



Northern Electricity Supply Company (NESCO) Ltd.

(An Enterprise of Bangladesh Power Development Board)

Delegation of Financial Power, 2020

(Approved in 103rd Board of Directors NESCO Ltd)

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Northern Electricity Supply Company Limited
Delegation of Financial Power 2020
Table of Contents

Description	Page
Preamble	1
Chapter 1	1
1.0 Short Title, Commencement and Objectives	1
2.0 Scope and Application of Delegation of Financial Power, 2020:	2
3.00 Definitions:	2
CHAPTER-2:	6
GENERAL INSTRUCTIONS	
4.0 Financial Power and Responsibility:	6
5.0 The officers will exercise this DoFP if he/she is the head of the office. In spite of this, in certain cases not being the head of the office, an officer may use this limit of power as per DoFP.	7
6.0 Financial Power Delegated to an officer can automatically be exercised by the higher authority.	7
7.0 In exceptional cases if expenditure incurred within the budget provision in the financial year but payment couldn't be made for any reasonable ground; the bill may be accounted for through Accounts Payable Voucher (APV) in the upcoming financial year subject to approval in the APP.	7
8.0 The budgetary control system should be strictly followed.	7
9.0 The PE shall not split a single work into successive works of lower value while preparing its procurement method.	7
10.0 PPR, 2008 shall be followed regarding any other issues.	7
CHAPTER-3:	8
PREPARATION OF TENDER OR PROPOSAL, COMMITTEE, ETC.	
11.0 Preparation of Tender or Proposal:	8
12.0 Administrative Approval and Annual Procurement Plan:	8
13.0 Technical Sanction:	8
14.0 Tender or Proposal Opening Committee:	9
15.0 Tender Evaluation Committee (TEC) or Proposal Evaluation Committee (PEC):	9
16.0 Approval of Tender or Proposal:	9
CHAPTER-4:	10
DETERMINING TENDER OR PROPOSAL VALIDITY AND SECURITY DEPOSIT	
17.0 Determination of Validity:	10
18.0 Time Limit for Evaluation of Tenders and Proposals:	10

19.0 Extension of Validity:	10
20.0 Tender Securities:	11
21.0 Extension of Validity of Tender Security:	11
22.0 Verification of the Authenticity of Tender Security:	11
23.0 Forfeiture of Tender Security:	12
24.0 Return of Tender Securities:	12
25.0 Performance Security:	13
26.0 Retention; PPR, 2008 shall be followed in this regard. (Proprietary/ DPM for Spare parts)	13
CHAPTER-5:	13
PREPARATION OF SPECIFICATION, MAINTAINING CONFIDENTIALITY, REJECTION OF TENDER/PROPOSAL, ETC.	
27.0 Procedure for Preparation of Technical Specification of Goods, Works or Services etc.:	13
28.0 Restrictions on the Disclosure of Information:	13
29.0 Safe Custody of Received Tenders, Etc.:	14
30.0 Rejection of all Tenders, Proposals or Quotations:	14
31.0 Actions to be taken Following Rejection:	14
CHAPTER-6	15
APPROVAL PROCEDURE, NOTIFICATION OF AWARD AND PUBLICATION	
32.0 Procurement Approval Procedure:	15
33.0 Publication of Notification of Award of Contract:	16
34.0 Maintaining Records of Procurement:	17
CHAPTER-7	17
PRE-QUALIFICATION PROCEDURE	
35.0 Pre-Qualification Procedure:	17
36.0 Maintaining List of Qualified Potential Suppliers or Contractors:	18
CHAPTER-8	18
PROCUREMENT METHOD	
Procurement of Goods, Works and related Services etc.	
37.0 Use of open tendering method in the procurement of goods, works, etc.:	18
38.0 Use of Other Methods for Procurement of Goods, Works and related services etc:	19
39.0 Use of the Limited Tendering Method:	19
40.0 Conditions and Procedures for the use of the Two-Stage Tendering Method:	20
41.0 Single-Stage Two Envelop Method:	20
42.0 Request for Quotation Method (RFQ):	21
43.0 Direct Procurement Method:	22
44.0 Forms of Direct Procurement:	22
45.0 Use of Direct Contracting:	23
46.0 Procurement of Additional Deliveries and Repeat Orders:	24

47.0 Issuance of Variation or Extra Work Orders:	24
48.0 Use of Direct Cash Purchase:	25
49.0 Use of Force Account:	25
International Procurement of Goods, Works and Related Services Etc.	25
50.0 Conditions and procedures for open tendering for procurement of goods, works and related services etc.:	27
51.0 Conditions for the use of Two-Stage Tendering Method:	28
52.0 Conditions & procedures for the use of the Request for Quotation Method:	29
53.0 Conditions and Procedures for Use of Limited Tendering Method:	29
54.0 Conditions and Procedures for the use of the Direct Procurement Method:	29
55.0 Framework Contracts:	30
CHAPTER-9	
PROCESSING OF PROCUREMENT	
56.0 Advertisement:	30
57.0 Pre-Qualification for Procurement of Goods, Works related services etc.:	30
58.0 Issuance and Sale of Tender Document and Pre-Tender Meeting:	31
59.0 Modifications to Tender Documents:	31
CHAPTER-10	
PROCUREMENT OF INTELLECTUAL AND PROFESSIONAL SERVICES	
60.0 Methods for Procurement of Intellectual and Professional Services and their Use:	31
61.0 The PE shall publish on its website the name of the Consultant to which the contract was awarded, price, duration and scope of the Contract.	32
CHAPTER-11	
CLASSIFICATION OF PROCUREMENT ITEMS	
62.0 Classification of Procurement Items	33
CHAPTER-12	
APPROVING AUTHORITY FOR PROCUREMENT	
63.0 Approving Authority	34
64.0 e-GP related Approving Authority	36
CHAPTER-13	
APPROVING AUTHORITY FOR FINANCIAL OPERATION	
65. Revenue activity related Approving Authority	38
65.1 CONTRACT/FINANCIAL MANAGEMENT:	38
65.2 APPROVAL FOR FUND PLACEMENT:	39
65.3 BUDGET APPROPRIATION, RE-APPROPRIATION & POST FACTO APPROVAL:	40
65.4 APPROVAL OF TEMPORARY ADVANCE:	41
65.5 ESTABLISHMENT EXPENSES	44

65.6 WRITE-OFF AND COMPENSATION:	49
65.7 MISCELLANEOUS EXPENSES (APPROVAL OF ADVERTISEMENT/PUBLICATION EXPENDITURE):	50
66.0 APPROVAL OF THE PURCHASE PROPOSAL FOR DEVELOPMENT PROJECT:	52

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Delegation of Financial Power, 2020

Preamble

It is expedient to have a Financial Delegation with a view to establishing a framework for financial functions of Northern Electricity Supply Company Limited, to be followed by designated personnel of the company with transparency, accountability and integrity in order to bring efficiency and effectiveness in the process of achieving the company's objectives.

CHAPTER-1:

1.0 Short Title, Commencement and Objectives:

Short Title

- 1.1 The Delegation of Financial Power shall be called as "Delegation of Financial Power of Northern Electricity Supply Company Limited, 2020".

Commencement

- 1.2 It shall come into force as it is approved by the Board of Directors of the Company.
- 1.3 The Board of Directors of NESCO Ltd. may change or amend this Delegation of Financial Power from time to time as it may deem fit.

Objectives

- 1.4 To operate the financial functions of the Company in a defined manner;
- 1.5 To have a detailed framework for financial functions to be followed by designated personnel;
- 1.6 To involve all stakeholders in financial functions for proper planning and coordination;
- 1.7 To assign authority, responsibility and ensure accountability;
- 1.8 To maintain necessary documents, files and records for conducting audit as required.

2.0 Scope and Application of Delegation of Financial Power, 2020:

- 2.1 The Delegation of Financial Power, 2020 shall apply for day to day functions, procurement of goods, works and services works and along with other financial activities.

The sources of the fund can be:

- a) Grant or loan from the Government of Bangladesh;
- b) Revenue earned by NESCO;
- c) Loan, grant or other funding from development partners, international agencies or any foreign countries;

as approved or authorised by the Government of Bangladesh or Power Division or the Board of Directors of NESCO Ltd.

- 2.2 In case of all funding for any procurement and or project, the Public Procurement Act, 2006 (PPA) and the Public Procurement Rules, 2008 (PPR), any amendment thereof and any other instruction circulated by the GoB shall be strictly followed. However in all cases, the Board of Directors of NESCO shall reserve the right to approve or amend any procurement and or project of any amount if required as per the Delegation of Financial Power (DoFP).

3.0 Definitions:

- 3.1 “Act” means the Public Procurement Act, 2006;
- 3.2 “Administrative Authority” defines the concerned PE, head of the procuring entity and secretary of the Ministry or Division respectively;
- 3.3 “Advertisement” refers to an advertisement published in newspapers, websites or any other media for the purpose of publicity;
- 3.4 “Applicant” means an individual or body of individuals or sole proprietorship or partnership or company or association who submits a tender or a proposal for supply;
- 3.5 “Approval Procedures” defines the approval procedures of a tender or a proposal as detailed in the Rule 36 of the PPR, 2008;
- 3.6 “Approving Authority” indicates the authority which, in accordance with the Delegation of Financial Power, 2020 approves the award of contract for the procurement of goods or works and services
- 3.7 The Annual Procurement Plan (APP) is the plan that depicts and reflects the necessary and detail information with process and procedure defining the financial limit of the entire procurement activities of the Company included but not limited to goods, works and related services to be undertaken within the financial year.
- 3.8 “Code of Ethics” means a set of conditions and provisions which a person shall abide by participating in public procurement;

- 3.9 “Completion Date” is the date of completion of the works as certified by the project director;
- 3.10 “Conflict of Interest” means any situation where personal or business interest of any person or company regarding procurement and financial transaction would adversely affect the interest of the Procuring Entity (PE) in achieving economy, efficiency, effectiveness and equal treatment of tenders or proposals;
- 3.11 “Consultant” defines a person under contract with a PE for providing intellectual and professional services;
- 3.12 “Contractor” refers to a person under contract with a PE for the execution of any goods and works under the PPA, 2006 and PPR, 2008;
- 3.13 “Contract Price” is the price stated in the Notification of Award (NoA) and thereafter as adjusted in accordance with the purposes of the PPA, 2006 and PPR, 2008;
- 3.14 “CPTU” means The Central Procurement Technical Unit, established under the Implementation Monitoring and Evaluation Division, Ministry of Planning, for carrying out the purposes of the PPA, 2006 and PPR, 2008;
- 3.15 “Days” mean calendar days unless otherwise specified as working days;
- 3.16 “Day Works” means work carried out following the instructions of the PE or the authorised project director and is paid for on the basis of time spent by the contractor’s workers and equipment at the rates specified in the Bill of Quantities (BoQ), in addition to payments for associated materials and equipment;
- 3.17 “Defect” means the part of the works not completed in accordance with the contract;
- 3.18 “Defects Correction Certificate” is the certificate issued by project director upon correction of defects by the contractor;
- 3.19 “Defects Liability Period” is the period mentioned in the contract and calculated from the completion date;
- 3.20 “Delegation of Financial Power” means the instructions with regard to the delegation of financial authority, issued from time to time, related to the conduct of public procurement and day to day financial activities along with other financial activities to conduct business as usual or sub-delegation of financial powers under such delegation;
- 3.21 “Delegated Procurement” defines procurement undertaken by a specialised PE on behalf of a Ministry/ Division, Department or Directorate when the beneficiary entity delegates the task to such PE;
- 3.22 “e-GP” refer to a procurement by PE using electronic processing systems;
- 3.23 “Evaluation Committee” means a tender or a proposal evaluation committee;
- 3.24 “Evaluation Report” refers to the report prepared after the evaluation of tenders, quotations, Expressions of Interest (EoI) or proposals;

