

പതിനാലാം കേരള നിയമസഭ
ഒൻപതാം സമ്മേളനം
നക്ഷത്ര ചിഹ്നമിടാത്ത ചോദ്യം നം. 408
24.01.2018 ലെ മറുപടിക്ക്

ആസ്തിവികസന ഫണ്ട് ടെണ്ടർ എക്ലസ് അനുവദിക്കുന്നതിലെ
മാനദണ്ഡം

<p style="text-align: center;">ചോദ്യം ശ്രീ.എൽദോ എബ്രഹാം</p>	<p style="text-align: center;">ഉത്തരം ഡോ.ടി.എം.തോമസ് ഐസക് (ധനകാര്യവും കയറും വകുപ്പ് മന്ത്രി)</p>
<p>എം.എൽ.എ മാരുടെ മണ്ഡലം ആസ്തിവികസന ഫണ്ട് വിനിയോഗിച്ചുള്ള പ്രവർത്തികളിൽ ടെണ്ടർ എക്ലസ് അനുവദിക്കുന്നതിലെ മാനദണ്ഡങ്ങളും നടപടിക്രമങ്ങളും വിശദമാക്കാമോ?</p>	<p>സർക്കുലർ നം. 97/2013/ധന. തീയതി 04.12.2013 പ്രകാരം നിയോജക മണ്ഡല ആസ്തി വികസന പദ്ധതിയിൻ കീഴിൽ അനുമതി നൽകിയ പ്രവൃത്തികളുടെ ടെണ്ടർ എക്ലസ് അനുവദിക്കുന്നതിന് 09.05.2013-ലെ സ.ഉ.(അ)നം. 214/2013/ധന -ലെ വ്യവസ്ഥകൾ ബാധകമായിരിക്കുമെന്ന് വ്യക്തമാക്കിയിട്ടുണ്ട്. 09.05.2013-ലെ ഉത്തരവിന് സ.ഉ.(അ) നം. 375/2015/ധന. തീയതി 24.08.2015, സ.ഉ.(അ) നം.16/2017/ധന. തീയതി 06.02.2017 (പകർപ്പുകൾ അനുബന്ധമായി നൽകുന്നു) എന്നിവ പ്രകാരം ഭേദഗതികൾ വരുത്തിയിട്ടുണ്ട്. പ്രസ്തുത ഉത്തരവുകളിലെ മാനദണ്ഡങ്ങളും നടപടിക്രമങ്ങളും എം.എൽ.എ.മാരുടെ നിയോജകമണ്ഡല ആസ്തി വികസന ഫണ്ട് വിനിയോഗിച്ചുള്ള പ്രവൃത്തികൾക്ക് ടെണ്ടർ എക്ലസ് അനുവദിക്കുന്നതിന് ബാധകമാണ്.</p>


സെക്ഷൻ ഓഫീസർ



GOVERNMENT OF KERALA

Abstract

Finance Department - Enhanced delegation of powers of Departmental Officers, Government Tender Committee and Committee of Secretaries to sanction tender excess for works - Orders Issued.

FINANCE (IND &PW.B) DEPARTMENT

G.O.(P)No.214/2013/Fin. Dated, Thiruvananthapuram, 09.05.2013

- Read: 1] G.O.(P)No. 303/07/Fin. dated, 11.07.2007
2] G.O.(P)No. 2/10/Fin. dated, 04.01.2010
3] G.O.(P)No. 379/11/Fin. dated, 02.09.2011
4] G.O.(P)No. 77/12/Fin. dated, 30.01.2012
5] G.O.(P)No. 128/12/Fin. dated, 23.02.2012
6] G.O.(P)No. 396/12/Fin. dated, 11.07.2012
7] G.O.(P)No. 552/12/Fin. dated, 10.10.2012

ORDER

In the Government Orders read as 1st to 5th above, Government have issued orders enhancing the powers delegated to Departmental Officers and Government Tender Committee to sanction tender excess. As per the Government Orders 6th & 7th cited, Government Tender Committee was authorized to sanction tender excess upto 15% for works having Technical Sanction upto Rs.10 Crore and a Committee of Secretaries headed by Chief Secretary was constituted to scrutinize proposals having tender excess beyond this limit. It was also ordered that recommendations of the Committee shall be placed before the Council of Ministers for final approval .

