



Government of Kerala

# **Manual on Finance Management**

## **3: Procurement of Goods and Services in Local Self Government Institutions of Kerala**

Funded by  
**Thadessa Mithram (KLGSDP)**

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GOVERNMENT OF KERALA

Abstract

Local Self Government Department - Kerala Local Government Service Delivery Project (KLGSDP) - Manual on Procurement of Goods and Services in Local Self Government Institutions of Kerala - Approved - Orders issued.

LOCAL SELF GOVERNMENT (DA) DEPARTMENT

G.O.(Rt)No. 2487 /2016 LSGD.

Dated, Thiruvananthapuram, 20.08.2016.

Read :- (1) G.O(Rt) No.1632/15/LSGD dated 01.06.2015.

(2) Letter No.49/2015/KLGSDP dated 08.02.2016 from the Project Director, KLGSDP.

(3) Minutes of the meeting of Manual vetting Committee held on 11.11.2015.

(4) Minutes of the meeting of Manual vetting Committee held on 27.07.2016.

**ORDER**

As per Government Order read as Ist paper above a Manual Vetting Committee was constituted for vetting and quality assurance of various manual prepared under KLGSDP. A meeting of the committee for vetting and quality assurance of various manuals prepared under KLGSDP was held on 27.07.2016. After detailed deliberations on manuals the committee decided to approve the Manual on Procurement of Goods and Services in Local Self Government Institutions in principle and forwarded to Government for approval.

Government have examined the matter in details and are pleased to approve the Manual Prepared by KILA under KLGSDP on Procurement of Goods and Services in Local Self Government Institutions.

(By Order of the Governor)

A.K.MOHANA KUMAR

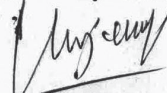
Joint Secretary to Government.

To

The Project Director, KLGSDP.  
The Director of Panchayats, Thiruvananthapuram,  
The Director, Urban Affairs Department, Thiruvananthapuram.  
The Director, KILA, Thrissur.  
The Director, Local Fund Audit, Thiruvananthapuram.  
The State Performance Audit Officer (SPAO)  
The Secretaries, all Districts Panchayat.  
The Executive Director, IKM, Thiruvananthapuram,  
PA to Principal Secretary, LSGD.

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Section Officer.



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## ACRONYMS

ACDPO	- Assistant Child Development Project Officer
AMC	- Annual Maintenance Contract
ANERT	- Agency for Non-conventional Energy and Rural Technology
APP	- Annual Procurement Plan
ATR	- Action Taken Report
AWC	- Anganwadi Welfare Committee
BEE	- Bureau of Energy Efficiency
BIS	- Bureau of Indian Standards
BP	- Block Panchayat
C-APT	- Centre for Advanced Printing and Training
CBP	- Committee for Beneficiary Purchase
C-DIT	- Centre for Development of Imaging Technology
CDPO	- Child Development Project Officer
CF Lamps	- Compact Florescent Lamps
CHC	- Community Health Centre
CWRDM	- Centre for Water Resources Development and Management
DGS&D	- Director General of Supplies and Disposals
DIO	- District Information Officer
DPC	- District Planning Committee
DSC	- Digital Signature Certificate
EMD	- Earnest Money Deposit
EOS	- Ex-Officio Secretary
ER	- Elected Representatives
GI	- Galvanized Iron
GP	- Grama Panchayat
GST	- Goods and Service Tax
HoI	- Head of Institution
ICDS	- Integrated Child Development Scheme
IEO	- Industries Extension Officer
ISI	- Indian Standard Institute
KFRI	- Kerala Forest Research Institute
KREWS	- Kerala Rural Employment and Welfare Society
KSITM	- Kerala State Information Technology Mission
KSAD	- Kerala State Audit Department
LSGD	- Local Self Government Department
LSGI	- Local Self Government Institutions
MS	- Mild Steel
NCESS	- National Centre for Earth Science Studies
NGO	- Non-Government Organization

NIC	- National Informatics Centre
PC	- Procurement Committee
PDS	- Public Distribution System
PHC	- Primary Health Centre
PO	- Procurement Officer
PPC	- Procurement Plan Committee
PRD	- Public Relations Department
SAR	- Social Audit Report
SAT	- Social Audit Team
SD	- Security Deposit
SPD	- Store Purchase Department
TAN	- Temporary Account Number
TFFR	- Technical and Financial Feasibility Report
TIN	- Tax Information Network
VAT	- Value Added Tax
VEO	- Village Extension Officer
VPP	- Value Payable Post

# Introduction

## 1.1. Background

Local Self Government Institutions (LSGIs) in Kerala, in the course of carrying out their administrative and developmental responsibilities, have to procure Goods, Assets and Services. The Goods, Assets and Services are procured by LSGIs for performing mandatory, sectoral, and general functions, by utilising own sources of revenue and other funds that are set apart in the approved projects of LSGI during a specified financial year. The process of procurement by LSGI is not the sole responsibility of any particular designated Officer. The various stakeholders include Elected Representatives (ERs), officers of Institutions of LSGI, the Secretary of LSGI, Implementing Officials, Beneficiaries, and Social Auditors who are involved in the process of Procurement. This Manual incorporates all aspects of functional procedures for the ERs, Officers and all other Stakeholders, in carrying out procurement process applicable to all LSGIs in the State. This manual supersedes the guidelines for the Procurement of Goods and Services issued as per GO (P) 259/2010/LSGD dated 8.11.2010.

## 1.2. Objectives

The objectives of this Manual are to ensure:

- i. An efficient Procurement mechanism ensuring transparency and accountability.
- ii. A due process and participatory procedure in all kinds of Procurements.
- iii. Economy in Procurement by assuring value for money spent.
- iv. Quality in Procurement by ensuring best product/service.
- v. That the Procurement is cost effective, eco-friendly, ethical, need based and of high technical quality.

### 1.3. Definitions

Words and expressions used but not defined in this Manual carry the same meaning as defined in the Kerala Panchayat Raj Act 1994, Kerala Municipality Act 1994, Rules allied to these Acts and amendments there on.

**i. Annual Maintenance Contract (AMC)**

Some goods, especially sophisticated equipments and machinery (like Machinery, Electric/Electronics equipments, Computer Hardwares, Softwares, all kinds of vehicles, Street light, etc.), need proper maintenance for trouble free service. For this purpose, the LSGIs may enter into maintenance contract with the suppliers for a stipulated period after the expiry of the warranty period.

**ii. Annual Procurement Plan (APP)**

It is a document specifying the details of procurements of goods, assets or services required for a specified period, normally a financial year. The APP shall contain the mode of purchase, responsible officials, period, quantity, quality specifications, total fund required, and source of fund. The format for preparing APP is given in **Annexure 1**. If the Procurement Plan is prepared for one year, it is called Annual Procurement Plan (APP).

**iii. Assets**

Assets are properties, movable or immovable in nature, owned by the LSGI or vested with the Institutions of LSGI for the purpose of service delivery of LSGIs.

**iv. Beneficiary Purchase (BP)**

Beneficiary Purchase (BP) is procurement for projects on individual benefit distribution like Agricultural Implements, Pump Sets, Sprayers, Cattle, Birds, Seed Fish, etc. This list is not exhaustive. The Beneficiary Purchase can be either through a committee constituted for such procurement, called as Committee for Beneficiary Purchase, or by the beneficiary directly. Structure of the committee for Beneficiary Purchase is given in Table 1.3.

**v. Bid**

Any offer by one party to enter into a legal contract with LSGI through quotation/ tender to supply goods, assets or service.

**vi. Bidder**

Bidder is the party offering to enter into a legally binding contract with LSGIs.

**vii. Black List**

A list officially exchanged among LSGIs containing the Names of Persons/Firms to be barred from entering into contract, because of proven untrustworthiness. Blacklisting is an administrative penalty disqualifying a person or an entity from participating in any LSGI's procurement, for a given period by due process of law as laid down in **Annexure 23**.



**viii. Coercive Practice**

Coercive Practice is impairing or harming, or threatening to impair or harm, directly or indirectly, any party, or the property of the party to influence improperly the actions of another party.

