

Government of Puducherry
Abstract

Finance Department - Delegation of Financial Powers to Administrative Secretaries for incurring Expenditure on Outsourcing of Housekeeping and Sanitation Services, and Security Services in office buildings/ premises of Departments/ Other Government entities through GeM Portal under the Delegation of Financial Powers Rules, 1978

Finance Department

G. O. Ms. No.45/F3/2022

Dated 20.8.2022

ORDER

1. In exercise of her powers conferred under Rule 13(3) of the Delegation of Financial Powers Rules, 1978, the Hon'ble Lt. Governor is pleased to re-delegate to Administrative Secretaries financial powers of upto ₹ 2 crores each in any financial year (for all four Regions taken together) for incurring expenditure towards Outsourcing of Services of 'Housekeeping & Sanitation' and 'Security', for the purposes of cleaning/maintenance and round-the-clock watch-and-ward duty respectively within the office buildings/premises of Departments/ Government Entities. This shall be subject to strict compliance with the following conditions:

- i) The procurement of the outsourcing services shall be in strict compliance with all extant GFR norms, relevant directives of the Finance Department, and other codal formalities, as amended from time to time. Further, in compliance with Rule 149(iii) of the GFR, 2017, the e-bids for outsourcing shall only be invited through the GeM portal.
- ii) This delegation is only for *continuing* proposals of outsourcing 'Housekeeping & Sanitation' and 'Security' services.
- iii) The outsourcing (inclusive of both manpower and material) shall be on a deliverables/outcome basis¹duly backed by a Service Level Agreement (**SLA**), either the standard SLA specific for each such service provided in the GeM portal, or the modified/customised SLA by the Department/Government Entity to suit its specific requirements².

¹Finance Department I.D. Note No.1412/FD/F3/2021-22, dated 31.12.2021

²Finance Department Circular No. 1412/FD/F3/2022-23, dated 20.07.2022

- iv) The, bids shall be invited on the GeM portal by consolidating all the offices/units under a Department/Government Entity within a region. i.e. separately for Puducherry, Karaikal, Mahe or Yanam³. This is tantamount to one Department/Government Entity floating a Single Consolidated Bid in a financial year each for the outsourcing of 'Housekeeping & Sanitation Services' and 'Security Services' by consolidating proposals of all offices/establishments under that Department/ Government entity within a region, i.e., separately for Puducherry, Karaikal, Mahe or Yanam. The only exception would be mega-size units, such as the General Hospitals, Medical College, and Engineering College, for which distinct bids could be permitted by the Finance Department based on a specific case, including the area requirements, made by the concerned Department.
- v) Compliance with the statutory provisions, such as the Minimum Wages notified by the Labour Department, statutory dues remittance as per the EPF/ESI norms, GST payments as per the GST Act, etc. shall be the responsibility of the Service Provider (tender document shall clearly state so) and the concerned jurisdictional/enforcing Department/Agency. The Procuring Department / Government Entity shall, in the tender document, specifically seek a price bid inclusive of all the statutory dues. The Procuring Department shall only be required to endorse a copy of the Work Order to the concerned jurisdictional Department/Agency (Labour Department, Commercial Tax, EPFO, etc.).
- vi) The minimum qualification/experience for the manpower and quality of materials to be used may be clearly specified in the tender document. Further, while the number of manpower deployed and the quantity of materials used may be sought in the bid submission, the same shall not form the basis of decision-making. The bidders could, if so required, be called to explain how they would handle the scope of the work (buildings and area/units to be covered) at the SLA-prescribed level of benchmarks, with the proposed number of manpower and/or quantity of material used.
- vii) These being routine services, the work award shall be only on **L1** basis.
- viii) The period of contract shall be not more than two years at a time, or till the necessity therefor ceases, whichever is earlier. The financial limit of ₹ 2 crores for delegation shall be calculated with respect to outsourcing cost for one year.

³Finance Department I.D. Note/O.M. No. 658/FD/US(FIN-I)/2022, dated 16.03.2022

- ix) The bids for fresh contracts shall be floated well in advance, at least 4 months, before the end date of the extant service contract to avoid repeated extensions of existing contracts.

2. Cases that will continue requiring the Finance Department's prior clearance:

- (i) In reference to para 1(ii), any fresh case of service outsourcing.
- (ii) In reference to 1(vi) above, any decision to reject a bid on account of dissatisfaction with the number of manpower, or the quantity of materials to be used.
- (iii) Every case of receipt of fewer than four bids, or of a single *resultant* offer.
- (iv) Extension of existing contracts beyond the normal period of contract⁴.
- (v) When total cumulative expenditure for either of the two service categories, for all four regions taken together, exceeds ₹ 2 crores in a financial year.
- (vi) Any proposal deviating from the norms specified in para 1 above.

3. For the time being, all proposals for the outsourcing of services other than in the categories of 'Housekeeping & Sanitation' and 'Security' shall continue to require prior concurrence of the Finance Department.

//By Order of the Hon'ble Lt. Governor//


(Arjun Ramakrishnan)
20.08.2022

Under Secretary to the Government (Finance)

All Secretaries to Government
All Secretariat Departments/HODs/Heads of Autonomous Bodies
All SAOs/JAOs for ensuring scrupulous implementation

Copy for information and necessary action to:

1. The Director of Accounts and Treasuries, Puducherry
2. The Deputy Director of Accounts and Treasuries, Karaikal/Mahe/Yanam
3. The Dy. Accountant General, O/o the AG (Audit), Tamil Nadu and Puducherry, Puducherry Branch
4. The Central Record Branch, Puducherry

⁴This also shall be considered only when backed by due reasons recorded under the signature of the Secretary of the Administrative Department.