

Office of the CGDA, West Block-V, R.K.Puram, New Delhi-66

Pr. IFA Wing

INSTRUCTION NO. 1 OF 2007

No. PIFA/Gen Corr/IFA EC

Dated: 26th Feb. 2007

To

All IFAs

All PCsDA/CsDA doing IFA work

Subject: Limited Tender Enquiry – Telephone Administration Grant (TAG).

Para 19 of TAG SOP stipulates that, while ensuring adequate competition, limited tendering to short listed vendors of repute (preferably OEMs or their authorized dealers) irrespective of value, will guide procurements under TAG. DPM-2006 para 4.3(i) & 4.3(ii) however provide as follows:

Limited Tender Enquiry

4.3 (i) This method may be adopted when estimated value of the goods to be procured is up to Rupees Twenty-five Lakhs. Copies of the bidding document should be sent directly by speed post/registered post/courier/e-mail to firms which are borne on the list of registered suppliers for the goods in question as referred under Rule 142 above. The number of supplier firms in Limited Tender Enquiry should be more than three. Further, web based publicity should be given for limited tenders. Efforts should be made to identify a higher number of approved suppliers to obtain more responsive bids on competitive basis.

4.3 (ii) Purchase through Limited Tender Enquiry may be adopted even where the estimated value of the procurement is more than Rupees twenty five lakhs, in the following circumstances.

- (a) The competent authority in the Ministry or Department certifies that the demand is urgent and any additional expenditure involved by not procuring through advertised tender enquiry is justified in view of urgency. The Ministry or Department should also put on record the nature of the urgency and reasons why the procurement could not be anticipated.

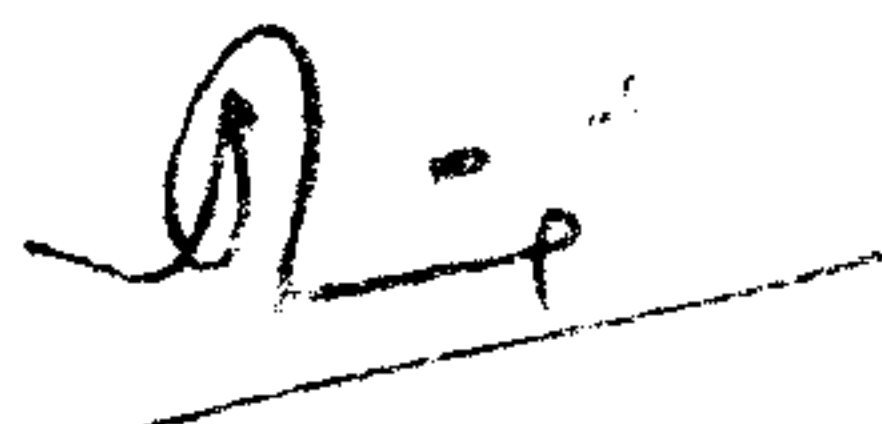
(b) There are sufficient reasons, to be recorded in writing by the competent authority, indicating that it will not be in public interest to procure the goods through advertised tender enquiry.

(c) The sources of supply are definitely known and possibility of fresh source(s) beyond those being tapped, is remote.

2. One of the IFAs has raised a doubt as to whether the provisions of para 19 of TAG SOP will continue to operate or the provisions of DPM-2006 para 4.3(i) & 4.3(ii) will prevail.

3. In this connection, it is clarified that provisions of para 4.3(i) and 4.3(ii) of DPM-2006 will prevail over para 19 of TAG SOP in accordance with the provisions of para 1.14 of DPM-2006, which clarifies that practices and procedures not in accordance with the provisions in the DPM will stand modified by those contained in DPM-2006. However, in urgent cases, on Merit (with the approval of CFA and IFA), Para 4.3 (ii) of DPM-2006 contains enabling provision for purchase through LTE even where the estimated value of the procurement exceeds Rs. 25 lakh. At the same time, open tendering remains the preferred mode for procurement for common use items of generic or commercial specifications to ensure adequate competition.

4. Pr.IFA has seen.


(Varghese Mathew)
By.IFA