**ix. Collusive Practice**

Collusive Practice is an arrangement between two or more parties, with mala fide intention to achieve an improper purpose, including influencing improperly the actions of a party.

**x. Consumables**

Consumables are products that consumers use recurrently, i.e., items which "get used up" or discarded. For example, office supplies such as paper, pens, file folders, post-it notes, electrical goods, computer disks, and toner or ink cartridges and such stores.

**xi. Contract**

An agreement made with free consent of parties competent to contract for a lawful consideration and with a lawful object.

**xii. Corrupt Practice**

Corrupt Practice is the offering, giving, receiving or soliciting, directly or indirectly of, anything of value to influence improperly the actions of another party.

**xiii. Digital Signature Certificate (DSC)**

Certificate validated by using digital signature.

**xiv. Emergency Procurement**

An emergency procurement of an item shall be resorted in a situation that satisfies the following three conditions;

- a. An item normally could not have been foreseen or anticipated earlier.
- b. An item, the absence of which may cause huge loss (loss is more than double the amount of the cost of the item).
- c. An item, which cannot be postponed due to any technical/natural conditions, not under the control of LSGI.

**xv. Earnest Money Deposit (EMD)**

An amount obtained from the bidders as a refundable deposit to safeguard against a bidder's withdrawing or altering its bid, during the bid validity period as advertised by the LSGIs.

**xvi. E-Tender**

E-Tender is an Internet-based complete tendering process of LSGI. The process includes advertising, submitting, and receiving tender related information through online.

**xvii. Ex-officio Secretary**

An officer of the Government lend to the service of the LSGI under sec, 179 (11) of the KPRA/ 48 (13) of KMA to act as the ex-officio Secretary of the LSGI and shall have all the powers and functions of the Secretary in respect of the subject dealt with. List of EO Secretaries is given in **Annexure 2**.

**xviii. Firm Period**

Firm Period means the period in which the rate quoted by the Bidder is fixed and cannot be revoked or withdrawn.

**xix. Fraudulent Practice**

Fraudulent practice is any act or omission, including misrepresentation, that knowingly or recklessly misleads, or attempt to mislead, a party to obtain a financial or other benefit or to avoid an obligation.

**xx. Good List**

The list of bidders having reliable track record for more than 3 years.

**xxi. Goods**

- a. Goods means all articles and materials (other than cash and documents) procured for the functioning of LSGIs. The term applies generally to all articles, material, commodities, raw materials, etc. purchased or otherwise for the use of the Local Self Government.
- b. Additional goods means, the goods required to be procured over and above what is in the procurement Plan, to meet the requirements of mandatory functions, but not expected during the preparation stage of Annual Procurement Plan.

**xxii. Institutions of LSGIs**

All the institutions, under the control and management of LSGIs, that carry out and extend the Services/Welfare and Developmental activities of LSGI to the public. (E.g., Anganwadi, Primary Health Centre, Agricultural Office, Government Schools, etc.)

**xxiii. Limited Tender**

The tender offer invited from maximum number of suppliers available and not less than ten suppliers. This assures competition as well as reduces the cost of going for open tender.

**xxiv. Obstructive Practice**

Deliberately destroying, finalizing, altering or concealing of evidence, materials to the investigation or making false statements to the investigators in order to materially impede a bank investigation in to allegations of a corrupt, fraudulent, coercive or collusive practice; and or threatening, harassing or intimidating any party to prevent it from disclosing its knowledge of matter relevant to the investigation or from pursuing the investigation.

**xxv. Open Tender**

The open tender is a method of invitation to tender by public advertisement, through newspapers, electronic media, notice boards of LSGIs and their institutions.

**xxvi. Performance Guarantee**

It is an agreement between the supplier and LSGI for the supplier to perform all of her/his obligations under the contract. It also includes a clause in the agreement to protect the LSGI against losses incurred in case the supplier fails to perform the obligation.

**xxvii. Performance Security**

See Security Deposit given in xxxvii of this Chapter.

**xxviii. Petty Purchase**

Procurement of stationery items including sanitary items, books and periodicals of limited amount can be classified as petty purchase. These procurements have of lesser importance in decision making process as compared to all other procurements in the LSGIs. So this mode allows direct procurement without much formality.

**xxix. Procurement**

The complete process of obtaining Goods, Assets and Services for LSGI and Institutions of LSGI. The procurement process includes need assessment, developing specifications, market research, price search through bidding, purchase, and receiving delivery.

**xxx. Procurement Committee (PC)**

A Committee constituted under the Convener ship of concerned Procurement Officer for the procurement of goods, assets, and services adhering to the procurement plan. Structure of Procurement Committee is given in Table. 1.2.

**xxxi. Procurement Plan Committee (PPC)**

A Committee constituted at LSGI level for formulating procurement plan by consolidating the procurement request given by the procurement officers. The PPC also monitors that the procurements adhere to the plan. Structure of Procurement Plan Committee is given in Table. 1.1.

**xxxii. Procurement Officer (PO)**

An Implementing Officer of a project or Head of Institution (HoI), authorised by the LSGI to procure goods, assets or services as per Procurement Plan.

**xxxiii. Proprietary Product**

Product made, offered, or sold only under the exclusive rights of the property ownership (governed by copyright, patent, and trade secret laws) of a manufacturer, offerer, or seller. Proprietary items usually have distinctive characteristics or features, and are often incompatible with competing items.

**xxxiv. Rate Contract**

A contract entered into by using rate contract of the Director General of Supplies and Disposals (DGS&D), New Delhi or Stores Purchase Department of Government of Kerala or any other institutions or undertaking authorized by Government of Kerala to establish rate contract for any particular product, with suppliers to supply goods at rates fixed in the contract and fixed for the period.

**xxxv. Running Contract**

A contract entered into with a supplier for supply of goods for a fixed period, at fixed rate and at specified location at fixed time intervals.

**xxxvi. Service**

Services are technical knowhow or specialized knowledge required for a particular task in LSGI. The said service shall be procured from individuals or institutions having defined expertise to carry out the specified activity, which falls within the responsibility of the LSGI and cannot be carried out with the expertise available within the LSGI. Services may be consultancy services and non-consultancy services.

- a. Consultancy Services: refers to services of a professional nature provided by Consultants using their skills to study, design, organize and manage projects; advice LSGI when required and to build needed capacity. For example, procurement assistance, construction supervision, project management, quality management, training, management advice, master plan preparation and the like.
- b. Non-consultancy Services: Non-consulting services are those services for which the physical aspects of the activity predominate, are bid and contracted on the basis of performance of a measurable physical output, and for which performance standards can be clearly identified and consistently applied, such as drilling, aerial photography, satellite imagery, mapping, and similar operations. A simpler example could be an Annual Maintenance Contract.

**xxxvii. Security Deposit**

An amount obtained from the successful bidder as a security to ensure due performance of the contract is termed as Security Deposit or Bid Security. Performance means fulfillment of the purpose for which the procurement is made. So Security Deposit is also termed Performance Security.

**xxxviii. Single Tender**

Tender system means obtaining tender by issuing single tender enquiry for goods, assets, or services having sole producer/supplier without generating competition.

**xxxix. Sole Producer/Supplier**

In a situation where a single group or company owns all of a given product or service's market, such group or firm is treated as sole producer or supplier.

**xl. Supplier/Consultant**

The firm or individual with whom, the LSGI enter into contract for the supply of goods or for the performance of services.

**xli. Tender, Quotation, and Bid**

Tender or Quotation is a formal statement of offer by the supplier, setting out the estimated cost for a particular goods or assets or service. If the offer is invited through wide publicity, then it is called Tender; whereas if the offer is invited from limited suppliers, it is called Quotation. Bid is an offer (certain price) for something, especially at an auction.

**xlii. Tender Notice**

It is an Advertisement with details of the requirement. It is an invitation by the Procurement Officer during the course of Tendering.

**xliii. Tenderer, Bidder**

An entity who offers to supply goods or assets or services by sending tender/quotation.