2. The present procedure requiring the approval of the Council of Ministers even for small works having more than 15% tender excess results in delayed execution of works. Further, the recommendations of Government Tender Committee are now approved by the Minister concerned and the Finance Minister. In these circumstances, Chief Secretary has advised to formulate proposals to revise the existing delegation of powers to Departmental Officers/ Government Tender Committee /Committee of Secretaries for sanctioning tender excess and review the practice of obtaining approval of the Council of Ministers on the recommendations of the Committee of Secretaries.

3. Government have examined the matter in detail and are pleased to enhance the delegation of powers of Departmental Officers, Government Tender Committee and the Committee of Secretaries to sanction tender excess of works as per the table appended. Hereafter, recommendations of the Committee of Secretaries chaired by the Chief Secretary will be approved by the Minister concerned and the Finance Minister as in the case of Government Tender Committee instead of obtaining approval of the Council of Ministers.

The Government Orders referred above stands modified to this extent.

By Order of the Governor

Dr. V. P. Joy
Principal Secretary [Finance]

To

The Principal Accountant General (Audit), Kerala, Thiruvananthapuram.
The Accountant General (A&E), Kerala, Thiruvananthapuram.
All Heads of Departments and Offices.
The General Admn (SC) Dept (Vide Item No.3452 dt,30.04.13).
All Departments of Secretariat.
All Private Secretary to Ministers.
Private Secretary to Chief Minister.
Private Secretary to the Leader of Opposition.
All Secretaries to Government.
The Secretary, Kerala Public Service Commission, Thiruvananthapuram
(with C.L)
The Registrar, University of Kerala/Cochin/Kozhikode/Kottayam
(with C.L)
The Registrar, High Court of Kerala.
The Secretary, Kerala Human Rights Commission, Thiruvananthapuram.
The Managing Director, Kerala State Road Transport Corporation,
Thiruvananthapuram (with C.L).
The Secretary, Kerala State Electricity Board, Thiruvananthapuram.
(with C.L).
The Secretary to Governor.
The Nodal Officer, www.finance.kerala.gov.in.
Stock file / Office copy.

PSH

Forwarded/By Order,

P. S. H.
Section Officer.

PROPOSED DELEGATION OF POWERS FOR ACCEPTANCE OF TENDERS

		EE	SE	CE	Govt. TC under Secy	CoS under CS
A	TS Amount upto Rs. 25 lakh					
A1	All types of works-e-Tender by FD cell with 3 or more qualified bidders	7.50%	12.50%	20%	Full powers	
A2	All types of works- other than e-Tender or less than 3 bidders.	5%	10%	17.50%	Full powers	
B	TS Amount more than Rs. 25 lakh upto 75 lakh					
B1	All types of works-e-Tender by FD cell with 3 or more qualified bidders	Nil	7.50%	15.00%	Full powers	
B2	All types of works-other than e-Tender or less than 3 bidders	Nil	5%	12.50%	Full powers	
C	TS Amount more than Rs. 75 lakh upto 3 crore					
C1	Buildings/Bridges/Other works-e-Tender by FD cell with 3 or more qualified bidders	Nil	Nil	10.00%	Full powers	
C2	Buildings/Bridges/Other works-other than e-Tender or less than 3 bidders	Nil	Nil	7.50%	Full powers	
C3	Roads-e-Tender by FD cell with 3 or more qualified bidders	Nil	Nil	5.00%	Full powers	
C4	Roads-other than e-Tender or less than 3 bidders	Nil	Nil	2.50%	Full powers	
D	TS Amount more than Rs. 3 Crore upto Rs.10 crore					
D1	Buildings/Bridges/Other works-e-Tender by FD cell with 3 or more qualified bidders	Nil	Nil	Nil	5.00%	Full powers
D2	Buildings/Bridges/Other works-other than e-Tender or less than 3 bidders	Nil	Nil	Nil	5.00%	Full powers
D3	Roads-e-Tender by FD cell with 3 or more qualified bidders	Nil	Nil	Nil	5.00%	Full powers
D4	Roads-other than e-Tender or less than 3 bidders	Nil	Nil	Nil	5.00%	Full powers
E	TS Amount more than Rs. 10 Crore					
E1	All works	Nil	Nil	Nil	Nil	Full powers

