

**GOVERNMENT OF ASSAM,
FINANCE (ESTABLISHMENT – B) DEPARTMENT,
2ND FLOOR, BLOCK 'F', JANATA BHAWAN,
DISPUR, GUWAHATI-6**

**ORDERS BY THE GOVERNOR
NOTIFICATION**

Dated Dispur the 30-07-2024

No. 530624/1: In order to enhance efficiency and economy in public procurement, the following provisions are hereby made for additional performance security in the case of bids quoting abnormally low price, in exercise of power as per Rule 30 (5) of the Assam Public Procurement Rules, 2020:

1. The Tender Inviting Authority (TIA) will indicate in the bidding documents that quality is dependent on the cost. This has to be supported by clear certification (format at Annexure X) from the Head of the Department (HoD) or Tender Accepting Authority or Officer having relevant Technical Sanction Power that any bid below estimated value put to tender shall have adverse impact on quality of the work. In such cases, the estimated value put to tender shall be mandatorily indicated in the bidding document. In such cases,

1.1. If the Bid of the successful Bidder is at a discount of more than the threshold value i.e. 10% below the estimated value put to tender, then the TIA shall seek written clarifications / justification from the bidder for quoting such price, including detailed price analysis of its bid price in relation to scope, schedule, allocation of risks and responsibilities, and any other requirement of the bid document.

1.2. If the TIA is satisfied that the bidder has substantially demonstrated its capability to deliver the contract at the offered price, the TIA shall accept the bid.

1.3. If after evaluating the justification and price analysis, TIA is not satisfied with the clarifications / justifications offered by the bidder for quoting price lower than the threshold value, the TIA shall seek additional performance security to protect against default.

1.4. The amount of additional performance security will be calculated as per the following matrix:

Sl. No.	Bid quoting financials below estimated value put to tender	Additional Performance Security (PS) to be deposited by successful bidder, over and above normal PS
i.	Between 10.01% to 15%	200% of the difference between threshold value and Bid Amount
ii.	Between 15.01% to 20%	250% of the difference between threshold value and Bid Amount
iii.	20.01% and above	300% of the difference between threshold value and Bid Amount

1.5. This additional performance security in para 1.4 above, shall be treated as part of the Performance Security.

2. In case the Tender Inviting Authority does not give any certificate, linking estimated value put to tender with that of quality of work or certificate is issued by the Authority other than that of Head of the Department (HoD) or Tender Accepting Authority or Officer having relevant Technical Sanction power, provisions of Para 1 above shall not be applicable and principle of L1 for determining Bid shall be adhered to.

3. These instructions will be applicable for procurement of works only.

4. This notification supersedes all other notifications / office orders issued by any Administrative Department with regard to treatment of Bids quoting abnormally low price.

This notification shall come into force with immediate effect.

Signed by

Jayant Narlikar

Commissioner & Secretary to the Govt. of
Assam,
Finance Department.

No. 530624/1 – A

Dated Dispur the 30-07-2024

Copy for information and necessary action to:-

1. The Principal Secretary to the Hon'ble Chief Minister, Assam.
2. The Accountant General (A & E), Assam, Maidamgaon, Beltola, Guwahati-29.
3. The SO to Chief Secretary for kind information of Chief Secretary, Assam.
4. PS to Hon'ble Ministers (PWD, Finance, PHED, Irrigation, Water Resource and Soil Conservation) Assam for kind information of Hon'ble Ministers
5. PS to all Addl. Chief Secretary/Principal Secretary/Commissioner & Secretary to the Govt. of Assam for kind information of Addl. Chief Secretary/Principal Secretary/ Commissioner & Secretary.
6. Addl. Project Director, AS-CFMS to include suitable provisions to reflect the above changes in the Standard Bidding Documents (SBDs).
7. All Heads of Department.
8. All District Commissioners.
9. All Sr. F.A/F.A.O./T.O.
10. The Publisher, Assam Govt. Press, Bamunimaidam, Guwahati-21 for publication of the Notification in the Assam Gazette.
11. Content Manager, Finance (Establishment – B) Department for necessary uploading.

(eSigned)

Commissioner & Secretary to the Govt. of
Assam,
Finance Department.

Certificate regarding relation of works with financial bid

I, Shri/Smt.....*<Mention the name of the Head of the department / Tender Accepting Authority or Officer having relevant Technical Sanction power>*,
<Mention the Designation>, do hereby certify that the work “ *<Write the name of the Work/ Tender/ Project>*” proposed to be bid with an estimated value of INR
.....(including taxes), is of high critical importance.

I am personally satisfied that the estimate has been prepared strictly as per stipulated norms and that the quality of the work will be severely impacted if the financial bid below the Threshold Value, i.e. 10% below the estimated value put to tender, is allowed and awarded this work.

(Signature and Seal)

*Name of the Head of the department /
Tender Accepting Authority or Officer having
relevant Technical Sanction power*

Date:.....

Note: All words written in Italics have to be removed and relevant details filled by the Tender Inviting Authority before bid publication