**xliv. Tender Document**

It is a detailed document issued by the purchaser specifying the requirements of goods/assets/services that a potential Tenderer/bidder must meet.

**xlv. Window Advertisement**

Window Advertisement is a summary of requirements for goods/assets/services advertised in newspapers. The details would be provided in website and office, for seeking Quotation or Tender for such Procurement. Giving Tender advertisement in newspaper daily is costly, so window advertisement can be resorted to.

## **1.4. Scope and Applicability**

This Manual is applicable for Procurement of Goods, Assets and/or Services by LSGIs including Institutions of LSGIs. Kerala Panchayat Raj (Execution of Public Works) Rules, 1997 and Kerala Municipality (Execution of Public Works and Purchase of Materials) Rules, 1997, covers the norms and procedures for purchases by Contractor/Agency for the execution of public works. The procurement of goods or assets for executing such contract by the aforesaid contractor is not covered by this Manual. Whereas, if such procurements are made directly by the LSGIs, the provisions of this Manual are applicable.

## **1.5. General Principles of Procurement**

The procurement procedure of LSGIs shall confirm to the non-negotiate commitment to principles of economy, efficiency, effectiveness, transparency, and accountability in the procurement process. In view of these principles, LSGIs shall consider the following aspects in all their procurements.

- i. Reduce delays by prescribing appropriate time frame for each stage of procurement.
- ii. Promote sustainable environment by reducing procurement of products and services

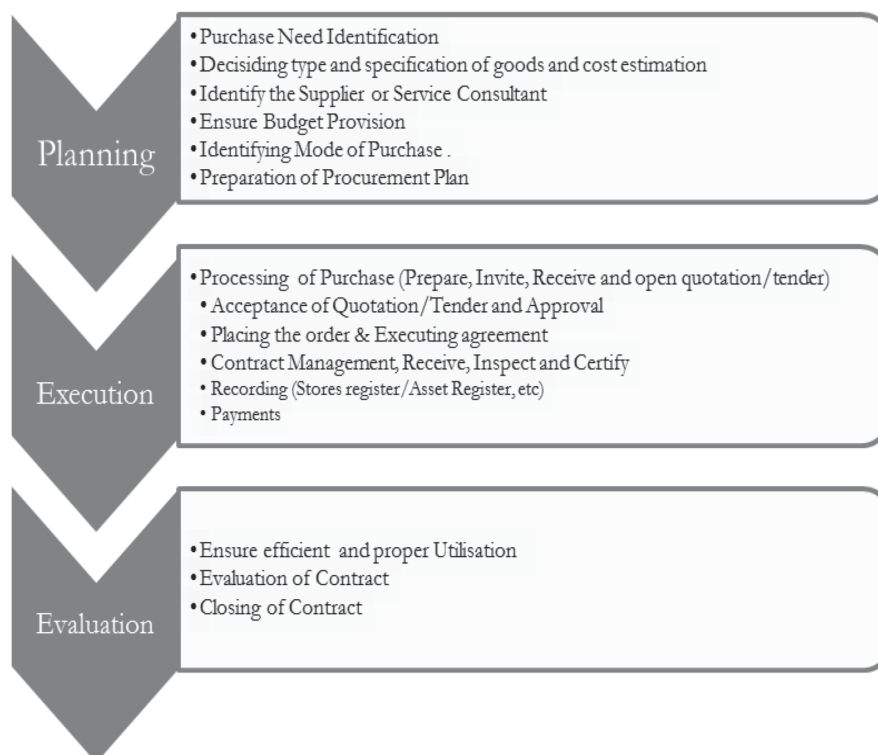
with a significant environmental impact such as timber, construction materials, energy, fuel, food, vehicles and equipments, stationery, clothing and cleaning products by ensuring the effective maintenance of goods, assets and repairing or reusing existing products.

- iii. Strictly avoid price negotiation with the bidders.
- iv. Systematically maintain appropriate documents and records.(see **Annexure 3** on Guidelines for ensuring Transparency and Accountability).
- v. Avoid direct cash transactions for procurements of above Rs. 1000 [Rupees One Thousand Only]. Hence banking transactions are mandatory.
- vi. Continuously monitor each process of the Procurement, viz. constitution of Committee, Meetings, setting precise specifications, fairness in selection, publication of the action taken by the Committees, etc.

## 1.6. Procurement Process

All LSGIs shall follow the systematic process for Procurement of Goods, Assets, and/ or Services as shown in Chart 1.

**Chart 1: Procurement Process – Overview**



## 1.7. Committee System for Procurements

In order to ensure smooth conduct of planning, execution, and monitoring of procurements, the following Committees shall be set up by the LSGIs.

- i. Procurement Plan Committee
- ii. Procurement Committees
- iii. Committee for Beneficiary Purchase

#### **1.7.1. Procurement Plan Committee (PPC)**

- i. Every LSGI shall constitute a LSGI level Procurement Plan Committee (PPC) for the preparation of Annual Procurement Plan. All procurements of LSGIs shall be based on the Procurement Plan recommended by the PPC; including petty purchase. (The details see Table 3.1 in Chapter 3).
- ii. Structure and composition of the PPC shall be as given in Table 1.1.

**Table 1.1: Structure and Composition of Procurement Plan Committee (PPC)**

1	Chairperson	Chairperson of the LSGI
2	Co-Chairperson	Chairperson of Finance Standing Committee
3	Convener	Secretary of the LSGI (Responsible for minuting the meeting)
4	Ex-Officio Members	<ul style="list-style-type: none"> <li>• All Standing Committee Chairpersons</li> <li>• All Procurement Officers</li> <li>• Engineer, LSGD.</li> </ul>
5.	Members	<p>(1) Two 'prominent respectable persons 'having experience and expertise in procurement (to be selected unanimously by the LSGI at the beginning of the year), of whom one shall be a woman.</p> <p>(2) One Technical Expert (If the expertise is not available in LSGI, the LSGI may include any Expert in the Committee, considering the technology and specification of the goods or assets to be purchased. Such an Expert shall invariably be included, if so requested by the Procurement Officer).</p>
Quorum: The Chairperson, Convener and at least one prominent respectable person shall personally be present in the Committee meeting. More than two third of the total members shall constitute the quorum of the meeting.		

#### **1.7.2. Procurement Committee (PC)**

- i. The LSGI shall constitute Procurement Committees for the execution of procurements.
- ii. Procurement Committee is a sub-committee of Procurement Plan Committee.
- iii. The structure and composition of PC is given in Table 1.2.



**Table 1.2: Structure and Composition of Procurement Committees**

1	Chairperson	Any one Procurement Officer including Secretary of LSGI, except the PO submitting the proposal.
2	Convener	PO who submits purchase proposals shall be the Convenor of the Procurement Committee which considers such proposals.
3	Members	<p>(1) Two 'prominent respectable persons' having experience and expertise in the respective subject, one shall be a woman. (to be selected unanimously by the LSGI at the beginning of the year). (May not be the prominent respectable persons included in PPC)</p> <p>(2) One Technical Expert (The LSGI may include expert in the Committee considering the technology and specification of the goods to be purchased. Such an expert shall invariably be included if so requested by the Procurement Officer).</p>
All the members of the Committees shall be free of any vested interest in the purchase. If any member happens to be so, shall abstain voluntarily from the decision making process of the committee and the committee shall make good the absence by ensuring suitable alternative arrangements.		
Quorum: Chairperson and at least one prominent respectable person shall personally be present in the committee meeting. More than two third of the total members shall constitute the quorum of the meeting.		

**1.7.3. Committee for Beneficiary Purchase (CBP)**

- i. All procurements for beneficiaries shall be made by the Committee for Beneficiary Purchase, constituted by the LSGI. (For those procurements in group is beneficial).
- ii. For the procurement of cattle, birds and seed fish for beneficiaries, CBP is mandatory.
- iii. The composition and structure of the CBP is given in table 1.3.



