

No.F.3/26/2023-PPD
Government of India
Ministry of Finance
Department of Expenditure
Procurement Policy Division

502, Lok Nayak Bhawan,
Khan Market, New Delhi.
01.11.2023

OFFICE MEMORANDUM

Subject: Quality-cum-Cost Based Selection (QCBS) Method in Procurement of Works and Non-Consultancy Services (NCS).

Reference: Department of Expenditure (DoE) General Instructions on Procurement and Project Management issued vide OM No. F.1/1/2021-PPD dated 29.10.2021.

DoE vide reference above had issued general instructions which inter alia provided for use of QCBS method in procurement of works and NCS. Para 15.2 of the said general instructions may be specifically referred.

2. The general instructions classify procurement of works and NCS where QCBS method has been allowed in following two cases:

- i. where the procurement has been declared to be a Quality Oriented Procurement (QOP) by the competent authority.
- ii. for procurement of Non-Consulting Services, where estimated value of procurement (including all taxes and option clause) does not exceed Rs 10 Crore.

Different procedures have been detailed in the general instructions for procurement of the above two categories of requirements using QCBS method.

3. A doubt has arisen as to the extent of procurements where the QCBS method has been permitted for NCS. In this regard, following is clarified:

- A. **Procurement of Works:** Procurement of any value of works is permitted to be procured using QCBS by following the procedure mandated for QOP.
- B. **Procurement of NCS:** Procurement of NCS of any value can be done using QCBS method. However, depending on value of procurement, the procedure may vary as follows:
 - i. **Procurement of NCS of value of more than Rs. 10 crore:** Procurement of such NCS can be done using QCBS method by following the procedure mandated for QOP.

ii. **Procurement of NCS of value not exceeding Rs. 10 crore:**

Procurement of NCS using QCBS can be done following the procedure as indicated in general instructions dated 29.10.2021 for NCS not exceeding Rs. 10 crore.



(Anil Kumar)

Deputy Secretary (Procurement Policy)

Tel. No. 24627920

Email: anil.kumar14@nic.in

To

- i. Secretaries to All Central Government Ministries/ Departments
- ii. Secretary, Department of Public Enterprises with a request for reiterating these instructions to all Central Public Sector Enterprises.