Legend - TC : Tender Committee; CoS: Committee of Secretaries; FD: Finance Department

The % as above will apply to the latest Schedule of Rates-SoR (at present, the latest schedule is SoR 2012). In case tender has already been issued on an earlier SoR (say, SoR 2010 Revised), a statement will be prepared as at Annexure for comparison.

ANNEXURE

Name of Work

AS No & Date	Date of TS	SoR as per tender (SoR 2010 or SoR 2010 Revised)
AS Amount	TS Amount	Date of tender
Final % of tender excess		

ABSTRACT OF ESTIMATE - COMPARISON OF SoRs

SI No	Qty	Details of item of work	Unit	SoR as tendered		Tendrered PAC	2012 SoR(latest)		Remarks
				Rate	Amount		Rate	Amount	
1	2	3	4	5	6	7	8	9	10
1									
2									
3									
4									
5									

Total of items tendered	<input type="text"/>	<input type="text"/>
Total value of Departmental Items	<input type="text"/>	<input type="text"/>
Grand Total	<input type="text"/>	<input type="text"/>
Original tender excess % (Col 7 over Col 6)	<input type="text"/>	<input type="text"/>
Tender excess % over latest SoR (Col 7 over Col 9)	<input type="text"/>	<input type="text"/>

Phalke



GOVERNMENT OF KERALA
Abstract

Finance Department – Sanctioning of tender excess, revised estimate etc – modified procedure- orders issued.

FINANCE (INDUSTRIES & PUBLIC WORKS - B) DEPARTMENT

G.O.(P) No. 375/15/Fin. Dated, Thiruvananthapuram, 24.08.2015

- Read
- 1) G.O(P) No. 214/2013/Fin dated 09.05.2013
 - 2) G.O (P) No. 03/2015/Fin dated 05.01.2015
 - 3) G.O (P) No.295/2015/Fin dated 15.07.2015
 - 4) G.O(P)No. 36/2013/PWD dated 17.04.2013

ORDER

Government have issued orders enhancing the powers delegated to Departmental officers, Government Tender Committee, and Committee of Secretaries to sanction tender excess, vide Govt order read 1st above. As per Government Order read 4th paper above CPWD data SoR and National Building code guidelines were adopted in State Government Departments with effect from 01.10.2013. It has come to the notice of Government that the existing procedure in approval of tender excess, sanctioning of revised estimate etc results delay in execution of many public works which in turn will result in cost escalations.

2. Government have examined the matter in detail and are pleased to issue the following orders.

- a) From September 2015 onwards cost estimates of all Public Works executed by various Engineering Departments shall be prepared only through the software, Project Information and Cost Estimation (PRICE) developed by NIC.

b) The following enhanced delegation of powers for sanctioning tender excess and revised estimates will be allowed to departmental officers provided the estimates are prepared and Local Market Rates (LMR) are worked out using the PRICE software using approved cost indices.

c) This will be applicable only if tendering is done through e-procurement mode and adequate participation and competition is ensured.