**Table 1.3: Committee for Beneficiary Purchase**

1	Chairperson	Senior beneficiary (on the basis of age)
2	Convener	Implementing Officer of the Project
3	Members	(1) Four persons elected from the beneficiaries of the particular project, of which two are women. (2) Two members of the Procurement Committee including a 'prominent respectable person'. (3) Official Representative (Dairy Development Officer/, Veterinary Officer/ any Procurement Officer having knowledge about the goods to be procured other than the Implementing Officer shall be a Member). (4) Two nominees of Community Development Society (CDS)
Quorum: Chairperson, Convenor and at least three persons from beneficiaries, at least one prominent respectable person, at least one nominee of CDS shall personally be present in the committee meeting. Two third of the total members shall constitute the quorum of the meeting.		

*Note: In the case of seed fish distribution projects, if the Implementing Officer of the project is not an officer of the Fisheries Department, an Officer from Fisheries Department shall invariably be additionally included in the Committee and shall attend the meetings of the Committee without fail. Instead of Dairy Development Officer, Agricultural Officer shall be the official representative in such cases.*

### **1.8. Directions from Government**

If any difference of opinion or dispute arises in the condition or procedure of Procurement, clarification of the Local Self Government Department shall be sought.

### ***Exclusion Clause***

*The users are advised to note that the Manual is dynamic in nature with the effect from necessary modifications by the State Government from time to time wherever necessary.*

# Procurement Plan

The LSGIs shall prepare an Annual Procurement Plan (APP), through a systematic process. This shall be done immediately before the passing of annual budget. The steps involved in APP are given below.

## **2.1. Procurement Need Identification**

The Secretary and Ex-officio Secretaries (EOSs) shall initiate the procurement need identification on the basis of office requirements and also the projects formulated for succeeding year. As part of this, the following procedures shall be followed, before the preparation of draft budget.

- i. To prepare a comprehensive APP for the LSGI, the Head of the Institutions (HoI) of LSGIs shall identify the requirements in consultation with the Officers of the institutions on the basis of previous years' experience. (See Box I).
- ii. The requirements for the implementation of projects shall be listed out by the Procurement Officers (POs) on the basis of priority.
- iii. The Secretary shall collect and consolidate all the requirements from the POs and submit to the Procurement Plan Committee (PPC).

**Box I: Considerations during the preparation of Procurement Plan**

- A. The procurement plan for goods shall be by considering the following:
- a) Average time period required in a complete procurement cycle
  - b) The trends in usage and the schedule of requirements
  - c) Current stock of the store, location of the stock, expiry date of the product and the projected time scale for distribution
  - d) Storage capacity for receiving the bulk consignment. In case of limited storage capacity the procurement/supply of commodities could be phased over time rather than arriving as a one- time consignment
  - e) Cases of problems encountered with procurement along with issues relating to distribution over the last few years
- B. The procurement plan for assets shall be based on the following considerations:
- a) Available infrastructure at the place of installation
  - b) Technical capability of existing operators
  - c) Compatibility with other equipments
  - d) Conformance with relevant quality standards (national and international)
  - e) Environment of the area (temperature, humidity, dust)
  - f) Power supply limitations (need for a stabilizer, etc.)
  - g) Availability of stocks of spares / consumables
  - h) Economy brought in by standardizing supplies
- C. The annual procurement plan for services shall be based on the following aspects:
- a) Requirements of goods and services
  - b) The plan shall include all contracts proposed to be executed during the year
  - c) The method of purchase shall be based on factors like value of the contract, urgency of the demand, type of goods/services and availability of different sources of supply etc.
  - d) The limit of value (for each contract) applicable to the particular procurement procedure shall be strictly adhered to
  - e) Procurement is to be based strictly on actual need basis.

**2.2. Deciding Type, Specifications, and Cost**

- i. After identifying the procurement needs, HoI or PO shall decide the following on the basis of evaluation of previous year's performance and experience.
  - a. The type of Goods, Assets, or Services required.
  - b. Specifications of the items with regard to quality and quantity.
  - c. Working details of Goods, Assets, or Services and responsibilities of its Supplier or Consultant.

- d. Technical and Financial Feasibility Report. (See Box II and **Annexure 4**).
- e. The estimated unit cost and total cost of procurements
- ii. The PO shall also suggest the mechanism to ensure the quality of procured goods, assets or services. E.g. identifying suitable technical expert for obtaining certificate in this regard. (See Paragraph 4.3.3).
- iii. During the preparation of requirements, the EOS shall ensure that the requirements are adhering to the principles of procurement. To examine this, the check list given in Box III shall be followed.

<b>Box II: Preparation of Technical and Financial Feasibility Report (TFFR)</b>	
i.	The analysis of technical and financial feasibility can be made with the help of subject experts.
ii.	The LSGI's Procurement Committee can engage subject experts for the preparation of TFFR.
iii.	Two technical experts having the capacity, experience and qualification <sup>1</sup> shall examine the technical aspects of the proposed goods, assets, or service and give proper decision. One of the two shall be working in Local Self Government Departments or Public Sector undertakings.
iv.	A Financial Expert - Should have been associated with the subject matter for which the goods/assets/service is proposed for Procurement and should have capacity, experience and qualification <sup>2</sup> to give decisive opinion on the financial aspects of the proposal. Expert can be official or non-official.
v.	(In case of TFFR available from Suchitwa Mission and ANERT, external TFFR is not required)
i.	Secure the technical advice of these experts during the time of preparation of tender/quotation notice, scrutiny of tender/Quotation and receiving Goods, Assets or Services.
ii.	The experts attending the meeting shall be paid Honorarium, Travelling Allowance and Daily allowance admissible to Grade I officers of the Government, from the own fund of the LSGIs.

1. The state government shall publish a panel of experts including suitable rates applicable for consultation every year. If the same is not available, the DPC shall publish a list of district level experts including suitable rates for consultation every year,
2. If otherwise not specified by the Government or DPC, the Technical expert should be from the relevant subject and shall have supervisory level experience for not less than 10 years in public sector. (For example, in the case of Organic Fertilizer Production Unit, the Assistant Director of Agriculture shall be the Technical Expert and Chartered Accountant shall be the Financial Expert).

**Box III: Checklist for the Preparation of Procurement Plan**

- i. Whether adequate budget provision is provided?
- ii. Whether the procurement of a particular item included in the Procurement Proposal is need based or not?
- iii. Which Mode of Procurement is more beneficial?
- iv. Procurement of which items in single lot is beneficial?
- v. Procurement of which items as per timely procurement is beneficial?
- vi. Which are the items for which running/rate contract is available?
- vii. Which is the most suitable time for procurement?
- viii. Which items are to be tendered together? Who is responsible for tendering and who is responsible for procurement?
- ix. Whether the responsibility of each activity is mentioned?
- x. Whether the proactive disclosure of activities is mentioned?

### **2.3. Identify the Supplier or Service Consultant**

- i. Procurement Officer, in consultation with the experts, Working Groups, and Standing Committees shall prepare the sources of availability of the Goods, Assets or Services.
- ii. The list of sources of availability shall be prepared for all possible items. This will help to ensure quality of goods/asset/service at the earliest time limit.
- iii. There shall be a good list of suppliers/producers prepared by the LSGI through Social Audit Committee. In case of quotation or limited tender, the LSGIs shall send invitation to these suppliers to join, to accelerate competition.
- iv. The list of potential suppliers shall be attached with APP published in websites, notice boards, Libraries/reading rooms, and in Seva Gram GramaKendras/Ward Kendras.

### **2.4. Budget Provision**

The HoI or Procurement Officer of Institutions of LSGI shall ensure the budget provision in consultation with the LSGI. The Procurement Officer shall ensure the availability of funds, source, and time of availability. On the basis of the availability of fund, the priority items shall be procured and the same shall be finalized during the approval of Procurement Plan.

### **2.5. Mode of Procurement**

- i. Table 2.1 gives the different modes of procurement of goods and their conditions. (The details of each mode of procurement are described in the forthcoming chapter. Also see **Annexure 5**).
- ii. In cases where Government prescribes any conditions, mode of procurement adopted shall be subject to such conditions.
- iii. In cases of services, only those services that are not available from the official mechanism (including professional and technical expertise under the control of the LSGI) shall be procured.