- 3.25 “Force Majeure” defines an event or situation beyond the control of the contractor, a supplier or consultant that is not foreseeable, is unavoidable, and its origin not due to negligence or lack of care on the part of the contractor; such events may include, but not be limited to, acts of the Government in its sovereign capacity, war or revolution, fire, flood, epidemics, quarantine restrictions and freight embargoes;
- 3.26 “Form” or “Format” refers to a form or a format appended to these rules and the standard documents issued thereunder.
- 3.27 “Framework Contract” means a contract, effective for a given period of time, between one or more procuring entities and one or more suppliers, establishing the terms governing the procurement of goods, works and related services, with regard to price and where appropriate, the quantity or quantities envisaged;
- 3.28 “Goods” refers to raw materials, products and equipment and objects in solid, liquid or gaseous form, electricity and related services if the value of such services does not exceed that of the goods themselves;
- 3.29 “Head of the Procuring Entity (HOPE)” means the Secretary of a Ministry or a Division, the Head of a Government Department or Directorate; or the Chief Executive or whatever designation called, of a local Government agency, an autonomous or semi-autonomous body or a corporation, or a corporate body established under the Companies Act 1994;
- 3.30 “Intellectual and Professional Services” refers to services performed by consultants with outputs of advisory, design, supervision or transfer of a know-how nature;
- 3.31 “Intended Completion Date” is the date on which it is intended that the contractor shall complete the works as specified in the contract and may be revised only by the project director by issuing an extension of time or an acceleration order;
- 3.32 “In writing” refers to communication written by hand or machine duly signed and includes properly authenticated messages by facsimile or electronic mail;
- 3.33 “Multiple Dropping” is submitting tenders to more than one place as designated by the PE;
- 3.34 “Opening Committee” defines as a tender opening committee (TOC) or a proposal opening committee (POC);
- 3.35 “Person” means and includes an individual, body of individuals, sole proprietorship, partnership, company, association or cooperative society that wishes to participate in procurement proceedings;
- 3.36 “Physical Services” refers to the following services with measurable outputs, either-
- (a) Linked to the supply of goods or execution of works such as operation and maintenance of facilities, or

- (b) Stand-alone service type contracts such as security services, catering services, geological services or third party services;
- 3.37 “Pre-Qualification” refers to a procedure for demonstrating qualifications as a pre-condition for being invited to tender;
- 3.38 “Primary place” refers to the office of the PE where all tenders shall be received and opened;
- 3.39 “Procurement” refers to the purchasing or hiring of goods, or acquisition of goods through purchasing and hiring; and the execution of works and performance of services by any contractual means;
- 3.40 “Procuring Entity (PE)” is the entity having administrative and financial powers to undertake procurement of goods, works and or services using public funds and own fund;
- 3.41 “Project Director” is the person mentioned in the contract or any other competent person appointed by the PE and notified to the contractor who is responsible for supervising the execution of the works and administering the contract;
- 3.42 “Provisional sums” is the amount of money specified by the PE in the BoQ which shall be used, at its discretion, for payments to nominated subcontractors and other purposes detailed in the tender documents;
- 3.43 “Public funds” refers to any fund allocated to a PE under Government budget, or loan, grants and credits placed at the disposal of a PE through the Government by the development partners or foreign states or organisations and in line with this act and for fulfillment of the objective of the Act any fund utilized by any Government, semi-government or any organisation established under any such statutory Act of the Government.
- 3.44 “Public.Procurement” is the procurement using public funds;
- 3.45 “Quality” is the quality of goods, works and services;
- 3.46 “Quotation” refers to the price offer in writing received from tenderers for the procurement of readily available standardised goods, works and services subject to the threshold value as prescribed by these rules;
- 3.47 “Related Services” is the service linked to the supply of goods in contracts; (see PPR)
- 3.48 “Responsive” means qualified for consideration on the basis of evaluation criteria so declared and specified in the tender document or the request for proposal document;
- 3.49 “Review Panel” means a panel comprised of specialists to review complaints submitted by a person;
- 3.50 “Schedule” is the schedule appended to these rules;

- 3.51 "Secondary place" means the other place(s), designated by the PE in exceptional cases, where tenders can be dropped but not opened;
- 3.52 "Services" means goods related services, physical services, or intellectual and professional services;
- 3.53 "Short-list" refers to a list of applicants deemed suitable to be invited to submit proposals for intellectual and professional services following the evaluation of Expression of Interest (EOI);
- 3.54 "Sub consultant" means any person or entity to whom the consultants subcontract any part of the services;
- 3.55 "Subcontractor" is a person or corporate body who has a contract with the contractor to carry out a part of the work in the contract, which includes work on the site;
- 3.56 "Supplier" refers to a person under contract with a PE for the supply of goods and related services under the Act;
- 3.57 "Tender or Proposal" depending on the context, refers to a tender or a proposal submitted by a tenderer or a consultant for delivery of goods, works or services to a PE in response to an invitation for tender or a RFP; and for the purposes of the Act (PPA,2006), tender also includes quotation;
- 3.58 "Tender Document or Request for Proposal Document" is the document provided by a PE to a tenderer or a consultant as a basis for the preparation of its tender or proposal;
- 3.59 "Tenderer" is a person who submits a tender;
- 3.60 "Works" refers to all works associated with the construction, reconstruction, site preparation, demolition, repair, maintenance or renovation of railways, roads, highways or a building, an infrastructure or structure or an installation or any construction work related to excavation, installation of equipment and materials, decoration, as well as physical services ancillary to works, if the value of those services does not exceed that of the works themselves. .

CHAPTER-2:

GENERAL INSTRUCTIONS

- 4.0 Financial Power and Responsibility: To achieve the company's goal and to avoid delay in the disposal of financial matters, the Board of Directors of NESCO Ltd. delegates the financial powers in respect of expenditure to the Managing Director and other designated officials of the company.

To exercise this power, every personnel will ensure -

- 4.1 All expenditures incurred and payments are made for the purpose of the company.

- 4.2 The company and its officials shall spend within the limit of the allocated budget.
- 4.3 The Budgets are spent strictly in accordance with the clauses and regulations, and the expenditure is not, prima-facie, more than the occasion demands and that every officer exercise the same vigilance in respect of expenditure incurred from company's funds as a person of ordinary prudence would exercise in respect of expenditure incurred from the budget.
- 4.4 Actual expenditure does not exceed the sanctioned budget allocation made for the respective items/sub-heads, etc.
- 4.5 No expenditure can be incurred in excess of the approved revised contract or supplementary contract.
- 4.6 No expenditure is incurred in anticipation of authorization of annual budget/supplementary grants, without the prior concurrence of the Board of Directors.
- 4.7 All payments and receipts are correctly classified under appropriate heads of accounts.
- 4.8 Managing Director as the chief executive officer of the company shall be the Head of the Procuring Entity (HOPE). By virtue of this Delegation of Financial Power (DoFP) the following officers of the company as the authorised person can exercise this financial power as described in DoFP.

SL.	Tier	Approving officer
1.	First	Managing Director
2.	Second	Executive Directors
3.	Third	Project Director/Chief Engineer/General Manager
4.	Fourth	Project Director/Superintending Engineer/Deputy General Manager/Company Secretary
5.	Fifth	XEN/Manager
6.	Sixth	Sub-Divisional Engineer/Deputy Manager
7.	Seventh	Assistant Engineer/Assistant Manager

- 5.0 The officers will exercise this DoFP if he/she is the head of the office. In spite of this, in certain cases not being the head of the office, an officer may use this limit of power as per DoFP.
- 6.0 Financial Power Delegated to an officer can automatically be exercised by the higher authority.
- 7.0 In exceptional cases if expenditure incurred within the budget provision in the financial year but payment couldn't be made for any reasonable ground; the bill may be accounted for through Accounts Payable Voucher (APV) in the upcoming financial year subject to approval in the APP.
- 8.0 The budgetary control system should be strictly followed.
- 9.0 The PE shall not split a single work into successive works of lower value while preparing its procurement method.
- 10.0 PPR, 2008 shall be followed regarding any other issues.

CHAPTER-3:

PREPARATION OF TENDER OR PROPOSAL, COMMITTEE, ETC.

11.0 Preparation of Tender or Proposal:

11.1 Documents required for pre-qualifications, tenders and proposals shall be prepared by the PE following standard documents issued by CPTU listed in the Schedule-1 of PPR, 2008.

11.2 Tender documents, where appropriate, shall define the tests, standard and methods that shall be used to determine the compliance of the goods or equipment to be delivered or works to be performed with technical specifications.

11.3 Rule 4 of PPR, 2008 shall be followed.

12.0 Administrative Approval and Annual Procurement Plan:

12.1 At the beginning of each financial year Annual Procurement Plan (APP) should be made and approved by appropriate sanctioning authority as per delegation of financial power. This approved APP shall be treated as administrative approval.

12.2 At the beginning of each financial year, the procuring entity shall arrange to publish the total procurement plan on their notice board and their website, CPTU's Website, bulletins and reports.

12.3 In the case of preparation of APP Rule 15 & 16 of PPR, 2008 & the applicable formats prescribed in the Schedule-V of PPR, 2008 shall be followed.

12.4 The PE shall, for its own purposes, update the procurement plan on a quarterly basis to accommodate delays, re-tendering and other unforeseen changes or constraints.

13.0 Technical Sanction:

13.1 Before initiating any procurement, there must have an official estimate that should be supported by approved detailed design (if any), engineering survey, selection of place of works, etc. so that non-tender and supplementary items could be avoided and no need of a supplementary contract.

13.2 For every work a proper detailed estimate must be prepared and approval should be taken from the proper sanctioning authority as per DoFP.

13.3 In preparing technical specification and maintaining confidentiality, the PE shall follow the Rule 29 of PPR, 2008.

13.4 While any procurement of goods, works & services is approved by Executive Director or Managing Director or Board, then the sanction shall be made by the Project Director/Chief Engineer/General Manager. In case of other procurement of goods, works and services, the concern personnel empowered to approve the purchase of goods, works and services as empowered in the DoFP shall be authorised to sanction accordingly.

- 13.5 For work estimate shall be prepared based on the rate as per the latest approved rate schedule of Power Division. In the case where there is no approved rate for any item, that item should be incorporated in the estimate after determining the rate by the specified committee.
- 14.0 Tender or Proposal Opening Committee:
- 14.1 The Approving Authority shall form a Tender or Proposal Opening Committee (TOC) comprising of 03 (Three) members. One member from the TEC or PEC and 2 (Two) other members from the concerned PE, Rule 7 of PPR, 2008 shall be followed. The members of the TOC shall get honorarium at the rate specified in the Schedule II Rule 8(15) of the PPR, 2008.
- 14.2 The PE shall convene the meeting for the tender opening, and tenders shall be opened at the time and place specified in the Invitation for Tender (IFT) in presence of the tenderers or their authorised representative. Rule 97 of PPR, 2008 shall be followed for the opening of a tender.
- 15.0 Tender Evaluation Committee (TEC) or Proposal Evaluation Committee (PEC):
- 15.1 Tender Evaluation Committee (TEC) or Proposal Evaluation Committee (PEC) shall be formed comprising of members, as specified in Schedule II, Rule 8(1) of PPR 2008. These Committee must be formed before the deadline for submission of applications, tenders or proposals.
- 15.2 The Approving Authority shall form the evaluation committee (TEC/PEC), but when the approving authority is at the level of the Board of Directors, the evaluation committee shall be appointed with the approval of the Board of Directors of the company.
- 15.3 The evaluation committee shall include external members having the knowledge required for evaluation and who shall be nominated by designation. Rule 8 of PPR, 2008 shall be followed in this regard.
- 15.4 The evaluation committee shall be formed following PPR, 2008.
- 15.5 The PE shall ensure that it follows the requirements of Rules 8.9 and 98 of PPR, 2008 with regard to the formation of the tender evaluation committee (TEC), the appointment of its chair and members, and of Rule 36 of PPR, 2008 with regard to the administrative procedures to be followed during the evaluation and approval process and matters ancillary thereto.
- 15.6 The evaluation for the e-GP system to be formed as per e-GP guideline.
- 16.0 Approval of Tender or Proposal:
- 16.1 The approving authority shall take decisions following in compliance with the provisions of Rule 11-of PPR, 2008 on the recommendations of the evaluation committee, may either-

- (a) Approve the recommendations; or
- (b) Seek any clarification from the committee on any specific issues in connection with such recommendations; or
- (c) Reject the recommendations explaining the reasons and request the committee for a re-evaluation; or reject the recommendations and issue instructions to reprocess the procurement.

