

**GOVERNMENT OF MANIPUR
SERETARIAT FINANCE DEPARTMENT
(Finance Expenditure)**

OFFICE MEMORANDUM

Imphal, the 14th January, 2021

No. FX-3/1/2021-e-FD: It has come to the notice of the Finance Department that many works which have been taken up are being awarded through Restricted Tender or Limited Bidding. This has also raised concerns with the Accountant General, Manipur and the same has been reflected in the Performance Audit Report (2017-18).

2. The matter was taken up to the State Cabinet on 12/10/2019, wherein it was decided to constitute a Committee to review the system of restricted tender in the State. The Committee, in its review report dated 14/11/2019, pointed out various provisions laid down in the General Financial Rules (GFR) 2017 and Central Public Work Development (CPWD) Works Manual 2019 and Standard Operating Procedures (SoP) for Works Manual 2019 under which conditions restricted tender is resorted to. It also further recommended that Restricted Tender, if required, should be resorted to strictly by abiding the provisions under Sub-Para 4.5.1 of the CPWD Works Manual 2019 and following the Standard Operating Procedures (SoP) for Works Manual 2019 of the Directorate General of CPWD, Ministry of Housing and Urban Affairs, Government of India and also by adhering to the provisions in this regard contained in the General Financial Rules (as amended from time to time).

3. The report of the Review Committee was further placed before the State Cabinet on 15/10/2020. The State Cabinet reviewed the system of Restricted Tender and reiterated that all financial norms for procurement of goods and services, and for award of contracts, shall be scrupulously followed.

4. In pursuance of the decisions taken by the State Cabinet on 15/10/2020, all Departments are requested to strictly adhere to the provisions laid down as follows, while commencing or executing a work:

a) Rule 136 Sub Rule 1 of GFR 2017:

Rule 136(1): No works shall be commenced or liability incurred in connection with it until:

- (i) Administrative approval has been obtained from the appropriate authority in each case.

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- (ii) Sanction to incur expenditure has been obtained from the competent authority.
- (iii) A properly detailed design has been sanctioned; while designing the projects etc, principles of Life Cycle cost may also be considered.
- (iv) Estimates containing the detailed specifications and quantities of various items have been prepared on the basis of the Schedule of Rates maintained by CPWD or other Public Works Organisations and sanctioned.
- (v) Funds to cover the charge during the year have been provided by competent authority.
- (vi) Tenders invited and processed in accordance with rules.
- (vii) A Work Order issued.

b) Rule 136 Sub Rule (2) of GFR 2017

- (i) On grounds of urgency or otherwise, if it becomes necessary to carry out a work or incur a liability under circumstances when the provisions set out under Sub Rule 1 of Rule 136 cannot be complied with, the concerned Executive Officer may do so on his own judgement and responsibility. Simultaneously, he should initiate action to obtain approval from the competent authority and also to intimate the concerned Accounts Officer.

c) Rule 137 Sub Rule (2) of GFR 2017

Rule 137: For purpose of approval and sanctions, a group of works which forms one project, shall be considered as one work. The necessity for obtaining approval or sanction of higher authority to a project which consists of such a group of work should not be avoided because of the fact that the cost of each particular work in the project is within the powers of such approval or sanction of a lower authority. This provision, however, shall not apply in case of works of similar nature which are independent of each other.

d) Rule 139 Sub-Rule (iv) and Sub-Rule (v) of GFR 2017: Procedure for Execution of Works.

Rule 139(iv): Open tenders will be called for works costing Rs. Five lakh to Rs. Thirty lakh;

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Rule 139(v): Limited Tenders will be called for works costing less than Rupees five lakhs;

e) Clause 4.5.1 of CPWD Manual 2019

- (i) Restricted tenders of any value can be called with the prior approval of the Competent Authority as per delegation of financial powers, with recorded reasons. Tenders invited from CPWD registered contractors or through Two/Three Bid system shall not constitute to be restricted tenders. Works falling in the category of restricted tenders and procedure for preparation of restricted list of contractor is given in the Standard Operating Procedures (SOP 4/2) for CPWD Manual 2019.
- (ii) SOP No. 4/2: Restricted tenders are normally resorted under the following conditions with prior approval of DG, CPWD or any other authority designated by CPWD Directorate:
 - (a) The work is required to be executed with very great speed, and not all contractors are in a position to generate.
 - (b) The work is of special nature requiring specialized equipment, which is not likely to be available with all contractors.
 - (c) Where the work is of secret nature and public announcement is not desirable.
 - (d) Where the list of pre-qualified contractors is required to be shortened to a suitable limited number.
 - (e) For maintenance of VIP residences/ important buildings as decided by competent authority designated by the CPWD Directorate.
 - (f) Other exigencies of the work demanding for restricted tenders.

f) Clause 3.5.5 Sub-Clause (ii) of the Manual for Procurement of Works, 2019: Terms and Conditions for Limited Tender Enquiry

Clause 3.5.5 (ii): Copies of the bidding documents should be sent free of cost (except in case of priced specifications/drawings) directly by speed post/courier/e-mail to firms which are enlisted bidders/contractors. Further, Procuring Entity should also mandatorily publish its limited tender enquiries on Central Public Procurement Portal (CPPP). Apart from CPPP, the organisations

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should publish the tender enquiries on the Department's or Ministry's web site. The unsolicited bids, if any should not be accepted; however Ministries/Departments should evolve a system by which interested firms can enlist and bid in next round of tendering. However, under the following exceptional circumstances, these may be considered for acceptance at the next higher level of competency:

1. Inadequate Competition;
2. Non-availability of suitable quotations from enlisted bidders;
3. Urgent demand and capacity/ capability of the firm offering the unsolicited being known etc.

5. Other than in the circumstances and in the prescribed procedure as indicated above along with other relevant provisions in the GFR and CPWD Manual, as amended from time to time, no Department or Agency/Body under the State Government shall resort to Restricted/ Limited Tender for award of works.

6. This issues with the approval of the Competent Authority.



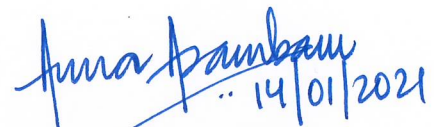
(Dr. Rajesh Kumar)
Chief Secretary (Finance)
Government of Manipur

Memo No: FX-3/1/2021-e-FD

Imphal, the 14th January, 2020

Copy to:

1. Secretary to the Chief Minister, Manipur.
2. PPS to Deputy Chief Minister (i/c Finance), Manipur.
3. PPS to all Ministers, Manipur.
4. Staff Officer to the Chief Secretary, Government of Manipur.
5. All Administrative Secretaries, Government of Manipur.
6. Principal Accountant General, Manipur.
7. All Heads of Department, Manipur.
8. All Officers of Finance Department.



(Anna Arambam)
Joint Secretary (Finance)
Government of Manipur