013 should be strictly followed.**
12. **Principal Employers are requested to include an option clause for extension of contract in accordance with Para 19 of GOI MoD OM.**
13. **All security agencies mentioned in a sponsorship letter are bound to participate in the tendering process carried out by the PSU for award of contract. Administrative action will be taken by DGR against all those security agencies who did not participate in the tendering process.**
14. **Earnest Money Deposit / Contract Performance Guarantee (CPG) / Bank Guarantee :** DGR sponsored ESM are not required to deposit Earnest Money Deposit (EMD). However depending on the nature of service being provided a DGR sponsored ESM may be asked to deposit EMD/CPG or Bank Guarantee up to a maximum limit not exceeding 10 percent of One month's wage bill. The same will be deducted from the ESM's Monthly service charges in instalments as mutually agreed by the ESM and the Principal Employer.