3.Guidelines for sanctioning tender excess.

a) At present approval of Government is required if the percentage of tender excess exceeds prescribed limit. Since this cause delay in tender approvals sanctioning of tender excess at different levels based on percentage rates stands withdrawn. Instead, the Technical Sanction amount of the work shall be the basis for obtaining approvals at higher levels.

b) The acceptance of tender excess shall be based on LMR or quoted amount whichever is less. In cases where estimates were prepared based on previous SoR and the estimated rate has been changed at the time of tendering, then PAC may be re-casted to the prevailing rate at the time of tendering.

c) All tender excess upto 10% above estimated rate or LMR whichever is less, shall be approved by the competent authority themselves with valid justifications .

d) Normally no tender excess above 10% of estimated PAC will be allowed. If the lowest tender received exceeds 10% of the estimated cost, all such works shall be re-tendered under normal circumstances. However, if the Heads of Departments feel that some works exceeding 10% of PAC are to be urgently executed in the exigency of public service, then all such works shall be sanctioned at Government level with the concurrence of Finance Department. The Head of Department shall exercise due diligence in recommending each such proposal and should personally evaluate the circumstances that warrants such special considerations and submit a detailed justification for the acceptance of each such proposals.

4. Delegation of powers for acceptance of tender excess

a) The tender excess in respect of works having Technical Sanction amount up to Rs.5 crore, shall be approved by the competent departmental authority themselves. In other words, all tender excess of works having Technical Sanction amount upto Rs.25 lakhs, Rs.75 lakhs, upto Rs.5 crore, can be approved by Executive Engineer, Superintending Engineer and Chief Engineer concerned with tender excess not exceeding 10%.

b) The tender excess(not exceeding 10%) in respect of works having Technical Sanction amount above Rs.5 crores and upto 10 cores shall be approved by the Committee headed by the Secretary of Administrative Department.

c)The tender excess(not exceeding 10%) in respect of works having Technical Sanction amount above Rs.10 crores shall be approved by the Committee of Secretaries headed by the Chief Secretary.

5. Delegation of powers for Administrative Sanction/Revised Estimate Sanction.

- a) The validity of all Administrative Sanction (AS) shall not exceed two years. During this period, Administrative Department can issue revised sanction provided the revised estimate is necessitated due to changes in the approved cost index alone and not due to any extra item other than those contemplated in the original estimate.
- b) All Administrative Sanctions exceeding Rs.50 lakhs shall be issued only through PRICE Software, based on the prevailing Schedule of Rates.
- c) Technical Sanction shall not exceed 10% of the Administrative Sanction and in case if it exceeds this limit, then revised Administrative Sanction has to be issued.

6. Delegation of powers in arranging emergency works

The Chief Engineers can arrange works on a quotation basis during emergent situations subject to budget provision and within an annual ceiling of 50 times to the existing financial powers given as per GO(P) No.667/2000/Fin dated 22.03.2000. The other departmental officers shall sanction quotation works upto a maximum of 10 times of the existing delegated powers in a financial year. This shall be subject to the following conditions

- a) All quotations shall be floated through the e-tender portal only with a short tender cycle.
- b) Any quotation exceeding the above limit shall be sanctioned only with the prior approval of the Secretary of the Administrative Department.

7. Price variation Clause

Since State Government is also now following Government of India rates for the preparation of estimates price variation clause followed in

CPWD shall also be adopted for State Government works in case of works having period of completion exceeding 18 months.

8. In partial modification to the Government Order read as 2nd above it is further ordered that

a) The cost of tender forms / fees for works costing between Rs.10 lakh to Rs.1 Crore shall be revised to Rs 2500/- .

b) The restriction imposed in the departmental supply of bitumen in respect of all departmental works up to the limit of Rs.100 lakhs shall be dispensed with.