**Table 2.1: Modes of Procurement**

<b>Sl. No.</b>	<b>Mode of Procurement</b>	<b>Items of Procurement</b>	<b>Conditions</b>
1	Petty Purchase	Procurement of Stationery items and consumables for Office use.	i. A single procurement not exceeding ₹15,000 subject to the annual ceiling of ₹50,000 to GP and BP and ₹1,00,000 for others. ii. Procurement of Books (Except reference books for office use not exceeding ₹5000 and periodicals not exceeding ₹2,000). See Table 3.1
2	Quotation	All Goods, Assets, Services not exceeding ₹1,00,000 for DPs, Municipalities and Municipal Corporations and ₹60,000/- to GPs and BPs	i. Quotation Notice shall be issued to minimum 5 Suppliers/Consultants. ii. Minimum 3 Quotations must be obtained. iii. Goods falling under running/rate contract shall not be procured
3	Limited Tender	All Goods, Assets, Services not exceeding ₹2,00,000	i. Tender Notice shall be issued to minimum 10 Suppliers/Consultants. ii. Minimum 5 Tenders must be obtained. iii. Goods falling under running/ rate contract shall not be procured
4	Open Tender	All Goods, Assets, Services except: i. Procurement for which specific procedure is prescribed by Government ii. Procurement for which Open Tender is dispensed/abstained with by this Manual.	Tender Notice shall be published in Dailies, Notice Board and website.
5	Single Tender	Assets/Services/Goods and spares having sole Producer/Supplier.	Procurement Officer shall submit the justification of this method before the Procurement Committee.
6	Running Contract	i. Consumables for office use, Bulbs for street lighting (If no separate procedure is prescribed by the Government). ii. Vegetables and Milk (Where Milma milk is not available).	Tender shall be published in News Papers, Notice Board, and Web site.

7	Rate Contract	Goods having rate contract of Director General of Supplies and Disposals (DGS&D), New Delhi or Stores Purchase Department (SPD) of Government of Kerala.	During the period of Procurement, Goods shall have Rate Contract coverage and procured from manufactures with whom effective contract is in place or from their specifically authorized agents/suppliers
8	Direct Procurement - Compulsory from firms specified by government	Goods Specified by Government only. (LSGIs can procure the items only from the firm accredited by LSGD from time to time)	Conditions stipulated by Government.
9	Direct Procurement - From firms specified by government (Optional)	Goods Specified by Government only. (Items specified in Table 3.13 of Chapter 3)	Conditions stipulated by Government.
10	Through Beneficiaries (as per the Guideline for Plan & Subsidies issued by LSGD from time to time)	Procurement of Pump sets, Sprayers, Agricultural Implements, Cattle, Birds and Seed fish	Procurement only as part of individual benefit distribution projects.

## 2.6. Annual Procurement Plan (APP)

- i. The Secretary of LSGI shall prepare draft Annual Procurement Plan, by consolidating the procurement proposals submitted by HoIs and Procurement Officers. The format for Procurement Proposal is given in **Annexure 1.1** (While preparing the APP, utmost care shall be exercised to ensure that the procurements adhere to the principles stated in Para 1.5 of Chapter 1. To ensure this, the checklist given in Box III shall be used.).
- ii. The Secretary shall get the APP -prepared and finalised by the Procurement Plan Committee (PPC), and then submit it to the LSGI for approval.
- iii. The LSGI, after detailed deliberations and satisfied with the APP, shall approve the APP and set apart funds.
- iv. The reasons and criteria for inclusion and exclusion in the APP shall be invariably stated in the minutes of the PPC.
- v. The discrepancy in quality and quantity due to wrong decisions of willful nature, detected at any stage, shall be treated as the responsibility of the PPC members and these are bound for appropriate legal remedies as per rule 22 of Manner of inspection and audit system rules, 1997. (Considered as dereliction of duty of the official concerned and actions taken on the basis of Service Rules applicable to them and corruption in the case of elected representatives and actions as per Anti-Corruption Act and rules taken. Loss, if any, sustained to LSGI shall also be recovered).



- vi. Soon after the LSGI's meeting, the minutes shall be published in the notice board and shall be uploaded in the website of the GP on the next working day.

## **2.7. Technical Advice**

- i. The Secretary shall obtain advice from Technical Institutions (e.g. Suchitwa Mission and ANERT) if any procurement required for erection and running of waste disposal plants and production of non-conventional energy during the preparation of Procurement Plan.
- ii. Convenor shall obtain technical advice respectively from Suchitwa Mission and ANERT, before entering into contract. (See Box IV).

## **2.8. Proactive Disclosure**

- i. Secretary of the LSGI shall upload the approved APP in the web site within 48 hours of approval, together with details of location where the documents can be inspected or from where copies can be obtained.
  - ii. The copy of the APP shall be provided to:
    - 1. Exclusive website on Procurement
    - 2. Notice Boards of:
      - a. LSGI
      - b. Institutions of LSGI
      - c. Sevagram Grama/Ward Kendras
      - d. Public Libraries/Reading Rooms
      - e. Village Offices within the jurisdiction
      - f. Other tiers of LSGIs
- } in the case of Grama Panchayat  
and Urban Local Bodies only
- 3. Other prominent public places, within the jurisdiction
  - 4. Display system in the LSGI's front office.

<b>Box IV: Procedure for Obtaining Approval from Suchitwa Mission and ANERT</b> (see para 2.7 (ii) Technical Advice)	
<b>I. Procurements that need Suchitwa Mission's advice</b>	
<b>I. Steps for Procurement</b>	
1. The Secretary shall: <ol style="list-style-type: none"> <li>apply for advice from the government (if such procurements need financial assistance from the government).</li> <li>apply for training from Suchitwa Mission.</li> <li>prepare project with the supervision of Suchitwa Mission.</li> </ol>	
2. Apply for Technical Sanction (TS) from Suchitwa Mission for the project.	
3. Procure the plant, if needed, based on the conditions of this manual.	
ANERT–Items connected with New and Renewable Energy Source (NRES) like, all types of solar power generating equipments, solar water heater, bio energy, wind energy and tidal energy need to obtain Technical Feasibility Report from ANERT, if needs financial assistance from government.	
<b>II. For Feasibility Report</b>	
i. The Secretary shall write to the ANERT for feasibility study.	
ii. The ANERT shall conduct a preliminary feasibility study and issue feasibility report free of cost.	
iii. The PO can prepare project and procure equipments on the basis of the procedure prescribed in this manual under consultation of ANERT, if it needs financial assistance from government.	

# Execution of Procurement

The execution of Annual Procurement Plan (APP) involves a sequence of activities that includes the appropriate selection of the modes of procurements, evaluation of offers, listing of offers, accepting lowest responsive offer, entering into contract, placing order, contract management, receiving and inspecting, recording, and making final payments for the procurements. These sequences of activities depend on the mode of procurement, which the LSGI has planned according to APP. The different types of activities for execution of procurements are given below.

- 3.1. Petty Purchase
- 3.2. Quotation
- 3.3. Limited Tender
- 3.4. Open Tender
- 3.5. Single Tender
- 3.6. Running Contract
- 3.7. Rate Contract
- 3.8. Direct Procurement only from firms specified by Government
- 3.9. Direct Procurement from firms specified by Government (Optional)
- 3.10. Procurement through Beneficiaries
- 3.11. Two Bid System

### 3.1. Petty Purchase

#### 3.1.1. Conditions of Petty Purchase






The conditions applicable for petty purchase are given in Table 3.1. Use the format given in **Annexure 6**.

- While resorting petty purchase on each occasion, the PO shall attach the following certificate along with the file.

'I am personally satisfied that the goods purchased are of requisite quality and specification and have been purchased from a reliable supplier at reasonable price'.

- In case of emergency purchase, the PO shall personally satisfy the conditions prescribed in Table 3.1 and the certificate regarding reasons necessitated for emergency purchase shall be attached to the file.