CHAPTER-4:

DETERMINING TENDER OR PROPOSAL VALIDITY AND SECURITY DEPOSIT

17.0 Determination of Validity:

- 17.1 The period of validity shall be determined depending on the complexity of the tender or proposal and the time needed for its evaluation and approval, it shall be within limits specified in schedule II, Rule 19(1) of PPR, 2008.
- 17.2 Shorter or longer duration may be authorised by the head of the procuring entity or an officer authorised by him or her to suit the requirements of a particular procurement activity of Rule 19.2 of this DOFP

18.0 Time Limit for Evaluation of Tenders and Proposals:

- 18.1 The PE shall complete the evaluation of tenders or proposals and award of contract within the initial period of tender or proposal validity determined in accordance with Rule 19 of PPR, 2008.
- 18.2 The PE in the course of determining the tender or proposal validity period shall take into account the time-line for the process involving examination, evaluation and approval of the tender or proposal and issuance of Notification of Award (NoA), as specified in Rule 36 of PPR, 2008.

19.0 Extension of Validity:

- 19.1 The PE may, if justified by exceptional circumstances, request in writing a tenderer or an applicant to extend the validity period of its tender or proposal before the date of expiry: provided that for the first extension of validity, the approval of the head of the PE and for the second extension of such validity, the approval of the next higher level of authority shall be obtained.
- 19.2 The request for extension of tender or proposal validity under Rule 19.1 of this DOFP shall state the new date for the expiry of tenders or proposals and all such requests for extension shall be sent to the tenderers or applicants within the time limit specified in Schedule II, Rule 21(2) of PPR, 2008.

20.0 Tender Securities:

20.1 With a view to discouraging the submission of tenders with ill intention, The PE may include in the tender documents a condition that tenders must be accompanied by a security in form of, at tenderer's option, a bank draft, pay order, or bank guarantee using the standard format attached to the tender documents, issued by a scheduled bank of Bangladesh.

20.2 Rule 22 of PPR, 2008 shall be followed to determine tender security, validity period, etc.

21.0 Extension of Validity of Tender Security:

21.1 Tenderers consented to extend their tender or proposal validity period shall also correspondingly extend the validity of their tender securities, where applicable.

21.2 In case a tenderer does not agree to extend its tender validity period, the tender will not be considered for subsequent evaluation and the tender security shall be returned to the tenderer as soon as possible.

21.3 The tender security shall be extended by at least 28 days beyond the new expiry date of the tender validity if the tender validity period is extended.

22.0 Verification of the Authenticity of Tender Security:

22.1 The authenticity of tender security submitted by a tenderer shall be verified by the Tender Evaluation Committee (TEC) in writing from the bank issuing the security, prior to the finalization of the evaluation report.

22.2 If a tender security is found to be not authentic, the tender which it covers shall not be considered for subsequent evaluation and in such cases, the PE shall proceed to take necessary measures.

23.0 Forfeiture of Tender Security:

23.1 A tender security shall be forfeited if the tenderer:

- (a) Withdraws the tender after the opening of tenders but within the validity of the tender security; or
- (b) Refuses to accept a NoA; or
- (c) Fails to furnish performance security; if so required; or
- (d) Refuses to sign the contract; or
- (e) Does not accept the correction of the tender amount following the correction of arithmetic errors pursuant to Rule 98 (11) of PPR, 2008.

24.0 Return of Tender Securities:

- 24.1 No tender securities shall be returned to the tenderers by the Tender Opening Committee (TOC) after the opening of tenders.
- 24.2 Tender security of responsive tenderers shall be returned after the evaluation report has been approved by the competent authority except first, second, third responsive tenderers.
- 24.3 Tender securities of non-responsive tenderers shall be returned immediately after the evaluation report has been approved by the competent authority.
- 24.4 Tender securities of the rest responsive tenderers shall be returned only after the lowest evaluated responsive tenderer has signed the contract and submitted the performance security, even before the expiry of the validity period.

25.0 Performance Security:

- 25.1 A performance security shall be furnished by the successful tenderer in the amount specified in the STD following the threshold specified in schedule II, Rule 27(1) of PPR, 2008.
- 25.2 The PE may increase the amount of the performance security above the amounts specified in the Schedule II, Rule 27(2) of PPR, 2008 if the TEC considers the tender imbalance as a result of front loading.
- 25.3 The performance security shall be in the form of a bank draft, pay order or a bank guarantee, as specified in Schedule II of PPR, 2008, issued by a bank acceptable to the PE.
- 25.4 In case of international procurement, the performance security shall be in the form of a bank guarantee as specified in the tender document shall be issued by an internationally reputable bank and it shall have correspondent bank located in Bangladesh, to make it enforceable.
- 25.5 A performance security shall be required to be valid until 28 days from the intended completion date if there is no condition for deduction of retention money.
- 25.6 If the intended completion date is to be extended, the validity of the performance security shall be extended for the period until 28 days from the new intended completion date.
- 25.7 The performance security shall be replaced by a new security covering 50% amount of the performance security to cover the defect liability period if the condition for deduction of retention money has not been applied.
- 25.8 The amount of new security to be provided under Rule 25.7 of this DOFP and shall be calculated based on the final contract value.

- 25.9 Furnishing performance security shall not be mandatory in the case of the procurement of spare parts from the original manufacturer or his sole agent.
- 26.0 Retention; PPR, 2008 shall be followed in this regard. (Proprietary/ DPM for Spare parts)

CHAPTER-5:

PREPARATION OF SPECIFICATION, MAINTAINING CONFIDENTIALITY, REJECTION OF TENDER/PROPOSAL, ETC.

- 27.0 Procedure for Preparation of Technical Specification of Goods, Works or Services, etc.:
- 27.1 The PE shall at the time of describing requirements in respect of a particular object of procurement provide, inter alias, the following information, namely:
- (a) Name or description of the goods, works or services to be procured;
 - (b) Quality of goods, works or services;
 - (c) Required performance standard and life span;
 - (d) Safety standard and limit;
 - (e) Symbol, terminology to be used in the production of the goods to be procured, where applicable, and
 - (f) Test procedure, if any, for conformity assessment of goods.
- 27.2 Rule 29 of PPR, 2008 shall be followed.
- 28.0 Restrictions on the Disclosure of Information:
- 28.1 Following the opening of applications, tenders, quotations, Expression of Interests (EoI) or proposals until issuance of NoA no tenderer or applicant shall, unless requested to provide clarification to its application, tender or proposal or unless necessary for submission of a complaint, communicate with the concerned PE.
- 28.2 Tenderers or applicants shall not seek to influence in any way, the examination and evaluation of the applications, tenders, EoI or proposals.
- 28.3 Any effort by a tenderer or an applicant to influence The PE in its decision concerning the evaluation of tenders, quotations, applications, EoI, proposals or contract awards may result in the rejection of its tender, application or proposal, as well as further action.

29.0 Safe Custody of Received Tenders, Etc.:

29.1 The PE shall ensure the safe custody of the received applications, tenders, quotations or proposals until they are handed over to the chairperson of the evaluation committee, within the period specified in Schedule II of PPR, 2008, who will then be responsible for their safety.

30.0 Rejection of all Tenders, Proposals or Quotations:

30.1 The PE may, in the circumstances as described in Rule 30.2 of this DOFP, reject all tenders, proposals or quotations following recommendations of the evaluation committee only after the approval of such recommendations by the head of the PE.

30.2 All Tenders, Proposals or Quotations can be rejected, if-

- (a) The price of the lowest evaluated tender or quotation exceeds the official estimate, provided the estimate is realistic; or
- (b) There is evidence of lack of effective competition; such as non-participation by a number of potential tenderers; or
- (c) The tenderers are unable to propose completion of the delivery of works within the stipulated time in its offer, though the stipulated time is reasonable and realistic; or
- (d) The tenders, quotations or proposals are non-responsive; or
- (e) Evidence of professional misconduct, seriously affecting the procurement process, is established as per Chapter Seven of PPR, 2008
- (f) Negotiations as per Rule 123 of PPR, 2008 fails.

30.3 Notwithstanding anything contained in Rule 30.2(a) of this DOFP rejection of tenders or quotations shall not be mandatory if the lowest evaluated price is in conformity with the market price.

30.4 The PE shall carefully review such reasons before a decision is taken to reject all tenders, proposals or quotations for reasons other than the failure of all responsive tenderers or applicants to post-qualify in accordance with the criteria specified.

31.0 Actions to be taken Following Rejection:

31.1 The PE after rejecting all tenders, proposals or quotations and before inviting new tenders, proposals or quotations shall:

- (a) Reassess the official estimate or budget or both, and
- (b) Subsequently consider making revisions to the conditions of contract, design and specifications, the scope of contract or a combination of these factors.

- 31.2 If all tenders, proposals or quotations are rejected on the ground(s) stated in the Sub-Rule 33 (2) (b) of PPR, 2008 then while inviting fresh tenders/ re-tender, quotations, EoI or proposals the PE shall ensure that-
- (1) in the case of notice inviting tenders or request for EoI, are to be advertised more widely nationally and depending upon value, internationally; and
 - (2) in the case of quotations, the request for quotations is issued to other person in addition to those who were earlier invited to submit quotations.
- 31.3 In case of rejection of all tenders, quotations or proposals under Rule 33 (2) of PPR, 2008 fresh tenders, quotations, proposals or EoI may be invited using revised documents, whereby those who earlier participated or were pre-qualified or short-listed may participate or be re-invited.
- 31.4 In case professional misconduct is established under Chapter Seven of PPR, 2008, appropriate action in accordance with Rule 127(4) of PPR, 2008, shall be taken.

CHAPTER-6:

APPROVAL PROCEDURE, NOTIFICATION OF AWARD AND PUBLICATION

- 32.0 Procurement Approval Procedure:
- 32.1 The approval procedure as laid down in this Rule, leading up to the NoA for the execution of contract under the Act (PPA-2006) shall be strictly adhered to by the PE, evaluation committee and approving authority.
- 32.2 Where the approving authority is at the level of the HOPE or an authorised officer as per DoFP:
- a) The evaluation committee shall submit the report, and the recommendation for the award of contract, but not the tenders or proposals, in a sealed envelope directly to the HOPE or the authorised officer for approval, as the case may be.
 - b) After approval of the evaluation report, or having recorded any other decision in accordance with Rule 11 of PPR, 2008, the HOPE or authorised officer will put his or her signature thereon and send the same to the PE for necessary action.
- 32.3 Where the Approving Authority is at the level of a Board of Directors-
- 32.3.1 The evaluation committee shall prepare a concise summary to be entitled as the "Purchase Proposal" and submit it along with the evaluation report, and the recommendations for award of contract, but not the tender or proposal, in a sealed envelope to the board through the HOPE.