9. The above guidelines will take effect from 1st September 2015 onwards.

By Order of the Governor
DR.K.M.ABRAHAM

Additional Chief Secretary (Finance)

To

The Accountant General (A&E) Kerala, Thiruvananthapuram
The Accountant General (G&SSA) Kerala, Thiruvananthapuram
The Accountant General (E&RSA) Kerala, Thiruvananthapuram
All Heads of Departments and Offices
All Departments of Secretariat
All Private Secretaries to Ministers
Private Secretary to Chief Minister
Private Secretary to the Leader of Opposition
All Secretaries to Government
The GA(SC)Department (vide item no 7196 dated 12-8-2015)
The Secretary, Kerala Public Service Commission, Thiruvananthapuram
(with C/L)
The Registrar, University of Kerala/Cochin/Kozhikode/Kottayam
(with C/L)
The Registrar, High Court of Kerala
The Secretary, Kerala Human Rights Commission,
Thiruvananthapuram
The Managing Director, Kerala State Transport Corporation,
Thiruvananthapuram (with C/L)
The Secretary, Kerala State Electricity Board,



Thiruvananthapuram (with C/L)
The Secretary to Governor
The Nodal Officer, www.finance.kerala.gov.in
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Section Officer



GOVERNMENT OF KERALA

Abstract

Dispensing with the Tender Committee System at Government Level and Delegating Full Powers to Departmental Officers for Sanctioning of Tender Excess/Below Estimate Rate-Orders Issued

FINANCE (INDUSTRIES & PUBLIC WORKS - B) DEPARTMENT

G.O.(P) No. 16/2017/Fin. Dated, Thiruvananthapuram, 06/02/2017

- Read:-
1. G.O.(P) No. 02/2010/Fin, dated 04.01.2010
 2. G.O.(P) No. 379/2011/Fin, dated 02.09.2011
 3. G.O.(P) No. 396/2012/Fin, dated 11.07.2012
 4. G.O.(P) No. 36/2013/PWD, dated 17.04.2013
 5. G.O.(P) No. 214/2013/Fin, dated 09.05.2013
 6. G.O.(P) No. 375/2015/Fin, dated 24.08.2015
 7. G.O.(P) No. 06/2016/Fin, dated 16.01.2016

ORDER

In the reference 1st cited, it was ordered that all works having Technical Sanction amount above Rs. 300 lakhs and tender excess exceeding certain limits shall be placed before a Government Tender Committee headed by the Principal Secretary of Administrative Department. As per the reference 2nd, this committee was authorised to sanction tender excess up to 10% over the revised Schedule of Rates (SoR) in the case of works having Technical Sanction exceeds Rs. 300 lakhs but upto Rs. 750 lakhs. As per reference 3rd cited, a new committee was constituted with the Chief Secretary as Chairman and Principal Secretaries of Public Works, Water Resources, Finance and the Administrative Department as members to scrutinize proposals involving tender excess exceeding the above monetary limit.

2. As per the reference 4th cited Government issued orders to adopt CPWD data, SoR and NBC guidelines for all public works of State Government Departments. It was also ordered to adopt e-tendering in all Government Departments with effect from April 2013. The delegation of powers to sanction tender excess of the departmental Tender Committee was subsequently enhanced to Rs. 10 crores, vide Government Order referred fifth cited. The NIC has developed a standard estimate preparation software called Project Information and Cost Estimation (PRICE) and this has been made mandatory for all Government Departments to bring in uniformity in estimate preparation as per reference 6th cited. Further, Chief Engineers were given full powers to issue Technical Sanction vide reference 7th cited.

3. The meeting of the Committee of Secretaries headed by the Chief Secretary met on 27 September 2016 and reviewed the functioning of the Tender Committee system at Government level. The committee found that the approvals at Government level is causing delay in the execution of the tendered works. The Committee also felt that because of the IT supported changes brought out in standardized estimate preparation and e-tendering, delegating full power to sanction tender excess to departmental officers will be helpful for speedy execution of public works. Since estimates are prepared using PRICE Software and e-tendering is made mandatory, price discovery will take place if there is good competition. It was also observed that departmental officers have better assessment about field situations and no value addition takes place in approving tender excess at Government level. The Committee therefore recommended that Administrative Sanction alone need be regulated at the level of Government and all the subsequent sanctions can be given to departmental officers based on certain specific guidelines.