**Table 3.1: Conditions of Petty Purchase**

 <p><b>Items</b></p> <ul style="list-style-type: none"> <li>• Stationery (for Office use)</li> <li>• Books and Periodicals</li> <li>• Reference Books</li> </ul>	 <p><b>Limit per Procurement</b></p> <ul style="list-style-type: none"> <li>• Up to Rs 15,000</li> <li>• Up to Rs 2,000</li> <li>• Up to Rs 5,000</li> </ul>	 <p><b>Maximum limit in a year</b></p> <ul style="list-style-type: none"> <li>• GP and BP- Rs. 50,000</li> <li>• Others Rs. 1,00,000</li> </ul>	 <p><b>Conditions</b></p> <ul style="list-style-type: none"> <li>• purchase without quotation or tender.</li> <li>• Prepare indent in Format given in Annexure 6</li> <li>• Approval from Procurement Committee and LSGI</li> </ul>	 <p><b>Emergency Purchase (Rs. 5000)</b></p> <ul style="list-style-type: none"> <li>• purchase with the approval of President.</li> <li>• Inform within 7 days of procurement for ratification from Procurement Committee and LSGIs.</li> </ul>
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### 3.2. Procurement through Quotation

- Procurement through quotation can be made subject to the ceiling given in Table 3.2.

**Table 3.2: Ceiling Amount for Procurement through Quotation**

Sl. No	Local Self Government Institutions	Maximum Amount of Purchase
1.	Grama Panchayats and Block Panchayats	₹ 60,000/-
2.	District Panchayats, Municipalities and Municipal Corporations	₹ 1,00,000/-

- Steps and conditions for Procurement through Quotation are given in Table 3.3.

**Table 3.3: Steps and Conditions for Procurements through Quotation**

Action/Steps	Conditions
<b>i. Quotation Notice</b>	
<ul style="list-style-type: none"> <li>Quotation Notice shall be prepared by PO</li> </ul>	<ul style="list-style-type: none"> <li>Notice shall follow the format in <b>Annexure 7</b>.</li> </ul>
<ul style="list-style-type: none"> <li>Publication of Quotation Notice</li> </ul>	<ul style="list-style-type: none"> <li>Web site/Notice Board of LSGI and Institutions of LSGIs</li> </ul>
<ul style="list-style-type: none"> <li>Issuing Quotation Notice to Suppliers</li> </ul>	<ul style="list-style-type: none"> <li>To minimum 5 Suppliers.</li> </ul>
<b>ii. Quotation Submission</b>	
<ul style="list-style-type: none"> <li>Submitting sealed Quotation by Suppliers</li> </ul>	<ul style="list-style-type: none"> <li>i. 7 days shall be allowed to submit quotation from the date of quotation or date of issue to the supplier whichever is later. If the 7<sup>th</sup> working day happens to be a holiday, next working day shall be considered as the last day for submission.</li> <li>ii. Quotation in the format given in <b>Annexure 8</b> shall be followed.</li> <li>iii. Shall be in sealed cover through by-hand/registered post/speed post/courier</li> </ul>
<b>iii. Receipt of Quotation</b>	
<ul style="list-style-type: none"> <li>Quotation by hand</li> </ul>	<ul style="list-style-type: none"> <li>Keep in sealed box. Sealed box shall be kept in office in accessible and visible condition.</li> </ul>
<ul style="list-style-type: none"> <li>By post/courier</li> </ul>	<ul style="list-style-type: none"> <li>i. Receive it by the PO; put dated signature on cover with time.</li> <li>ii. Keep it under her/his custody till the time of opening.</li> </ul>
<b>iv. Pre-Opening</b>	
<ul style="list-style-type: none"> <li>i. Obtaining the signature of the bidders/ representatives present.</li> <li>ii. Sorting out the quotations taken from box and received by post/courier</li> <li>iii. Numbering on the covers, serially starting from one</li> <li>iv. Filling up columns 1 to 4 in the quotation/tender Register, as per serial number of quotation.</li> </ul>	<ul style="list-style-type: none"> <li>i. Enter in the Quotation/Tender Register, given in Annexure 9.</li> <li>ii. If the PO is absent on the date/time of opening due to leave or otherwise, an officer just below in rank shall be entrusted with the responsibility.</li> <li>iii. In case of Institutions of LSGIs where PO is not available, it shall be brought to the notice of the Chairperson of the LSGI who shall entrust the responsibility to the Secretary of LSGI.</li> </ul>
<b>v. Opening</b>	
<ul style="list-style-type: none"> <li>i. Opening of Quotation box.</li> <li>ii. Opening of quotations by the PO.</li> <li>iii. Writing of the serial number and signing by the Procurement Officer with date and time.</li> </ul>	<ul style="list-style-type: none"> <li>i. Open publically at fixed date, time and place. This shall be clearly mentioned in the Quotation Notice.</li> <li>ii. Opening shall be in the presence of bidders or their representatives, who are present at the time of opening..</li> <li>iii. If minimum 3 quotations are not received, new quotation shall be invited.</li> <li>iv. If minimum 3 quotations are not received again, open tender method shall be followed.</li> </ul>

	<ul style="list-style-type: none"> <li>v. Writing the serial number in red ink on the cover and on top of the first page of quotation, after opening.</li> <li>vi. If the date fixed for opening happens to be a holiday, it shall be opened on the next working day at the same time.</li> </ul>
<b>vi. Post Opening</b>	
<ul style="list-style-type: none"> <li>• Fill up the columns 5 to 8 in the Quotation Register.</li> </ul>	<ul style="list-style-type: none"> <li>i. Quotation Register (<b>Annexure 9</b>)</li> <li>ii. Quotation cover shall be kept along with the quotation.</li> </ul>
<ul style="list-style-type: none"> <li>• Preparing the tabulation statement by the PO.</li> </ul>	<ul style="list-style-type: none"> <li>• In the format given in <b>Annexure 10</b>.</li> </ul>
<ul style="list-style-type: none"> <li>• Scrutiny and recommendation by the Procurement Officer.</li> </ul>	<ul style="list-style-type: none"> <li>• Record the remarks and recommendations in the tabulation statement. (<b>Annexure 10</b>)</li> </ul>
Submitting the Quotation for: <ul style="list-style-type: none"> <li>i. the consideration of Procurement Committee, and</li> <li>ii. the Quick Approval of LSGI.</li> </ul>	<ul style="list-style-type: none"> <li>i. Annexed with tabulation statement. (<b>Annexure 10</b>)</li> <li>ii. Within 3 days of opening the quotation.</li> <li>iii. Details of quotations received shall be published on the same day of opening of quotation at the notice board of the LSGI.</li> </ul>
<b>vii. Acceptance *</b>	
<ul style="list-style-type: none"> <li>i. Verification and recommendation by Procurement Committee.</li> <li>ii. Acceptance by LSGI, after considering the recommendation of Procurement Committee.</li> </ul>	<ul style="list-style-type: none"> <li>i. Quotations shall be accepted only if they are complete in all respects.</li> <li>ii. In ordinary course, lowest responsive quotation shall be accepted. (Decision taken on otherwise shall be justified with recorded reason).</li> <li>iii. If the lowest rate exceeds market rate, proceed for negotiation with the lowest tenderer or reject all and proceed for fresh quotation.</li> <li>iv. Acceptance by LSGIs, only after the recommendation by Procurement Committee.</li> <li>v. Publication of quotation results on the next working day of decision by the LSGI.</li> <li>vi. Acceptance shall be intimated by registered notice.</li> </ul>
<b>viii. Negotiation</b>	
<ul style="list-style-type: none"> <li>• Negotiating with the lowest bidder only, so as to reduce the rate/price and arrive at desired rated price.</li> </ul>	<ul style="list-style-type: none"> <li>i. Shall be conducted by the Procurement Committee.</li> <li>ii. Negotiation shall only be with the lowest bidder.</li> <li>iii. Negotiation without compromising on quality.</li> </ul>
<b>ix. Supply Order</b>	
<ul style="list-style-type: none"> <li>• Issuing Supply Order to the Supplier by the PO.</li> </ul>	<ul style="list-style-type: none"> <li>• Supply Order in the Format given in <b>Annexure 11</b>, within 7 days of approval.</li> </ul>
<b>x. Agreement</b>	
<ul style="list-style-type: none"> <li>• Signing Agreement by the Supplier.</li> </ul>	<ul style="list-style-type: none"> <li>i. Agreement shall be signed within 15 days of receipt of the supply order or notice.</li> <li>ii. Agreement is to be prepared (<b>Annexure 12</b>) in stamp paper of appropriate value as per Kerala Stamp Act 1959.</li> </ul>

\* Note: If the Quotation amount exceeds ₹ 50000/-, collect Earnest Money Deposit (EMD). See Box VI.