- 32.3.2 Upon approval of or having recorded any other decision on, in accordance with Rule 11 of PPR, 2008, the "Purchase Proposal" submitted, the Board of Directors will return the "Purchase Proposals" to the HOPE for further necessary action.
- 32.4 Upon approval of the "Purchase Proposal" the PE shall take the following actions in that respect-
- (a) Issue NoA within 7 (seven) working days of receipt of the approval but before the expiry of the tender or proposal validity date;
 - (b) Ensure confidentiality in regard to approval of the "Purchase Proposal" by all officers and staff concerned with the procurement process either directly or indirectly.
 - (c) Copy of NoA shall be shown in the official notice board as well as posting on the company's website.
- 32.5 or procurement above the threshold specified in Schedule II of PPR, 2008, PE shall submit procurement related reports to the CPTU on a quarterly basis, indicating the time taken at each stage of the procurement process stating reasons for delay if any.
- 32.6 PE, evaluation committee and approving authority shall, for performing activities, from the time of tender opening to the issuance of the NoA following time-limit specified in Schedule III of PPR, 2008.
- 32.7 All the PE shall, in the case of procurement processing and approval, use the checklists in schedule IV of PPR, 2008.
- 33.0 Publication of Notification of Award of Contract:
- 33.1 All NoA for procurement related contracts above the threshold specified in Schedule II of PPR, 2008 shall be notified in the format as prescribed in Schedule VI of PPR, 2008 to the CPTU for publication on their website, and that notice shall be kept posted for the period specified in Schedule II of PPR, 2008 .
- 33.2 Notification of Award for contract below the threshold specified in Schedule II of PPR, 2008, shall be published by the PE on its notice board and where applicable on the website of the PE and that notice shall be kept posted for the period specified in Schedule II of PPR, 2008
- 33.3 The standard format as specified in Schedule VII of PPR, 2008 shall be used for issuance of NoA.
- 33.4 Debriefing of tenderers or applicants by a PE shall outline the relative status and weakness only of his or her tender or application requesting to be informed of the grounds for not accepting the tender or proposal submitted by him or her, without disclosing information about any other tenderer or applicant.

- 33.5 In the case of debriefing under Rule 33.4 of this DOFP confidentiality of the evaluation process shall be maintained.
- 34.0 Maintaining Records of Procurement:
- 34.1 The PE shall maintain record and documents regarding their public procurement activities for a minimum period for assisting the CPTU in carrying out its procurement monitoring responsibilities, meaningful procurement post reviews and audit to take place.
- 34.2 The procurement record shall be maintained from the beginning of procurement planning up to the full completion of contractual obligations.
- 34.3 The PE shall follow the guidance notes and check as specified in Part A & Part B of schedule VIII in the case of maintaining records of procurement under PPR, 2008.

CHAPTER-7:

PRE-QUALIFICATION PROCEDURE

35.0 Pre-Qualification Procedure:

- 35.1 Applicants and tenderers shall be informed of all the mandatory requirements for qualification if the pre-qualification procedure is being used in any procurement and in such cases the mandatory requirements for qualification shall be clearly stated in the pre-qualification documents.
- 35.2 If the OTM follows no pre-qualification process, the mandatory requirements for qualification shall be stated in the tender documents.
- 35.3 The PE shall evaluate the information provided by the applicants in accordance with the evaluation criteria detailed in the pre-qualification or tender documents following the provisions of Rule 93 of PPR, 2008.
- 35.4 Applicants not meeting the minimum requirements for qualification shall be declared disqualified provided that,
- a) An applicant may be "conditionally pre-qualified" if the application has minor flaws or deficiencies in meeting one or more requirements that can be easily redressed before the deadline for submission of tender;
 - b) In such cases the participation of the applicant in the tender shall be conditional on its meeting the requirements imposed on it in the "conditional pre- qualification".
- 35.5 Rule 51 of PPR, 2008 shall be followed.

36.0 Maintaining List of Qualified Potential Suppliers or Contractors:

- 36.1 The PE may maintain a list of enlisted or qualified potential tenderers for use only in the case of procurement in accordance with the LTM, and in such cases, the person's qualification shall be reviewed and updated on an annual basis.
- 36.2 The PE may invite potential suppliers and contractors to submit documents in support of their qualifications for enlistment if they wish to participate in procurement under the LTM.
- 36.3 In the case of enlisting suppliers or contractors by the PE the following procedures shall be followed :
- (a) The PE shall maintain the list by types and categories of supply or works:
 - (b) the list stated under Rule 52 (3)(a) of PPR, 2008 shall be prepared by a committee formed as specified in Schedule II of PPR, 2008 and approved by the HOPE or an officer authorised by him or her;
 - (c) The PE shall convene meetings of that committee once in a year to update the list with additions of new persons as appropriate.
 - (d) The annual advertisement notice shall allow all the interested persons the period specified in Schedule II of PPR, 2008 to provide the required qualification.

CHAPTER-8:

PROCUREMENT METHOD

National Procurement of Goods, Works and related Services etc.

- 37.0 Use of open tendering method in the procurement of goods, works, and services etc.:
- 37.1 The open tendering shall be the preferred method of procurement for goods and related services, works and physical services unless the threshold or special circumstances relating to a specific requirement make it more appropriate for one of the other procurement methods to be used.
- 37.2 Tenders shall be invited from all eligible tenderers through public advertisement under Rule 90 of PPR, 2008
- 37.3 the minimum time allowed for tenderers to prepare and submit their tenders for goods, works and physical services shall not be less than as specified in Schedule II of PPR, 2008 provided that the tender documents are ready for sale and made available by the date of publication of the advertisement.
- 37.4 In the case of any urgent procurement, the Board of Directors may decide to provide any directives to reduce the time or process for the procurement.

- 37.5 In cases where pre-qualification of applicants has been carried out pursuant to Rules 91, 92 & 93 of PPR, 2008, the PE shall restrict the issue of tender documents to pre-qualified applicants only.
- 37.6 In the case of procurement of goods and related services and works and physical services under open tendering method, process and proceedings inflow-charts as given in part B of schedule III of PPR, 2008 shall be followed.
- 38.0 Use of Other Methods for Procurement of Goods, Works and related services etc:
- 38.1 The PE may use a procurement method other than open tendering method for procurement of goods and related services and works and physical services in accordance with the requirements set out in these rules, namely, limited tendering method, direct procurement method, two-stage tendering method and request for quotations method, provided that the selection of any procurement method other than open tendering, should be recorded stating the reasons or justifications for the method selected in compliance with the conditions specified in PPR, 2008.
- 38.2 In the case of procurement of goods and related services and works and physical services under limited tendering method, two-stage tendering method, request for quotations method and direct procurement method, process and proceedings (Flow Chart) as specified in part C, D, E and F of Schedule III of PPR, 2008 shall be followed.
- 39.0 Use of the Limited Tendering Method:
- 39.1 The PE may undertake procurement by means of Limited Tendering Method in the following circumstances, namely-
- (a) When goods and related services and works and physical services by reason of their specialised nature are available only from a limited number of qualified potential suppliers or contractors; or
 - (b) When there is an urgent need for procurement of goods, works or services and appear as such that open national or international competitive tendering would be impractical.; or
 - (c) When the circumstances giving rise to the urgency under Rule 39. 1 (b) of this DOFP were neither foreseeable by the PE nor caused by delay on its part; or
 - (d) When the Government establishes a policy to standardise on a certain number of brands to cut down spare parts stock requirements and maintenance costs such as computers, laboratory equipment, research equipment.
- 39.2 The PE may invite tenders from enlisted suppliers or contractors when required time and administrative cost for going through open tendering would be high compared to the value of the procurement subject to the threshold specified in schedule II of PPR, 2008

- 39.3 In cases where the lowest evaluated tender price exceeds the threshold in Rule 39.2 of this DOFP, the approval for the award of contract shall be obtained from the next higher level of authority.
- 39.4 The limited tendering method shall not be used without prior approval of the HOPE or an officer authorised by him or her.
- 39.5 The submission of tender security shall not be mandatory under this method, but the submission of performance security shall be required.
- 39.6 Procedures for the limited tendering procurement method Rule 64 of PPR, 2008 shall be followed.
- 40.0 Conditions and Procedures for the use of the Two-Stage Tendering Method:
- 40.1 The PE may use this method in the case turnkey contracts or contracts for large complex facilities, such as the supply, installation and commissioning of sub-station, or works of complex nature or communication technology, etc.
- 40.2 The use of the word 'complex' in describing the nature of the items to be procured under two-stage tendering method covers procurement requirements for which it may not be in the best interests of the PE to prepare complete technical specifications in advance because of rapidly changing technology, and also procurement requirements for which the PE lacks the capability to prepare a full technical specification because alternative technical approaches may be available, but not within the knowledge of the PE.
- 40.3 Procedures for the two-stage tendering method & evaluation of the two-stage tendering method Rule 66, 67 & 68 of PPR, 2008 shall be followed.
- 41.0 Single-Stage Two Envelop Method:
- 41.1 The may undertake procurement using this method.
- 41.2 The technical proposal shall be placed in a sealed envelope clearly marked "TECHNICAL PROPOSAL". Similarly, the original financial proposal shall be placed in a sealed envelope clearly marked "FINANCIAL PROPOSAL" followed by the reference number, the name of the assignment, and with a warning "DO NOT OPEN WITH THE TECHNICAL PROPOSAL." The envelopes containing the technical and financial proposals shall be placed into an outer envelope and sealed.
- 41.3 The TOC shall open the technical proposal immediately after the deadline for their submission. The envelopes with the financial proposal shall remain sealed and securely stored.
- 41.4 The evaluation committee shall review/evaluate the technical proposals that are responsive in compliance with the terms and conditions specified in the tender documents.

- 41.5 The evaluation report of technical proposal shall be prepared and submitted for approval by the approving authority.
- 41.6 After approval of the evaluation report of technical proposal, the financial offer of the responsive tenderer shall be opened and the procedure for evaluation and award of contract shall follow the same procedures as for open tendering method.
- 42.0 Request for Quotation Method (RFQ):
- 42.1 The PE may undertake procurement by means of the RFQ for readily available in the market standard off-the-shelf goods and related services, low-value simple works and physical services, provided that the estimated value of such procurement shall not exceed the threshold separately specified for revenue and development budget in Schedule II of PPR, 2008
- 42.2 The HOPE shall strictly control the use of the RFQ method in order to ensure that there is no abuse and that its use by PE is restricted to the items specified in PPR, 2008.
- 42.3 A decision to use the RFQ Method shall be approved in writing by the HOPE or an officer authorised by him or her unless the RFQ method was scheduled for the said object of procurement in the procurement plan approved under Rule 16(7) of PPR, 2008.
- 42.4 In deciding or justifying the use of the RFQ Method, the following shall be considered
- (a) The PE shall not use the RFQ Method as means to either bypass more competitive methods of tendering or split large potential contracts into smaller ones solely to allow the use of this method.
 - (b) RFQ method should not require complex documentation or all the formalities of a full tendering process.
- 42.5 Quotations for low-value simple works or physical services may be requested in the form of-
- (a) Unit rate prices, provided quantities can be estimated with a reasonable degree of accuracy; or
 - (b) "Cost plus fee" arrangements, when quantities cannot be reasonably determined or estimated in advance; or
 - (c) A lump sum, if the PE has prepared an accurate cost estimate for the works or physical Services.
- 42.6 The PE may engage in procurement by means of RFQ Method for procurement of goods and related services required for maintenance and urgent repairs as long as the value does not exceed the threshold specified in Schedule II of PPR, 2008.