4. Government have examined the recommendation of the Committee in detail and are pleased to issue the following orders.

- i. The existing Tender Committee system at Government level to sanction tender excess or to sanction tenders below estimate rates is dispensed with.
- ii. Hereafter, the Standing Committee headed by the Chief Secretary and Principal Secretaries of Finance, Public Works Department and Water Resources Department, Chief Technical Examiner and Director General, Department of Economics and Statistics as members, will advise Government on the norms to be followed while approving the tender excess by departmental officers. The Committee shall monitor the average rates at which tenders are awarded and suggest the permissible rates of major components like steel, cement etc. based on market fluctuations. The Committee shall also suggest the changes in rate above which tender can be accepted after analysing the market situations. The general improvements required in the estimate preparation, tendering process etc. shall also be looked into by the Committee
- iii. The Chief Engineer/Head of Department shall constitute a Committee for each department to sanction tender excess in respect of works exceeding the delegated powers of departmental officers. The composition of the committee will be as follows.

Chief Engineer/Head of Department	-Chairperson
Deputy Chief Engineer/Technical Officer	-Member
Head, Finance Division	-Member
Tender inviting authority	-Invitee

In the case of deposit works, one representative from the Administrative Department shall also be co-opted as a Member of the Tender Committee. The notes for the tender Committee shall be prepared in the same pro-forma prescribed for the

erstwhile Government Tender Committee and the remarks column shall contain the remarks of the Technical and Finance Members of the Committee. The Technical /Finance Officer shall carefully examine the tender proposal based on the prevailing order and make specific recommendation on the admissibility of the claim.

- iv. The Maximum admissible tender excess shall be limited either to the quoted rate of the lowest bidder or local market rates or current DSR plus 10% tolerance limit whichever is less. In case, the quoted rate of the lowest bidder is above Current DSR plus 10% tolerance limit, the tender inviting authority themselves shall re-tender the work without referring the case to higher authorities.
- v. If the quoted rate is still above allowable limit even after re-tendering the competent authority shall rework the estimate, after giving due consideration to the site specific conditions and fresh tenders shall be invited based on revised estimates.
- vi. The NIC shall modify the PRICE Software in such a way that a built in control mechanism shall be embedded in the software to sanction tender excess by departmental officers based on approved guidelines, including the condition to allow maximum tender excess at the quoted rate/LMR or DSR+ 10% whichever is less.
- vii. The local marker rates (LMR) shall be prepared by the Department of Economics and Statistics (DES) based on the rates prevailing at each district and data prepared by existing district level committee headed by the Executive Engineer (Buildings), PWD. The Department of Economics and Statistics (DES) shall upload the approved data directly into PRICE

Software. This shall be made public through the departmental website also.

viii. The NIC shall also develop a web based Dash Board in PRICE Software to capture all Administrative sanctions and Technical Sanctions vis-a-vis with budget provision issued by departmental officers and the Government. The access to this information shall be provided to the Secretaries concerned and the Finance Secretary. Each sanctions/approvals generated through the system. i.e. Administrative Sanction, Technical Sanction, Award of work, Payment Order, etc. shall be linked through a unique sanction order generated in PRICE Software to capture the required MIS reports.

5. The new system will take effect from 1st April 2017.

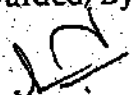
By Order of the Governor,
K.M. ABRAHAM

Additional Chief Secretary (Finance).

To

The Accountant General (A&E) Kerala, Thiruvananthapuram
The Accountant General (G&SSA) Kerala, Thiruvananthapuram
The Accountant General (E&RSA) Kerala, Thiruvananthapuram
All Heads of Departments and Offices
Private Secretary to Chief Minister
All Private Secretaries to Ministers
Private Secretary to the Leader of Opposition
All Secretaries to Government
General Administration (SC) Department, (vide item No. 557 dated 20.12.2016)
All Secretariat Departments
The Secretary, Kerala Public Service Commission, Thiruvananthapuram
The Registrar, University of Kerala/ Cochin/ Kozhikode/ Kottayam
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Section Officer

