

**CONTROLLER GENERAL OF DEFENCE ACCOUNTS,  
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(IFA wing)**

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**Circular No. 11 of 2012.**

Dated :- 10-09—2012.

No. IFA/900-C

To

*A/c Off., IFA, JAFW.*

**Sub :- Constitution of CNC/TPC for determination of L-1 and fixation of benchmarking/Reasonable Rates .**

It has come to notice of this HQrs office that in some units/formations on Air Force side, neither the CNCs are being held regularly nor benchmarking is done prior to opening of commercial bids.

2. As per provisions contained in Para 13.3 of DPM – 2009 read with SI No. 135 & 136 of Section – I of Supplement 2010 to DPM – 2009, it is necessary to work out the estimated reasonable rate (s) in all cases irrespective of the nature of the tendering. Benchmarking of the price should be done before opening of the commercial bids and prior to negotiations, since the decision to negotiate or not itself depends upon such an assessment. There is no exemption from benchmarking/assessment of reasonable price.

2. Further, para 13.4.1 and 13.5.1 of DPM – 2009 and SI No. E0 of Section – II to DPM – 2009 contains the instructions regarding approach to be adopted for benchmarking.

3. With reference to the determination of L-1, it is mentioned that as per provisions contained in Para 13.3.5 of DPM – 2009, it would be the CNC only which will finally determine the lowest acceptable offer (L-1 vendor).

4. It is therefore advised that provisions mentioned above regarding constitution of CNC/TPC and fixation of benchmarking/reasonable rates may be brought to the knowledge of executives and followed scrupulously.

Please acknowledge receipt.

*[Signature]*  
(Rajesh Madan)  
Sr AO (IFA wing)