42.7 Documentation and procedure for using the RFQ Method and submission of quotations Rule 70, 71 & 72 of PPR, 2008 shall be followed.

43.0 Direct Procurement Method:

43.1 The PE may use the direct procurement method for procurement for goods and related services, works and physical services from one source without going through tendering or other procurement methods but shall under no circumstances be used to avoid competition or to favour a particular person, supplier or contractor to discriminate among persons, suppliers or contractors.

43.2 The HOPE shall strictly control the use of the direct procurement method as it does not provide the benefits of competition, lacks transparency and could encourage unacceptable and fraudulent practices.

43.3 The decision to use this method shall be approved by the HOPE or an officer authorised by him or her in order to ensure that there is no abuse and its use is restricted to the circumstances specified in the rules of PPR, 2008.

43.4 In exceptional cases where it is urgently necessary to complete the scope of the original contract, additional deliveries or a variation or extra work order or repeat order beyond the amount specified in Schedule II of PPR, 2008, shall be approved by the authority of level higher than the approving authority who approved the original contract.

44.0 Forms of Direct Procurement:

44.1 Until contrary to the context direct procurement shall be applicable in any of the following cases-

- (a) Direct contracting; or
- (b) Additional deliveries and repeat orders; or
- (c) Variation orders; or
- (d) Extra work order; or
- (e) Direct cash purchase; or
- (f) Force account.

44.2 When the PE engages in direct procurement according to this rule, it shall prepare a description of its needs and any special requirements concerning quality, quantity, terms and times of delivery.

44.3 The PE shall, in the first place, ask for a priced offer from a tenderer directly and afterward shall be free to negotiate with the selected sole tenderer.

44.4 There shall be no requirement for direct procurement to be advertised.

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44.5 There shall be no requirement for a tender security in case of direct procurement, but a performance security shall be obtained from the supplier or contractor except for procurements under Rule 27(9), Rule 81 & 82 of PPR, 2008

44.6 A new contract for new procurements or a revised contract incorporating an amendment to the existing contract in case of variations, extra works, repeat orders or additional deliveries shall be signed except for procurement under Rule 81 & 82 of PPR, 2008.

45.0 Use of Direct Contracting:

45.1 The PE may invite only one supplier or contractor to submit an offer under any of the following conditions -

- (a) Procurement of goods and related services of proprietary nature which can be obtained only from the proprietary source, i.e., when patents, trade secrets and copyrights prohibit others from manufacturing the same item; or
- (b) Where the procurement of critical components from a specific manufacturer, supplier or distributor is a condition precedent to hold such manufacturer, supplier or distributor to guarantee its project performance in accordance with the provisions of the contract; or
- (c) Those sold by an exclusive dealer or manufacturer which does not have sub-dealers selling at lower prices and for which no suitable substitute can be obtained at more advantageous terms; or
- (d) Procurement of perishable commodities such as fresh fruit, vegetables or other similar items on the basis of reasonable market price valid at the time of purchase; or
- (e) Procurement of goods and related services under exceptionally advantageous conditions provided that those are of the latest production, unused and are covered by manufacturer's warranty; or
- (f) Procurement of goods and related services, in special cases, from a Government-owned industry or factory using Government's own funds; or
- (g) When the Government wishes to promote small scale local industries for specialized products as per specification approved by certain Governmental agencies and statutory bodies; or
- (h) Procurement of spare parts of existing equipment where a change of supplier would result in the procurement of equipment, spare parts or services which would not be interchangeable with the existing equipment, spare parts or services, or
- (i) emergency procurement of goods, works and services arising from natural disasters within the thresholds as specified in Schedule II of PPR, 2008; or

2

- (j) Procurement of goods, works and services of very urgent or essential nature such as catering services, ambulance services, transportation services, event management services, repair/maintenance services, plumbing services, carpentry services, masonry services, etc. within the thresholds as specified in Schedule II of PPR, 2008.

45.2 For emergency procurement above the thresholds, the PE may resort to the direct procurement method for carrying out a procurement activity following the recommendation of the Board of Directors.

45.3 Contracts for stand-alone services such as catering services, security services, courier services, and others of a similar nature, with the original contractor may be renewed on annual or term basis, if the original contract was awarded on a competitive basis, provided that the renewal will not be given more than twice.

46.0 Procurement of Additional Deliveries and Repeat Orders:

46.1 Additional deliveries of goods and related services, from the original supplier, and repeat orders of similar nature from the original supplier or contractor shall be subject to the following conditions:

- (a) Contract values must not exceed the threshold prescribed in schedule II of PPR, 2008 provided that such prices are still the most advantageous to the PE after price verification;
- (b) No procurement by repeat orders shall be permissible, for the purpose of evading the necessity of the requirements for the alternative methods of procurement and the requirements of the act and these rules, by any means or, splitting of contracts or purchase orders into smaller numbers and threshold values or dividing contract implementation into artificial phases or sub-contracts.
- (c) In the case of an extension of existing contract relating to supplies, services or installation provided that the original contract was signed following a competitive procurement process.

47.0 Issuance of Variation or Extra Work Orders:

47.1 The PE may issue a variation order for procurement of works, physical services from the original contractor to cover any increase or decrease in quantities, including the introduction of new work items that are either due to change of plans, design or alignment to suit actual field conditions, within the general scope and physical boundaries of the contract.

47.2 The PE may issue an extra work order to cover the introduction of such new works necessary for the completion, improvement or protection of the original works which were not included in the original contract, on the grounds where there are subsurface or latent physical conditions at the site differing materially from those indicated in the contract, or where there are duly unknown physical conditions at the site of an unusual

nature differing materially from those usually encountered and generally recognised as inherent in the work or character provided for in the contract.

47.3 Any cumulative variation, beyond the threshold amount specified in Schedule II of PPR, 2008, shall be subject to another contract to be tendered out if the works are separable from the original contract.

47.4 In case of variation or an extra work order & costing of variation or extra work Rule 79 & 80 of PPR, 2008 shall be followed.

48.0 Use of Direct Cash Purchase:

48.1 The PE may undertake direct cash purchase of low-value goods and urgent and essential services such as maintenance, repairs, transportation and others in the value and annual aggregate amounts specified in Schedule II of PPR, 2008.

48.2 The PE may undertake any purchase under this rule by an officer or a purchase committee, comprising a maximum of three members, formed by it for this purpose, depending on the nature of the purchase.

48.3 Payments for purchase under Rule 48.1 of this DOFP may be made by cash or cheque and a purchase order or contract shall not be required.

49.0 Use of Force Account:

49.1 Force account may be used for the hiring of direct labour for departmental needs in the value and annual aggregate amounts specified in Schedule II of PPR, 2008.

49.2 Materials, tools and rental of additional equipment required to perform departmental works under force account may be procured using other procurement methods such as RFQ or direct contracting under Rule 76 of PPR, 2008.

International Procurement of Goods, Works and Related Services Etc.

50.0 Conditions and procedures for open tendering for procurement of goods, works and related services etc.:

50.1 The PE shall comply with the following additional requirements for International Tendering -

(a) The time allowed for the submission of tenders shall be sufficient to allow the invitation to reach all potential tenderers and to enable them to prepare and submit tenders and in the case of notice inviting re-tender shall be as specified in Schedule II of PPR, 2008.

(b) Technical specifications shall be based upon international standards or those widely used in international trade and such standards shall be compatible with those in use in Bangladesh.

(c) Where the Bangladesh standard is thought to be unique, the words "or equivalent" shall be added to allow for wider competition.

- (d) The acceptable currencies in which the tenderers shall be permitted to express their tenders and any tender or performance securities to be presented by them as well the currency or currencies in which the contract price will be paid shall be stated in the tender document.
- (e) The tender document may allow for a domestic preference as defined in Schedule II of PPR, 2008 to provide local manufacturers, suppliers and contractors with a price advantage over their international competitors for the purpose of promoting domestic products or industries.

50.2 If the PE decides, in the case of procurement of goods, that an international open tender shall include domestic preference, tenders will be classified in the following groups, namely -

- (a) Group A which shall comprise tenders offering goods manufactured in Bangladesh for which labour, raw materials and components from within Bangladesh make up more than thirty percent (30%) of the ex-works (EXW) price of the goods and the production facility in which they will be manufactured or assembled has been engaged in manufacturing or assembling such goods since, at least, the date of submission of the Tender.
- (b) Group B which shall include all tenders for offering goods of foreign origin to be imported by the PE directly or through the supplier's local representative.

50.3 If the PE decides, in case of procurement of works, that an international open tender shall include the provision for domestic preference, then in such cases domestic tenderers shall meet the following requirements in order to qualify for domestic preference, namely -

- (a) They shall be registered within Bangladesh;
- (b) They shall have majority ownership by nationals of Bangladesh;
- (c) They shall not sub-contract more than twenty percent (20%) of the tender price, excluding 'provisional sums,' to foreign contractors; and
- (d) They shall meet other requirements for domestic preference which have been specified in the tender document.

50.4 Joint ventures, consortia or associations of national companies formed as per Rule 54 of PPR, 2008 may be qualified for domestic preference, provided that -

- (a) The individual partners are registered in Bangladesh and have majority ownership of Bangladesh nationals;
- (b) The joint venture, consortium or association (JVCA) is registered in Bangladesh;
- (c) The JVCA shall not sub-contract more than twenty percent (20%) of the tender price excluding provisional sums, to foreign contractors; and

- (d) The JVCA meets any other requirements for domestic preference which have been specified in the tender document.
- 50.5 The JVCA between national and foreign firms shall not be eligible for domestic preference if the local partners share is below 50%.
- 50.6 When the works tenders received are under evaluation, the following procedure shall be followed -
- (a) Responsive tenders shall be classified into the following groups -
 - (i) Group A shall include all tenders offered by Bangladesh national tenderers and JVCA which meet the qualifications above under Sub-Rule (3) & (4); and
 - (ii) Group B shall include all other tenders.
 - (b) for the purposes of the evaluation and comparison of tenders only, the respective evaluated tender prices of all tenders placed in group B shall be increased by the percentage for domestic preference specified in Schedule II of PPR, 2008, after having adjusted arithmetical errors or other discrepancies and having excluded 'provisional sums' and provision, if any, for contingencies within the tender price, but including day work, priced as specified in Rule 5(6) of PPR, 2008.
 - (c) The lowest evaluated priced tenders in groups A and B shall then be compared and that lowest evaluated tender shall be recommended forward.
- 50.7 Guidance notes and instructions on domestic preference shall be included in the standard tender documents for international competitive tendering.
- 50.8 If national contractors or joint ventures including Bangladeshi partners participate in international tenders invited by the PE, they shall be able to submit their tender in a combination with local and foreign currencies similar to international tenderers; whereby a price breakdown for expenditures shall be provided against the demand for foreign currency.
- 50.9 Similarly, to encourage national industries, national suppliers offering goods manufactured or assembled in Bangladesh, participating in international tenders, shall be permitted to submit their tender in a with combination of local and foreign currencies.
- 50.10 In the case of international procurement under the open tendering method process and proceedings in flow-charts as specified in Part B of Schedule III of PPR, 2008 shall be followed.
- 51.0 Conditions for the use of Two-Stage Tendering Method:
- 51.1 The provision of Rule 61 & 83 of PPR, 2008 with regard to open tendering with the international competition shall apply to the two-stage tendering method of procurement, whenever the PE considers that there is a need for effective international competition.

