

Government of Haryana
Finance Department

No:- 14/29/2023-6FA

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: 26.05.2023

Subject:- Amendment in negotiation policy in respect of Procurement of Goods/Stores (Fixed Purchase & Rate Contracts), Turnkey and Services.

Sir,

I am directed to invite your kind attention to the subject noted above and inform that the matter regarding amendment in negotiation policy of the State in respect of Procurement of Goods/Stores (Fixed Purchase & Rate Contracts), Turnkey and Services was under consideration of the State since some time. The matter has been considered and the following amendments as detailed below are made with immediate effect:-

Sr. No.	Govt. Order No. and Para	Existing procedure of negotiation	Proposed procedure of negotiation	
			Competency level	Procedure of negotiation in respect of procurements of Goods & Stores (both Fixed Purchase and Rate Contract), Turnkey and Services
1	2/2/2010-4-1B-II dated 16.06.2014 Para-3(i)	"..... Para-3(i):- The price discovery for cases related to purchase of specific quantity of Stores, Goods and award of Turnkey Contracts shall be generally determined based on the rates quoted by the L ₁ bidder if the quoted rates are found to be reasonable by the Indenting Departments, and negotiations, if any, held with the lowest bidder. However, the negotiation could be held upto L ₃ bidder, if the different between the L ₁ quoted rates and those	Procurement Committees namely Standing Purchase Committee (Lower), Standing Purchase Committee (Higher) and Committee constituted for Procurement Of Consultant/ Consultancy vide Order No.2/1/2015-41B-II dated	The price discovery for cases related to procurement of Goods & Stores (both Fixed Purchase and Rate Contract), Turnkey and Services be determined based on the rates quoted by the L ₁ bidder if the quoted rates are found to be reasonable by the Indenting Department/ Organization, and negotiations, if any, held with the lowest bidder (L ₁) only. The Committee will ensure the rates reasonability while finalizing the

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		<p>quoted by L₂ & L₃, is within 5% of the L₁ quoted rates. In cases where the L₁ bidder refuses to further reduce his offered price and the L₂ or L₃ 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."</p>	04.06.2015 for their respective scope	procurement.
2	2/2/2010-4-1B-II 18.06.2013 Para-4(iv)	<p>"----- Para-4(iv):- The price discovery for Rate Contracts shall be generally determined based on the rates quoted by the L₁ bidder and negotiations, if any, held with the lowest bidder. However, the Rate Contract negotiation could be held upto L₃ bidder, if the different between the L₁ quoted rates and those quoted by L₂ & L₃, is within 5% of the L₁ quoted rates. In cases where the L₁ bidder refuses to further reduce his offered price and the L₂ or L₃ 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 shall be given one more opportunity match the discovered price. In case of acceptance, he would be treated as the L₁ bidder</p> <p>(v) On determination of the price discovery pursuant to the above process, a counter - offer would be made to all such eligible bidders whose quoted price is within 10% of the L₁ quoted price, for acceptance of the discover / offered price. Such of the eligible bidders whose quoted price exceed 10% of the L₁ quoted price shall not be eligible for consideration of the Rate Contract.</p> <p>(vi) The bidders, agreeing to accept the counter-offer of the discover price following the above process, may be approved on the Rate Contract"</p>	<p>Procurement Committees namely High Powered Purchase Committee (HPPC) constituted vide Order No.2/7/2014-4IB-II dated 10.12.2019 (and amended from time to time), Special High Powered Purchase Committee (SHPPC) constituted vide Order No.2/7/2006-4IBII dated 29.06.2011 (and amended from time to time) and Department High Powered Purchase Committee (DHPPC) constituted vide Order No.2/1/2021-4IB-II dated 12.01.2021 (and amended from time to time) for their respective scope.</p>	<p>The price discovery for cases related to procurement of Goods & Stores (both Fixed Purchase and Rate Contract), Turnkey and Services 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.</p> <p>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.</p> <p>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.</p> <p>B. In cases where there is no bidder within 5% of the L₁ bidder:-</p> <p>(i) L₂ bidder will be invariably called for negotiation in addition to the L₁ bidder.</p> <p>(ii) L₃ bidder will also be called, if it is so decided by the Minister-in-Charge, in addition to L₁, L₂ bidders.</p>

The other provisions as contained in policy orders dated 18.06.2013 and 16.06.2014 will remain the same.

- In addition to above, the Benefits/Concessions applicable to MSMEs/Startups of the State under "Purchase Preference" as contained in Govt. Order No. 2/2/2016-4I-BII

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dated 13.08.2021 and 2/2/2016-4IB-II dated 03.01.2019 will also remain applicable in the amended negotiation provision as above.

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

Pawan Kumar
Superintendent Finance Accounts,
for Additional Chief Secretary to Government of Haryana,
Finance Department

Endst. No. 14/29/2023-6 FA

Dated 26.08.2023

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, Panchkula. Original file is enclosed herewith.
3. The Director, Treasuries and Accounts Department, Haryana, Chandigarh.

Pawan Kumar
Superintendent Finance Accounts,
for Additional Chief Secretary to Government of Haryana,
Finance Department

CC:-
In-Charge, Computer Cell (FD)