

**Government of Haryana**  
**Finance Department**

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To be substitute bearing same number and dated

No. 14/26/2023-6FA

From

The Additional Chief Secretary to Government of Haryana,  
Finance Department

To

1. All the Administrative Secretaries to Government Haryana.
2. All the Heads of Departments, Statutory Bodies, Boards and Corporations.
4. The Registrar General, Punjab & Haryana High Court, Chandigarh.
5. All the Commissioners of Divisions, Ambala, Karnal, Faridabad, Gurugram, Hisar and Rohtak.
5. All the Deputy Commissioners and Sub Divisional Officers (Civil) in Haryana.
6. All the Chief Principal Secretary, Principal Secretary and Additional Principal Secretary/Officers on Special Duty/Senior Secretaries/Secretaries/ Private Secretaries for the information of Hon'ble Chief Minister, Deputy Chief Minister and Ministers of Haryana State.

Dated:10.05.2023

**Subject:-** Negotiation policy of the State for execution of Works by Contracts.

Sir,

I am directed to invite your kind attention to the subject noted above and inform that the State Government in Finance Department Haryana vide notification bearing no.11/25/2023-1FR/2478 dated 03.02.2023 published in Haryana Government Gazette, had finalized Departmental Financial (Haryana Amendment) Rules 2023. Vide the said notification, clarity had been provided about the Competent Authority to whom powers are delegated, nature of power and extent of power for consideration and finalization of all type of works by contract.

1. Subsequently the State Govt. vide its order no. 14/26/2023-6FA dated 10.05.2023 had notified negotiation policy of the State for Procurement of Works by Contract.
2. The matter regarding providing uniformity of procedures with regard to price discovery on the basis of L<sub>1</sub> rates and negotiations, if any, required in respect of all types of procurements of Goods & Stores (both Fixed Purchase and Rate Contract), Turnkey, Services and Works by Contract being made by the State has been under consideration of the State Govt. ever since then.
3. The matter has been considered and the negotiation policy of the State for Procurement Works by Contract as notified vide order no. 14/26/2023-6FA dated 10.05.2023 is substituted as under:-

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The price discovery for cases related to execution of Works by Contract by all Government Departments will be decided as under:-

Sr. No.	Nature of power and Extent	To whom delegated and to the extent as provided in Column No. 4 of the notification dated 03.02.2023	Procedure of negotiation in respect of procurements of Works by Contracts
1.	2.	3.	4.
1.	To accept tenders for the execution of all types of works by contract Up to Rs. 25.00 Lakh for each work	(i) Sub Divisional Engineer (ii) Executive Engineer (iii) Superintending Engineer	The price discovery for cases related to procurement of Works by Contract be determined based on the rates quoted by the L1 bidder if the quoted rates are found to be reasonable by the Indenting Department/ Organization, and negotiations, if any, held with the lowest bidder (L1) only. The competent authority will ensure the reasonability of rates while finalizing the procurement.  <i>Note: Applicable for Sr. No. 1,2,3,4 and 5(i).</i>
2.	To accept tenders for the execution of all types of works by contract More than Rs. 25.00 Lakh but upto Rs.1.00 Crore for each work-	(i) Executive Engineer (ii) Superintending Engineer (iii) Chief Engineer	
3.	To accept tenders for the execution of all types of works by contract More than Rs. 1.00 Crore but upto Rs.3.00 Crore for each work-	(i) Superintending Engineer (ii) Chief Engineer (iii) Tender Allotment Committee consisting of Head of Department as Chairman, Chief Engineers and Chief Accounts Officer as its Members	
4.	To accept tenders for the execution of all types of works by contract More than Rs. 3.00 Crore but upto Rs.5.00 Crore for each work-	(i) Chief Engineer (ii) Head of Department (iii) Tender Allotment Committee consisting of Head of Department as Chairman, Chief Engineers and Chief Accounts Officer as its Members	

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5.	To accept tenders for the execution of all types of works by contract More than Rs. 5.00 Crore but upto Rs.10.00 Crore for each work-	(i) Administrative Secretary (ii) Committee consisting of Minister-in-Charge as Chairman, Administrative Secretary and Head of Department as its Members.	The price discovery for cases related to procurement of Works by Contract may be generally determined based on the rates quoted by the L1 bidder if the quoted rates are found to be reasonable by the Indenting Department/ Organization, and negotiations, if any, held with the lowest bidder.  A. However, negotiation could be held upto four number of such bidder(s), in addition to L1 bidder in cases where there are bidders falling within 5% of the L1 bidder. In cases where the L1 bidder refuses to further reduce his offered price and any of the four bidders come forward to offer a price which is better than the price offered by L1 bidder, the bidder whose price is accepted becomes the L1 bidder.  However, in such a situation, the original L1 bidder may be given one more opportunity to improve upon the discovered price. In case, the original L1 bidder further improve upon the price discovered during the negotiations, he would be treated as the L1 bidder.  B. In cases where there is no bidder within 5% of the L1 bidder:-  (i) L2 bidder will be invariably called for negotiation in addition to the L1 bidder.  (ii) L3 bidder will also be called, if it is so decided by the Minister-in-Charge, in addition to L1, L2 bidders.  <i>Note: Applicable for Sr. No. 5(ii), 6 and 7.</i>
6.	To accept tenders for the execution of all types of works by contract More than Rs. 10.00 Crore but upto Rs.15.00 Crore for each work-	(i) Minister-in-Charge (ii) Committee consisting of Chief Minister as Chairman, Minister-in-Charge, Administrative Secretary and Head of Department as its members as notified vide order No. 14/16/2023-6FA (S&D) dated 05.04.2023.	
7.	To accept tenders for the execution of all types of works by contract More than Rs. 15.00 Crore for each work-	Committee consisting of Chief Minister as Chairman, Minister-in-Charge, Administrative Secretary and Head of Department as its members as notified vide order No. 14/16/2023-6FA (S&D) dated 05.04.2023.	

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The above instructions may be brought to the notice of all concerned for its implementation with immediately effect.

  
Superintendent Finance Accounts,  
for Additional Chief Secretary to Government of Haryana,  
Finance Department. *SS*

Endst No.14/26/2023-6FA

Dated *2/6/23*

A copy is forwarded to the following for information and further necessary action:

1. The Principal Accountant General (A&E/Audit), Haryana, Chandigarh
2. The Director General, Supplies & Disposals Department, Haryana, Panchkula.
3. The Director, Treasuries and Accounts Department, Haryana, Chandigarh.

  
Superintendent Finance Accounts,  
for Additional Chief Secretary to Government of Haryana,  
Finance Department. *SS*

✓ cc:-  
In-Charge, Computer Cell (FD).