- 51.2 PE shall follow the procedures set out in Rule 66 of PPR, 2008 with regard to procurement using the two-stage tendering method for aspects related to the advertisement, tender validity, technical specifications and payment currency except for the provisions for domestic preference which are not applicable for methods other than open tendering.
- 51.3 The reasons for the selection of procurement by the two-stage tendering method shall be documented as per Rule 43 of PPR, 2008.
- 51.4 In the case of international procurement under two-stage tendering method process and proceedings in flow-charts as specified in part-D of Schedule III of PPR, 2008 shall be followed.
- 52.0 Conditions & procedures for the use of the Request for Quotation Method:
- 52.1 In the case of procurement of divisible commodities in bulk from the international market RFQ method with prior approval of the HOPE, shall be used.
- 52.2 This method may be used for procurement of commodities in bulk in the following cases, namely -
- (i) For procurement of divisible commodities to meet an urgent need, where the prices fluctuate depending upon supply and demand at any particular time;
 - (ii) For procurement of commodities quoted in established commodity markets;
 - (iii) For taking advantage of lower level market conditions, procurement by multiple awards for partial quantities in each case to ensure long term security of supply.
- 52.3 The procedures to be followed for procurement of commodities under this Rule shall be the same as in Part-4 of Chapter Four of PPR, 2008 for national RFQ and as follows:
- (i) List of potential suppliers may be drawn up for a given period of time during which periodic invitations are to be issued for procurement of any particular commodities;
 - (ii) Suppliers may be invited to quote prices linked to the market price at the time of or prior to the shipments;
 - (iii) A single currency in which the commodity is usually priced in the market may be used for tendering and payment and shall be specified in the request for quotations;
 - (iv) Standard contract conditions and forms consistent with market practices shall be used.
- 52.4 In the case of international procurement under request for quotation method process and proceedings in flow-charts as specified in part-E of Schedule III of PPR, 2008 shall be followed.

53.0 Conditions and Procedures for Use of Limited Tendering Method:

- 53.1 The PE may engage in procurement of goods, related services, works or physical services by means of the limited tendering method with international competition in accordance with this rule whenever the PE considers there is a need for effective international competition.
- 53.2 The procedures as applicable for limited tendering method in the case of national procurement as specified in Rule 64 of PPR, 2008 shall also be followed for procurement under this method with international competition.
- 53.3 The reasons for the use of the method shall be recorded and maintained as per Rule 43 of PPR, 2008
- 53.4 In the case of international procurement under limited procurement method process and proceedings in flow-charts as specified in part-C of Schedule III of PPR, 2008 shall be followed.

54.0 Conditions and Procedures for the use of the Direct Procurement Method:

- 54.1 The PE may engage in procurement by means of the direct procurement method in accordance with Part 5 of Chapter 4 of PPR, 2008 whenever The PE considers that there is a need for international procurement.
- 54.2 The justification for the use of this method shall be recorded and maintained as per Rule 42 & 43 of PPR, 2008.
- 54.3 The procedures as applicable for direct procurement method in the case of national procurement as specified in Part-5 of Chapter 4 of PPR, 2008 shall also be followed for procurement under this method with international competition.
- 54.4 In the case of international procurement under direct procurement method process and proceedings in flow-charts as specified in part F of Schedule III of PPR, 2008 shall be followed.

55.0 Framework Contracts:

- 55.1 PE may enter into a framework contract for the supply of a quantity of similar items at specified prices during a defined period, in order to avoid repeated tendering for the same requirement as well as obtain better prices through economies of scale.
- 55.2 Framework contracts may be concluded following open or limited tendering with one or more suppliers to provide a range of goods and physical services over a defined period of time not exceeding (3) three years.
- 55.3 Framework contracts shall not be used to procure items or goods for prices higher than the market prices.

CHAPTER-9: PROCESSING OF PROCUREMENT

56.0 Advertisement:

56.1 The PE shall be the authority to directly advertise all Invitations for Pre-Qualification (IFPQ), Invitations for Enlistment (IFE), Invitations for Tender (IFT) and Request for Expressions of Interest for Goods and related Services, Works and Physical Services and, Intellectual and professional Services, etc.

56.2 The PE shall advertise their procurement requirements which have been included in their Annual Procurement Plan in accordance with the Rule 90 of PPR, 2008.

56.3 The PE shall, in publishing advertisements for national and international Procurement, ensure that the time frame for Invitations is in compliance with Schedule II of PPR, 2008.

56.4 Advertisements for Invitations for Pre-Qualification, Enlistment Invitations for Tenders and Expressions of Interest (EoI) shall follow the specific formats as per Standard Tender Document (STD) of CPTU.

57.0 Pre-Qualification for Procurement of Goods, Works related services etc.:

57.1 The PE may undertake pre-qualification for the following large and complex procurement subject to the thresholds specified in Schedule II - of PPR, 2008

(a) Construction Works;

(b) Maintenance Works;

(c) Supply and installation of machinery/equipment;

(d) Design and build infrastructure;

(e) Custom-designed equipment;

(f) Management contractors.

57.2 Rule 91 of PPR, 2008 shall be followed.

58.0 Issuance and Sale of Tender Document and Pre-Tender Meeting:

58.1 Tender Documents shall be made available to Tenderers as soon as the relevant advertisement is published under Rule 90 of PPR, 2008

58.2 All prospective applicants or tenderers shall be provided the same information and be assured of equal opportunities to obtain additional information promptly upon request.

58.3 Tender Documents shall be posted on the PE's website where possible.

58.4 Rule 94 of PPR, 2008 shall be followed.

- 58.5 For e-GP, the provisions of Chapter Eight of PPR, 2008 will prevail.
- 59.0 Modifications to Tender Documents:
- 59.1 At any time prior to the deadline for the submission of tenders' the PE may, on its own initiative or in response to an inquiry by a tenderer or as a result of a pre-tender meeting, modify the tender Documents by issuing an addendum.
- 59.2 The addendum issued under Rule 59.1 of this DOFP shall become an integral part of the tender Document and shall have a date and an issue number and must be circulated by fax, mail or e-mail, to tenderers who have purchased the tender documents within the time specified in Schedule II of PPR, 2008, to enable tenderers to take appropriate action.
- 59.3 Rule 95 of PPR, 2008 shall be followed.

CHAPTER-10:

PROCUREMENT OF INTELLECTUAL AND PROFESSIONAL SERVICES

- 60.0 Methods for Procurement of Intellectual and Professional Services and their Use:
- 60.1 The prime consideration in the selection of the successful consultant in the Procurement of intellectual and professional services shall be given to the quality of a consultant's technical proposal.
- 60.2 The cost of the services shall be considered judiciously because in the procurement of intellectual and professional services in general, if cost considerations predominate in the evaluation, the quality of the resulting services often ends up being inferior which in turn places further cost burdens on the PE due to rework being needed or less economical solutions being recommended.
- 60.3 The PE shall encourage the involvement of national consultants in assignments with international competition.
- 60.4 Depending on the nature and complexity of assignments, different methods as specified in this part of these Clauses may be used provided that the Quality & Cost Based Selection (QCBS) and Selection under a Fixed Budget (SFB) shall be the preferred options for selection of consultants.
- 60.4.1 QCBS is the preferred method that shall be used in most cases and shall take into account-
- The quality of the Proposal; and
 - The cost of the Services.

60.4.2 SFB is appropriate only when -

- The assignment is relatively simple and can be precisely defined; and
- The budget is fixed.

60.4.3 Other method for selection of Consultants as per PPR

60.4.3.1 Least Cost Selection (LCS) - is appropriate for the selection of consultants for an assignment of a standard or routine nature such as audits, architectural and engineering designs of non-complex works, where established practices and standards exist and in which the contract amount is small.

60.4.3.2 Selection Based on Consultant's Qualifications (SBCQ)- The PE may consider using SBCQ for very small assignments, for which the cost of a full-fledged selection process would not be justified, such as –

- a. Brief evaluation studies at critical decision points of projects (review of alternative solutions with large downstream effects);
- b. Executive assessment of strategic plans;
- c. High level, short-term legal expertise; and
- d. Participation in project review expert panels.

60.4.3.3 Single Source Selection (SSS) of firms or individual consultants (firms or individual) may be used only if it presents a clear advantage over the competition in exceptional cases as specified below-

- a. Where a rapid selection is essential (for example, in an emergency operation),
- b. For very small assignment;
- c. When only one (1) firm or an individual Consultant is qualified or has experience of exceptional worth for the assignment; and
- d. It may also be appropriate for tasks that represent a natural continuation of previous work carried out by the Consultant.

60.4.3.4 Selection of Consultants by a Design Contest (DC): Carrying out a Design Contest is a selection method under which shortlisted firms, in general, architectural firms, are invited to submit their conceptual design for a physical project, such as a monument, research center, office headquarters or transportation terminal.

60.4.3.5 Selection of Individual Consultants: Individual consultants may be employed for assignments for which the qualifications and experience of the individual are the overriding requirements, and no team of staff and no additional professional support are required.

61.0 The PE shall publish on its website the name of the Consultant to which the contract was awarded, price, duration and scope of the Contract.

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[Signature]

CHAPTER-11:

CLASSIFICATION OF PROCUREMENT ITEMS

62.0	Classification of Procurement Items
62.1	Goods & Related Services under Category A: All equipment and materials related to electric distribution system including Electric meter/metering unit, Underground Cable & Cable Accessories, Service cable, Service accessories, Conductor, Conductor accessories, Line hardware, Electric Pole & Pole Fittings, Transformer, Sub-station equipment, CT-PT, MCCB, LA-DOFC, Breaker, PCM Panel etc.
62.2	Goods & Related Services under Category B: Stationery and Printing Materials, Computer and peripheral, Motor Vehicles, Air Conditioner, Photocopier, Fax Machine, PABX System, Office Furniture & Fittings, Communication Equipment and Office Consumables etc.
62.3	Works & Physical Services under Category C: Construction, reconstruction, site preparation, demolition, repair, maintenance, renovation, infrastructure or structure, installation, any construction work relating to excavation, installation of equipment and materials, decoration, interior rearrangement, Carrying of goods etc.
62.4	Outsourcing Services under Category D: Commercial Operation & Support Services (COSS), Line & Equipment Maintenance (LEM) , Maintenance of Sub-station & Switching-station (MSS) etc.
62.5	Outsourcing Services under Category E: Catering Services, Ambulance/transportation Services, Small repairing/ maintenance/Painting/ Carpentry services, Security Services, Cleaning Services, Event Management Service, Advertisement etc.
62.6	Outsourcing Services under Category F: Car, Microbus, Pick-up etc (any transport/ vehicle) on rental basis.
62.7	Consultancy Service under Category G: Intellectual and professional/expertise services from individual expert/ reputed firm/ professional institution, Innovative ideas & services from Local Expertise /reputed firm.
62.8	Emergency Goods, works or services under Category H: Emergency goods, works or services following a disaster/ natural calamity e.g. flooding, fire etc. when use of other procurement method is impractical within a short time frame or in situations where unforeseen disruptions or power supply needs emergency restoration.
62.9	New item under Category I: For purchasing any new item which is not included in any category will be included by the approval of Board of Directors of NESCO.