### 3.3. Procurement through Limited Tender

- (i) Procurement through Limited Tender can be adopted, subject to the ceiling amount given in Table 3.4.

**Table 3.4: Amount Ceiling for Procurement through Limited Tender**

Sl. No	Tier of Local Self Government Institutions	Maximum Amount of Purchase
1.	Grama Panchayats and Block Panchayats	₹ 2,00,000/-
2.	District Panchayats, Municipalities and Municipal Corporations	₹ 2,00,000/-

- (ii) The steps and conditions for Procurement through Limited Tender are given in Table 3.5.

**Table 3.5: Steps and Conditions for Procurement through Limited Tender**

Action/Steps	Conditions
<b>i. Tender Notice</b>	
• Preparation of Tender Notice by PO.	Notice shall follow the format given in <b>Annexure 13</b> .
• Publication of Tender Notice.	Web site/Notice Board of LSGI and its Institutions.
• Issuing the Tender Notice to Suppliers.	To minimum 10 Suppliers.
The submission, receipt, pre-opening, opening, post-opening, acceptance*, negotiation, supply order, and agreement are same as in the case of Quotation, except the limit of number of Suppliers.	
Minimum 5 tender must be obtained.	
• If minimum 5 tenders are not received, open tender method shall be followed and shall not go for Limited Tender again.	

*Note: Collect Earnest Money Deposit (EMD). See Box VI.*

### 3.4. Procurement through Open Tender

#### 3.4.1. Applicability

- i. Open Tender is applicable for all procurements, except the following:
- From the firms specified by Government.
  - Procurement through Beneficiaries.
- ii. However, Open Tender shall be strictly followed for all Procurements mentioned below:
- Purchase exceeding ₹ 2,00,000/- at a time.
  - Purchase of articles not having rate/running contract.
  - Purchase of articles for which separate procedures are not prescribed by the Government.

### 3.4.2. Open Tender Notice

#### 3.4.2.1. Preparation of Open Tender Notice

- i. Open Tender Notice shall be prepared by the PO, in the format given in **Annexure 13**.
- ii. While preparing the Open Tender Notice, the conditions given in Box V shall be adhered to by PO.

Box V: Conditions for Open Tender
<p>Goods having distinct qualities, distinct types, and available from different sources shall not be included together in the same Tender Notice. Goods shall be classified based on quality, type, and availability. Separate notice shall be prepared for each group.</p> <ul style="list-style-type: none"><li>• The Tender Notice shall not include the brand name of the product/service.</li><li>• Description of Goods as to their material of make, quality, and detailed specification (physical specifications like length, width, breadth, height, thickness, technical specifications, functional specification, etc.) shall be clearly mentioned so that there shall not be any room for ambiguity for the Supplier, LSGIs, and the Public.</li><li>• The estimate amount quoted in the Tender shall include the cost of transportation to the specified location/site. In the case of machinery, the cost shall include cost of erection and commissioning, running and maintenance and all taxes and rates.</li><li>• As the case of procurement of assets that need annual maintenance, at least three years AMC after the warranty period shall be included.</li><li>• All the conditions and formalities to be complied by the Tenderer shall be clearly spelt out, including EMD, (see Box VI).</li></ul>

#### 3.4.2.2. Publication of Open Tender Notice

- i. Open Tender Notice shall be published as mentioned in Table 3.6.

**Table 3.6: Publication of Open Tender Notice**

Estimated Cost of Tender	Shall be Published
Upto ₹ 5,00,000	In a local language daily newspaper, having wide circulation within the District.
Upto ₹ 10,00,000	In a local language daily newspaper, having wide circulation within the District.
Above ₹ 10 lakh, and upto ₹ 15 lakhs	In two local language daily newspapers, having wide circulation within the District.
Above ₹ 15 lakhs	In two local language daily newspapers; and one National English news daily having largest circulation within the District.

*Note: Midday and Evening dailies shall not be considered as newspapers for this purpose.*



- ii. In the beginning of each financial year, the LSGI shall obtain the list of daily newspapers having largest circulation in the District from the District Officer of the Public Relations Department (PRD). According to the gradation of the daily newspapers provided by the PRD, the daily newspaper shall be selected and the Tender Notice shall be published.
- iii. The full version of the Tender Notice shall be published in the Notice Board and Website of the LSGI. If the procurement is for Institutions of LSGIs, notice shall be published in the Notice Board of that specific institution also.
- iv. In order to save advertisement charges, short tender notice, in the format given in **Annexure 13.1** or a Window Advertisement shall be published in the daily newspaper. Window advertisement shall be brief and shall contain tender no. and date, item for procurement, estimate amount, last date and name and designation of tender inviting authority, website address only.

<b>Box VI: Conditions Regarding Earnest Money Deposit</b>	
<b>A. Earnest Money Deposit (EMD)</b>	
<b>EMD shall be:</b>	
<ol style="list-style-type: none"> <li>i. collected for every Tender/Quotation amount, exceeding 50,000/-.</li> <li>ii. one per cent of the estimated cost.</li> <li>iii. remitted only through electronic fund transfer/e- payment. However, if the EMD is not exceeding ₹1,000/-, it can be collected in cash.</li> </ol>	
<b>B. Exemption from Payment of EMD</b>	
<ol style="list-style-type: none"> <li>i. In the case of procurement from the firms specified by the Government, such firms need not remit EMD.</li> <li>ii. Government owned firms. (Only for the Procurement of goods manufactured by them. Exemption is not applicable to them, if such firms procure and distribute goods).</li> <li>iii. Firms registered with the Stores Procurement Department or the Director General of Supplies and Disposals, New Delhi, in respect of items for which registration is granted. The exemption is granted subject to the production of copy of the registration certificate.</li> <li>iv. Rate contract/Running contract holders. (Exemption is applicable for Procurements of goods having rate contract with DGS&amp;D/SPD and Running Contract with Government Departments).</li> </ol>	
<b>C. Forfeiture of EMD</b>	
The EMD shall be forfeited, if the successful bidder has failed to enter into contract within 21 days of receipt of supply order.	
<b>D. Refund of EMD</b>	
<ol style="list-style-type: none"> <li>i. EMD shall be returned to: <ol style="list-style-type: none"> <li>a. all unsuccessful bidders, within seven days after the opening of tender.</li> <li>b. successful bidder, after the receipt of Security Deposit. (EMD shall be adjusted in Security Deposit on the request of the successful bidders).</li> </ol> </li> <li>ii. Officer concerned shall be responsible for any loss arising out of non-refund of EMD.</li> </ol>	

### 3.4.2.3. e-Procurement

- i. Adopt e-Procurement for all tenders above ₹5 lakhs.
- ii. The Secretary of LSGI, opting e-procurement, shall write to the LSGD for User enrolment  
(See for format **Annexure 14**).
- iii. The LSGD shall create following four users and issue user name and password to each user.
  - (a) Tender Creator,
  - (b) Tender Publisher,
  - (c) Bid Opener, and
  - (d) Bid Evaluator.
- iv. The role and responsibilities of these users are stated in table 3.7.
- v. The Secretary shall write to the Nodal Officer (Officer in LSGD, designated by the LSGD), if any corrections need to be made after publishing the tender.
- vi. The Nodal Officer shall issue Corrigendum (make modification in tender already published) and the same shall be appeared in the Web site under corrigendum.
- vii. Payments can be made through the payment gateway of tendering portal that is provided in the online mode with available Nationalized/scheduled banks.
- viii. Bidders can make their tender document fees & EMD payments directly through tender gate way.
- ix. Only the EMDs of L1 bidder shall be withheld in the Pooling account (maintained in e-procurement platform) till signing of agreement and award of contract.  
EMDs of unsuccessful bidders shall be refunded online to their bank accounts at various stages of tender evaluation.
- x. Migration Steps:
  - a. All the Procurement Officers shall request for user name and pass word through the portal.
  - b. Nodal Officer shall authorise the users who requested for user name.
  - c. The Procurement Officer can create sub users for their assistance, but the responsibility of Tender Creator, Publisher, Bid Openers & Evaluators and informing Kerala State Information Technology Mission (KSITM) remains with the Procurement Officer.
  - d. Obtain Digital Signature Certificate (DSC) –Class 2 or above with Signing & Encryption from National Informatics Centre (NIC).
  - e. LSGI shall intimate Treasury codes to KSITM for online mapping.
  - f. LSGI shall open account with nationalized/scheduled banks, having online banking facility and intimate the same to KSITM for online mapping.

