संघ राज्य प्रशासन, लद्दाख
वित्त विभाग

सत्यमेव जयते

THE ADMINISTRATION OF
UNION TERRITORY OF LADAKH
FINANCE DEPARTMENT

F. No. G/1139/2026 (E-54275)/ 689-99

ई-मेल/email: directorat@ladakh.gov.in

यूटी सचिवालय, लेह/UT Secretariat, Leh

Dated: 16 .11.2026

Subject: **Mandatory examination of Abnormally Low Bids (ALBs) in public procurement – reg.**

Reference: (i) Department of Expenditure OM No. F.2/22/2026-PPD dated 09.11.2026.
(ii) Finance Department Circular No. 16-F of 2026 dated 29.07.2026.

Order No. 695 -F of 2026
Dated: 16 .11.2026

1. Attention is invited to the Office Memorandum (OM) referred at (i) above (copy enclosed), whereby the Department of Expenditure has amended para 7.6.7 of the Manual for Procurement of Goods, 2024 on Abnormally Low Bids (ALBs), and has extended the amendment to para 8.5.7 of the Manual for Procurement of Consultancy Services, 2025, para 7.4.8 of the Manual for Procurement of Non-Consultancy Services, 2025 and para 6.4.8 of the Manual for Procurement of Works, 2025. Under Rule 173(xvi) of the General Financial Rules, 2017, a contract is ordinarily awarded to the lowest evaluated bidder who is qualified to perform it satisfactorily.

2. In view of the OM, all Departments, Public Sector Undertakings, Autonomous Bodies and other procuring entities of the UT of Ladakh shall, with immediate effect, observe the following:

   (a) A bid quoting a price more than 30 per cent below the estimated cost shall mandatorily be examined as a potential ALB. The procuring entity shall seek written clarifications from the bidder, including detailed price analysis in relation to scope, schedule and allocation of risks.

   (b) The threshold is only a trigger for examination and not, by itself, a ground for automatic rejection. For bids within the threshold, clarifications may still be sought where the price raises material concerns about the capability of the bidder to perform the contract.

   (c) Where the bidder substantially fails to demonstrate its capability to deliver at the offered price, the bid may be rejected, and the next higher bidder shall be evaluated at its own quoted rate, if reasonable, and not by counter-offering the ALB rate.

   (d) No provision for Additional Security Deposit/Bank Guarantee for ALBs shall be kept in tender documents. Where compelling circumstances exist, such a provision may be made only with the approval of the next higher authority competent to finalize the tender or the Administrative Secretary, whichever is lower.

3. The clarifications obtained and the reasoned findings of the Tender Evaluation/Purchase Committee shall be recorded in writing and shall form part of the assessment of reasonableness of the L-1 rate under the Pre-Concurrence Checklist (Annexure-1) of the Circular referred at (ii) above.

4. **It may be noted that the above provisions regarding ALBs apply to the procurement of goods, Consultancy and Non-Consultancy Services as well as to works.**

All Administrative Secretaries and Heads of Departments shall ensure strict compliance by all procuring and executing agencies under their control.

Sd/-
Tsewang Tharchin (IA&AS)
Commissioner/Secretary, Finance Department
UT of Ladakh

Copy to the following for information and necessary action:

1. All Administrative Secretaries, UT of Ladakh.
2. Director General of Police, UT of Ladakh.
3. All Heads of Departments, UT of Ladakh.
4. Deputy Commissioners, Leh, Kargil, Changthang, Nubra, Zanskar, Drass, Sham and Sankoo.
5. Technical Director, NIC Ladakh, for uploading on the website.
6. Pay and Accounts Officer, Leh and Kargil.
7. All Drawing and Disbursing Officers, UT of Ladakh.
8. OSD to Chief Secretary and Administrative Secretary, Finance Department, UT of Ladakh.
9. Private Secretary to Commissioner/Secretary, Finance Department, UT of Ladakh.

Kaneez Fatima
Director, Accounts and Treasuries
Finance Department, UT of Ladakh
16/21