CHAPTER-12:

APPROVING AUTHORITY FOR PROCUREMENT

63.0 Approving Authority

63.1 The approving authority with corresponding financial power for different categories of procurement is described in following chart:

Threshold	Category of Items	Procurement Method	Approving Authority
Up to Tk. 10 (ten) thousand	Goods & Related Services under Category B/ Works & Physical Services under Category C	DCPM	Executive Engineer/ Manager. Maximum 02 (Two) Times Per Month
Above Tk. 10 (ten) thousand and Up to Tk. 12(Twelve) thousand	Goods & Related Services under Category B/ Works & Physical Services under Category C	DCPM	Superintending Engineer/ Deputy General Manager. Maximum 04 (Four) Times Per Month
Above Tk. 12 (twelve) thousand and Up to Tk. 15 (fifteen) thousand	Goods & Related Services under Category B/ Works & Physical Services under Category C	DCPM	Chief Engineer/General Manager
Above Tk. 15 (fifteen) thousand and Up to 20 (Twenty)thousand	Goods & Related Services under Category A & B / Works & Physical Services under Category C	DCPM	Executive Director
Above Tk. 20 (twenty) thousand and Up to Tk. 25 ((Twenty Five) thousand	Goods & Related Services under Category A & B / Works & Physical Services under Category C	DCPM	Managing Director
Up to Tk. 1 (one) lac	Consultancy Service from individual expert reputed firm	DPM	Managing Director
Up to Tk. 2 (Two) lac	Goods & Related Services under Category B/ Works & Physical Services under Category C	RFQM	Chief Engineer/General Manager
Above Tk. 2 (Two) lac and Up to Tk. 3 (three) lac	Goods & Related Services under Category A & B/ Works & Physical Services under Category C	RFQM	Executive Director

Above Tk. 3 (Three) lac and Up to Tk. 5 (five) lac	Goods & Related Services under Category A & B/ Works & Physical Services under Category C. Outsourcing Services under Category E & F Consultancy Services under Category G	RFQM / LTM	Managing Director
	Unforeseen urgent Services under Category E	DPM	
Up to Tk. 50 (fifty) lac	Emergency goods, works or services under Category H. Expertise services from any Govt./Semi Govt./ Autonomous Bodies/Public University/ Professional Institution.	DPM	Managing Director
Up to Tk. 2 (Two) crore	Goods & Related Services under Category A & B / Works & Physical Services under Category C. Outsourcing Services under Category D, E & F Consultancy Service under Category G	LTM	
Up to Tk. 2.5 (two point five) crore	Goods & Related Services under Category A & B / Works & Physical Services under Category C. Outsourcing Services under Category D, E & F	FCM	
Up to Tk. 2.5 (two point five) crore	Proprietary items directly from manufacturers	DPM	
Up to Tk. 3 (three) crore	Goods & Related Services under Category A & B/ Works & Physical Services under Category C. Outsourcing Services under Category D, E & F	OTM	Managing Director
Up to Tk. 50 (fifty) lac	Consultancy Service under Category G		
Up to Tk. 3 (three) crore	Goods from Government/Semi Govt./ Autonomous Body (NESCO Board should be informed).	DPM	
Any Value beyond the limit of NESCO Management as mentioned above	Any Procurement	Any Method	Board of Directors of NESCO

N.B. The approving authority Executive Engineer/ Manager, Superintending Engineer/ Deputy General Manager, Chief Engineer/General Manager, Executive Director refers to the Executive of concerned Division / office/ directorate.

63.2 Approving authority for corporate social responsibility or CSR.

Description	Amount	Approving Authority
Upon receiving request or advise from concern office or person or entity, The Managing Director of NESCO may discuss this matter in the Board for discussion and decision.	Any Amount	Board of Directors of NESCO

64.0 e-GP related Approving Authority

e-GP related approving Power					
Sl No	Item	MD	ED	CE/GM	SE/DGM
1	APP Approval (Administrative Approval)	Full	Within the delegation of Financial power (Included central approved APP of NESCO)	Within the delegation of Financial power (Included central approved APP of NESCO)	Within the delegation of Financial power (Included central approved APP of NESCO)
2	TEC Formation	Full	Within the approval limit as per CHAPTER-12	Within the approval limit as per CHAPTER-12	Within the approval limit as per CHAPTER-12
3	TOC Formation	Full	Within the approval limit as per CHAPTER-12	Within the approval limit as per CHAPTER-12	Within the approval limit as per CHAPTER-12
4	Tender Notice and Tender Document Approval	Full	Within the approval limit as per CHAPTER-12	Within the approval limit as per CHAPTER-12	Within the approval limit as per CHAPTER-12
5	Amendment/Corrigendum in published tender document or notice where competitive conditions remain same	Full	Within the approval limit as per CHAPTER-12	Within the approval limit as per CHAPTER-12	Within the approval limit as per CHAPTER-12
6	Amendment/Corrigendum in published tender document or notice where competition is being further restricted.	Full			

7	Tender Opening deadline extension after closing of tender	Full			
8	Tender evaluation report approval (Technical)	Approving Authority as per CHAPTER-12	Approving Authority as per CHAPTER-12	Approving Authority as per CHAPTER-12	Approving Authority as per CHAPTER-12
9	Contract Approval	Approving Authority as per CHAPTER-12	Approving Authority as per CHAPTER-12	Approving Authority as per CHAPTER-12	Approving Authority as per CHAPTER-12
10	Cancellation of all tender	Full			
11	Issuing NOA	Full	PE	PE	PE
12	Extension of tender validity	Full First time & next higher authority for second & final time			

CHAPTER-13:

APPROVING AUTHORITY FOR FINANCIAL OPERATION

65.0 Revenue activity related Approving Authority

Item No	Head of Item	Proposal / Process	Recommendation Authority	Approving authority	Limit of Power (TK.)	Remarks
1	2	3	4	5	6	7
65.1 CONTRACT/FINANCIAL MANAGEMENT:						
1	Approval of Time Extension of Contract	CE/ GM SE/DGM AE/SDE XEN/Manager	ED CE/GM SE/DGM	MD ED PE(CE/GM)	100% 50% 20%	1. Subject to, Budget allocation and Approved Annual Procurement Plan 2. In line with the recommendation of the LD Committee (Liquidity Damage Committee). 3. PPR, 2008, PPA, 2006 and subsequent amendments to be followed. 4. Terms and Conditions of Contract to be followed.
2	Administrative Approval of Annual Procurement Plan (APP)	SE/CE PD/DGM/ HoD (Head of Department)	ED	MD	Full	1. Subject to Budget allocation 2. PPA, 2006, PPR, 2008 and subsequent amendments to be followed. 3. The procurement Plan shall include all targeted objects or issues to be procured, irrespective of value or methods, classified by category such as goods and related services, works, physical services and intellectual & professional services. 4. APP should be updated quarterly if required.
3	Opening & Closing of Bank Account: Central & Local Bank Account	DGM/ HoD Head of RAO (For Local Bank Account)	ED/ DGM/GM	MD	Full	

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Item No	Head of Item	Proposal/ Process	Recommendation Authority	Approving authority	Limit of Power (TK.)	Remarks
1	2	3	4	5	6	7

65.2 APPROVAL FOR FUND PLACEMENT:

1	Approval of Fund Placement to Unit Offices	Head of the Unit office M/(In-charge within RAO)	ED(F) DGM/ GM	ED(F) DGM/GM	Full 8 (Eight) Crore	1. BPDB and PGCB payment shall be prioritised 2. Financial Planning/ Expenditure must be provided in advance. 3. All expenditure must be in accordance with the Approved APP, Budget and time line
2	CD, VAT & Govt. Duty	DGM/GM DM/AM/IAM DM/AM/IAM	ED(F) Manager Manager	MD DGM/GM Head of RAO	Full	As per VAT and Tax regulation also in compliance to all Government and NBR SRO as appropriate.
3	Approval of Fund Placement (From Revenue to Development)	Head of the Unit Office M/(In-charge within RAO)	ED(F) GM/DGM	MD ED(F)	Full 5 (Five) Crore	Should be adjusted immediately from development fund released
4	Inter-Bank Fund Transfer	AM/M/	M/DGM	DGM/ GM/ ED(F)	Full	Not for fixed deposit
5	Approval of Imprest Ceiling	Head of the Office	GM/ ED(F)	MD	Full	
6	Approval/Selection of Bank for Opening Letter of Credit (L/C)	Head of the Office	ED	MD	Full	
7	Payment of Principal & Interest on Loan, Overdraft	DGM/GM AM/DM	GM/ED(F) DGM	MD ED	Full 1(One) Crore	

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Item No	Head of Item	Proposal / Process	Recommendation Authority	Approving authority	Limit of Power (TK.)	Remarks
1	2	3	4	5	6	7
8	Loan, Overdraft, Debenture, etc. received	DGM/GM	ED(F)	MD	Full	In case of Debenture or Bond, Board approval required
9	Fixed Deposit or any other Investment	DGM/GM	ED(F)	MD	Full	
10	Return of Contractor's Security Deposits	AM/DM	M/ charge in RAO	PE (Procuring Entity)	Full	Terms and condition of contracts to be followed.
11	Payment to GOB/DSL Payment	AM, DM, M	DGM GM	MD ED(F)	Full 2 (Two) Crore	Board will be notified in case of DSL Payment

65.3 BUDGET APPROPRIATION, RE-APPROPRIATION & POST FACTO APPROVAL:

1	Capital Budget a) From one Major Head to another b) From one Minor Head to another within the same Major Head c) From One sub-Head to another within the same Minor Head	Head of the Office	ED	MD	Up to 20% of the budget provision	In case of above 20%, MD should obtain approval on revised APP and Budget from the Board.
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Item No	Head of Item	Proposal / Process	Recommendation Authority	Approving authority	Limit of Power (TK.)	Remarks
1	2	3	4	5	6	7
2	Revenue Budget a) From one Minor Head to another b) From One sub-Head to another within the same Minor Head	Head of the Office	ED	MD	Up to 20% of the budget provision	In case of above 20%, MD should obtain approval on revised APP and Budget from the Board.
3	Post Facto Approval of Excess Expenditure (within the total budget approved by the Board)	Head of the Office	ED	MD	Full	

65.4 APPROVAL OF TEMPORARY ADVANCE:

1	Advance Payment to Govt. & Autonomous Organisation	Head of the Office	ED	MD	Full	
2	Advance for payments of CD VAT, Govt. Duty, etc.	Head of the Office	ED	MD	Full	
3	Advance for the Spot Procurement of Emergency Goods, Works & Services	AE/AM/SDE/DM	XEN/M/SE/DGM	SE/DGM/CE/GM	15 (Fifteen) Thousand	Constitute a committee consisting of at least 3 members headed by an officer just below the rank of approving authority.

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Item No	Head of Item	Proposal / Process	Recommendation Authority	Approving authority	Limit of Power (TK.)	Remarks
1	2	3	4	5	6	7
4	Advance for Payment of Tax Token, Fitness Certificate, Insurance, Fuel (CNG) Reimbursement of Gas & Electricity Bill and any Regulatory Payment	AE/AM/SDE/DM	XEN/M	Head of the Office	Full	
5(A)	Advance for AGM	DCS	CS/ED	MD	Full	
5(B)	Advance for Festival/ Gifts /Entertainment	AM/DM/M	DM/M/DG M	MD ED	50 thousand 30 thousand	Not more than 02 times in a year.
6	Advance for Payment of Honorarium and relevant expense of Board Meeting and Board Committee Meeting and Other Meeting	AM/DM	DCS/CS	MD	Full	
7	Traveling Allowance Advance: Local-Head Office	Respective Employee	Immediate higher Authority	Head of the Office	Full	Company's rules and procedures to be followed.
		a. Local-Unit office	Respective Employee	Immediate higher Authority	Head of the office	
		b. Foreign	DGM / CE/GM/ED	MD	Full	

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Item No	Head of Item	Proposal / Process	Recommendation Authority	Approving authority	Limit of Power (TK.)	Remarks
1	2	3	4	5	6	7
8	Advance for Medical Expenses to employee injured by accident on duty	CE/GM	ED	MD	5 (Five) Lac	Office will bear the expense
		AE/AM/SDE/DM	XEN/M/SE/DGM	Head of the Office (Not Less than DGM/SE)	50 (Fifty) Thousand	
9	Advance for Medical Expenses (Personal)	CE/GM	ED	MD	1 (One) Lac	Subject to availability of yearly ceiling & special cases
10	Advance against Depository Work	CE	ED	MD	Full	
		SE	CE	ED	2 (Two) Crore	Procurement Procedures will be followed.
		XEN	SE	CE	1 (One) Crore	
11	Honorarium of TOC/TEC/POC/PEC for procurement of Goods, Works & Services	-	-	TEC Chairperson	Full	
12	Honorarium of various Expert Committee	CE/GM	ED	MD	Full	

Item No	Head of Item	Proposal / Process	Recommendation Authority	Approving authority	Limit of Power (TK.)	Remarks
1	2	3	4	5	6	7
65.5 ESTABLISHMENT EXPENSES:						
1	Payment of Salary, Allowances, Festival Bonus, Incentive Bonus, Charge Allowance, etc. a. In case of Head office: b. In case of Unit offices:	AM/DM DGM/GM Section	M/ DGM/GM Head of the Section	ED Head of the Office	Full Full	1. Subject to Specific Budget allocation 2. Subject to Administrative order/ Approval of competent authority as per service rules
2	TA/DA, Tiffin, Conveyance, etc.	Self	Next higher Authority	Head of the Office	Full	1. Subject to Specific Budget allocation 2. Subject to Administrative order/ Approval of competent authority as per service rules
3	Medical Bill	Self	Next higher Authority	Head of the Office	Full (up to ceiling)	1. As per NESCO Service Rule-2019 2. Company's medical rules to be followed.
4	Payment of office Operating Expenses: Telephone/mobile, Internet, Cable operator, Electricity, Gas, W/ASA, Postage, Fax, Courier, Rent, Taxes, Insurance, Fuel/CNG, Bank Charge and other office operating expenses	Respective/Concern Section	Head of the Section	SE/DGM/ Head of the Office	Full	

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Item No	Head of Item	Proposal / Process	Recommendation Authority	Approving authority	Limit of Power (TK.)	Remarks
1	2	3	4	5	6	7
5	Registration/Insurance/Tax Token/Fitness Certificate of Vehicle	Respective Concern Section	Head of the Section	SE/DGM/Head of the office	Full	
6	Legal Expenses	CE/GM	ED	MD	30 (Thirty) Lac	
7	Advertisement (Tender, Recruitment, etc.)	CE/GM SE/DGM XEN/M SDE/DM	ED CE/GM SE/DGM XEN/M	MD ED	Full 5 (Five) Lac	
8	Petty Cash Voucher through Imprest fund	-	-	MD	25 (Twenty-five) Thousand	1. Subject to Specific Budget allocation 2. This limit of power is the highest limit to approve a single voucher.
				ED	15 (Fifteen) Thousand	
				CE/GM	10 (Ten) Thousand	
				SE/DGM	05 (Five) Thousand	
				XEN/M	02 (Two) Thousand	

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Item No	Head of Item	Proposal/ Process	Recommendation Authority	Approving authority	Limit of Power (TK.)	Remarks
1	2	3	4	5	6	7
9	Auditor's Fee as approved in the AGM	Respective Section	Head of the Section	SE/DGM/Head of the Office	Full	1. Subject to Specific Budget allocation 2. Company's rules and procedures to be Followed.
10	Overtime	CE/GM Section	ED Head of the Section	MD SE/DGM/Head of the Office	Full Max. 32 (Thirty-two) Hours	As per Service Rule of NESCO
11	Payment of Group Insurance/Benevolent Fund	XEN/M	SE/DGM	GM/CE	Full	Subject to Administrative order/Approval of competent authority as per service rules
12	Leave Encashment	XEN/M	SE/DGM	GM/CE/ED	Full	1. As per service Rule of NESCO 2019
13	Gratuity, CPF Payment	AM/DM/M	M/DGM	DGM/GM	Full	Subject to Administrative order/Approval of competent authority as per NESCO service rules-2019
14	Disbursement of Loan (Home Loan/Car Loan/Motorcycle Loan)	AM/DM/M	M/DGM	DGM/GM/ED	Full	Loan must be repaid within the Contract period of service and installment amount should not be more than his/her basic salary.
15	Expenditure for Sports & Cultural Functions	CE/GM SE/DGM XEN/M	ED CE/GM SE/DGM	MD ED	Full 1 (One) Lac	

24

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46 | Page

Item No	Head of Item	Proposal / Process	Recommendation Authority	Approving authority	Limit of Power (TK.)	Remarks
1	2	3	4	5	6	7
16	Entertainment Expenses for Managing Special Event	CE/GM SE/DGM XEN/M SDE/DM	ED CE/GM SE/DGM XEN/M	MD ED CE/GM SE/DGM	1 (One) Lac 20 (Twenty) Thousand 10 (Ten) Thousand 5 (Five) Thousand	
17	Hiring of Transport	CE/GM SE/DGM XEN/M AM/DM	ED CE/GM SE/DGM XEN/M	MD ED CE/GM SE/DGM	Full 2 (Two) Lac 1 (One) Lac 50 (Fifty) Thousand	
18	Office Shifting Expenses (including BTCL Telephone shifting)	CE/GM DGM XEN/M SDE/DM AE/AM	ED CE/CM SE/DGM XEN/M SDE/DM	MD ED CE/GM SE/DGM XEN/M	Full 1 (One) Lac 50 (Fifty) Thousand 30 (Thirty) Thousand 20 (Twenty) Thousand	

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Item No	Head of Item	Proposal / Process	Recommendation Authority	Approving authority	Limit of Power (TK.)	Remarks
1	2	3	4	5	6	7
19	Tree Plantation & Gardening and Miscellaneous etc.	CE/GM SE/DGM XEM/M SDE/DM	ED CE/GM SE/DGM XEN/M	MD ED CE/GM SE/DGM	Full 1 (One) Lac 50 (Fifty) Thousand 25 (Twenty-Five) Thousand	
20	Taxes, VAT, Duties, Charges and Other Regulatory Payments	AE/AM/DM	DM/M/XEN	SE/DGM/CE/GM	Full	
21	Letter of Credit (L/C) Charge/Commission/Charges a. Head office b. Unit Offices	DM/M AM/DM	DGM/GM DM/M	ED(F) DGM/GM	Full Full	
22	All kinds of Electrical, Mechanical materials as obsolete & non-repairable	CE/GM	ED	MD	Full	
23	All kinds of Civil Installations/Materials declared as obsolete and unusable	CE/GM	ED	MD	Full	1. Company's applicable rules to be followed. 2. Value to be determined by Condemnation Committee. 3) Instruction of Store Manual to be followed.

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Item No	Head of Item	Proposal / Process	Recommendation Authority	Approving authority	Limit of Power (TK.)	Remarks
1	2	3	4	5	6	7
24	All kinds of Transports/ Vehicles declared as obsolete & beyond economically repairable	CE/GM	ED	MD	Full	1. Company's applicable rules to be followed. 2. Value to be determined by Condemnation Committee. 3) Instruction of Store Manual to be followed.
25	All kinds of Store Items declared as obsolete	CE/GM	ED	MD	Full	1. Company's applicable rules to be followed. 2) Instructions of Store Manual to be followed. 3) Whether materials are required or not in other offices of the company should be verified through a circulation.
26	All kinds of Trees	CE/GM SE/DGM XEN/M	ED CE/GM SE/DGM	MD ED CE/GM	Full 20 (Twenty) Lac 05 (Five) Lac	Clearance from Forest/ Environment authority required

65.6 WRITE-OFF AND COMPENSATION:

1	Write-off cash stolen or any kind of materials stolen/perished	CE/GM SE/DGM XEN/M	ED CE/GM SE/DGM	MD	Full	As per Govt. Rule
2	Compensation to workers for accident occurred on duty (Individual cases)	CE/GM SE/DGM XEN/M	ED CE/GM SE/DGM	MD	1 (One) Lac	As per Labour Law

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Item No	Head of Item	Proposal / Process	Recommendation Authority	Approving authority	Limit of Power (TK.)	Remarks
1	2	3	4	5	6	7
3	Compensation to any person other than employee of the company (partial disablement or death)	CE/GM SE/DGM XEN/M	ED CE/GM SE/DGM	MD	Full	To obtain approval from the Board.
4	Medical Expenses for workers injured by accident on duty	CE/GM SE/DGM XEN/M	ED CE/GM SE/DGM	MD	50 (Fifty) Thousand	
5	Compensation of House, Tree, Crops, etc. affected	XEN/M SDE/DM	SE/DGM XEN/M	CE/GM SE/DGM	Full	To obtain approval from the Board.

65.7 MISCELLANEOUS EXPENSES (APPROVAL OF ADVERTISEMENT/PUBLICATION EXPENDITURE):

1	Publications of Annual Report (including other Publications)	CE/GM SE/DGM XEN/M/DM/AM/ AE	ED CE/GM SE/DGM	MD	Full	
2	Making Documentary, Short Film & Advertisement on Radio/TV/Cinema Hall	CE/GM SE/DGM	ED CE/GM	MD	Full	
3	Other Advertisement (Banner, Display, etc.)	CE/GM SE/DGM XEN/M	ED CE/CM SE/DGM	MD ED	Full 1 (One) Lac	

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X

Item No	Head of Item	Proposal/ Process	Recommendation Authority	Approving authority	Limit of Power (TK.)	Remarks
1	2	3	4	5	6	7
4	Registration Fee for attending Training/ Workshop/Seminar	CE/GM SE/DGM XEN/M SDE/DM/AM/AE	ED CE/GM SE/DGM XEN/M	MD ED CE/GM SE/DGM	Full 1 (One) Lac 50 (Fifty) Thousand 10 (Ten) Thousand	
5	Approval of Expenses for arranging Seminar, Workshop, etc.	CE/GM XEN/M	ED SE/DGM	MD ED	Full 3 (Three) Lac	
6	Inauguration and other Ceremony including rally etc.	CE/GM XEN/M	ED SE/DGM	MD ED	Full 2 (Two) Lac	
7	Approval of Freight/ Demurrage/Port/Jetty Charge	SE/DGM	CE/GM	ED	Full	
8	Approval of Corporate Tax	SE/DGM	CE/GM/ED	MD	Full	
9	Approval of Testing Fee	CE/GM SE/DGM SDE/DM	ED CE/GM XEN/M	MD ED	Full 2 (Two) Lac	

[Handwritten signature]

Item No	Head of Item	Proposal / Process	Recommendation Authority	Approving authority	Limit of Power (TK.)	Remarks
1	2	3	4	5	6	7
10	Approval of Donation, Advertisement of organisation	CE/DGM/GM	ED	MD	2 (Two) Lac	

66.0 APPROVAL OF THE PURCHASE PROPOSAL FOR DEVELOPMENT PROJECT:

Regarding the Approval of the Purchase Proposal for Development Project, the “Delegation of Financial Powers for Development Projects” of the Government of Bangladesh shall be followed. However, the Board of Directors of NESCO Ltd. shall be the approving authority of any Purchase Proposal for Development Project above the limit of power of the Managing Director.

(Handwritten signature)