**Table 3.7: e-Procurement Users - Roles and Responsibilities**

Users	Role	Responsibilities
Officer assigned by the LSGD	Nodal Officer	User management, Tender initiative, tender assignment to Procurement Officers & roles of user other than the Auditor.
Officer assigned by the LSGD	Nodal Officer	User management, Tender initiative, tender assignment to Procurement Officers & roles of user other than the Auditor.
<b>At LSGI level</b>		
Tender Creator	Clerk	Prepare the tender.
Tender Publisher	PO	Publish the tender, after verification of the tender created by the tender creator.
Bid Opener and Evaluator	PO & Secretary	Jointly open the bid and evaluate the bid.

**3.4.2.4. Open Tender Forms**

- The specimen of Open Tender Form is given in **Annexure 15**.
- The Open Tender Form shall be down loaded from the website of LSGI.
- Cost of Open Tender Form is given Table 3.8.
- The cost of Open Tender Form shall be remitted only through electronic fund transfer.
- The format of Open Tender Form Stock Register is given in **Annexure 16**.

**Table 3.8: Cost of Open Tender Forms**

Estimated Cost of Goods to be Procured	Tender Fee
Up to ₹ 1,00,000	₹ 500 + VAT/GST
Above Rupees ₹ 1,00,000 - ₹ 10,00,000	₹ 1000 + VAT/GST
Above ₹ 10,00,000	₹ 2000 + VAT/GST

**3.4.2.5 Time limit for Open Tender Submission**

Time limit for submission of Open Tender shall be strictly adhered to, as given in Table 3.9.

**Table 3.9: Time Limit for Open Tender Submission**

Estimated Cost of goods, assets or service to be procured	Time limit*
Up to ₹ 1,00,000	10 days
Above ₹ 1,00,000	14 days
Above ₹ 10,00,000	21 days

*\* Time limit is to be calculated from the date of publication of the advertisement or tender documents availability whichever is later, but excluding date of publication/ date of tender document availability and date of receipt. In case of publication in more than one newspaper, latest date of publication is to be considered. While giving notice for publication, the date within which it should be published shall be clearly stated in the letter to the News Paper.*

### 3.4.3 Execution of Open Tender

The procedures and conditions for receipt of Tender, opening of Tender, steps to be taken after opening, Scrutiny, Acceptance, Negotiation, giving/issuing Supply Order, signing of Agreement are same as in the case of Quotation, that are mentioned in Table 3.3. Also see Chapter 4 for conditions for contracting.

### 3.4.4. Rejection of Tenders

Tenders shall be summarily rejected, if they are incomplete; especially on the grounds given in Table 3.10.

**Table 3.10: Grounds for Rejection of Tenders**

Sl. No.	Grounds for Rejection of Tenders
1	Tender is not as per the format given in <b>Annexure 15</b> .
2	Tenders for which sufficient Earnest Money Deposit (EMD) is not remitted.
3	Tenders that are not properly signed by the Bidder.
4	Tenders received not within the stipulated time.
5	Tenders in which firm period or tender validity period is not recorded.
6	Sample is not submitted where sample is mandatory.
7	Partial tender where partial tender is declared unacceptable.
8	Tenders with incomplete details.
9	Tenders with corrections not validated.
10	Tenders of blacklisted firms/individuals.
11	In the case of electronic fund transfer, the bidder shall remit the amount well in advance before last date prescribed and no claim will be entertained due to delay in crediting the money to the account of LSGI.

## 3.5. Single Tender

### 3.5.1. Applicability

The Single Tender is applicable only in the circumstances mentioned in Table 3.11 and subject to the conditions thereon.

**Table 3.11: Applicability of Single Tender**

Sl. No	Circumstances	Conditions
1.	Purchase of spare parts, components or other parts compatible with an existing machinery or instrument.	<ul style="list-style-type: none"><li>• Parts not available from anywhere else, except the single Supplier.</li><li>• Certificate has to be obtained from a Technical Expert, if any appointed by the Government; otherwise decided by the LSGI.</li></ul>
2.	Purchase of any article.	<ul style="list-style-type: none"><li>• The article available only from a Single Producer/Supplier.</li></ul>

### 3.5.2. Justification for Single Tender

The Procurement Officer and LSGIs shall record justifications for adopting Single Tender method. In case of procurement from single source or items of proprietary nature, the following documents shall be attached:

- i) Latest proprietary article certificate from the manufacturer, in original or notarized in the following format:  
“This is to certify that ..... (Name of product) is/are our proprietary product and manufactured only by us”.
- ii) Sole authorized distributor certificate from the manufacturer in original or notarized, in cases where manufacturer is not supplying the product directly but through a distributor.

### 3.5.3. Single Tender Process

All the steps, procedures, and conditions of open tender, (except advertisement in daily newspaper and in website) are applicable in Single Tender.

## 3.6. Procurement through Running Contract

### 3.6.1. Applicability

LSGIs can enter into running contract with a Supplier in cases where:

- a. the whole Goods required for a year need not be purchased together and stocked,
- b. sufficient room/space is not available for holding/stoking goods, or
- c. when long holding of goods may lead to their damage.

### 3.6.2. Terms and Conditions for Running Contract

The terms and conditions of Running Contract are given in Table 3.12.

**Table 3.12: Terms and Conditions for Running Contract**

Particulars	Description
Items to be purchased	<ul style="list-style-type: none"><li>• Goods for Office Use (consumables),</li><li>• Bulbs for street lighting (if no separate procedure is prescribed by the Government),</li><li>• Vegetables and Milk (where MILMA Milk is not available) for Anganwadies.</li></ul>
Contract Period	Running contract shall not be entered for a period more than one year and less than three months.
Tender	<ul style="list-style-type: none"><li>• Enter into Running Contract only after inviting tenders through newspaper advertisement.</li><li>• Tender shall be invited on cost estimate, based on annual indent.</li><li>• Tender shall specify the estimated quantity and period of supply.</li></ul>
Conditions	<ul style="list-style-type: none"><li>• All goods and their quantity to be supplied during the contract period shall be included in the contract.</li><li>• The Contractor shall be liable to supply 125% of the contract quantity, at the same rate, if required by the LSGIs.</li><li>• All conditions prescribed in the case of Open Tender are also applicable.</li></ul>
Forms to be used	Use <b>Annexure 13</b> for Tender Notice, <b>Annexure 11</b> for Supply Order, <b>Annexure 12</b> for Agreement, <b>Annexure 15</b> for Tender with suitable changes.

### 3.7. Purchase through Rate Contract

#### 3.7.1. Conditions

- i. The LSGIs can make procurement without tender, but on entering into contract with those Suppliers to whom the rate contract is existing with the Director General of Supplies and Disposals (DGS&D), New Delhi or Stores Purchase Department (SPD) of Government of Kerala.
- ii. Rate Contract is valid for a fixed period. Hence it shall be ensured by the Procurement Officer that during the period of purchase, rate contract is valid in respect of Goods, Assets or Services intended to be procured.
- iii. Contract Agreement in the format given in **Annexure 12** shall be obtained from rate contract holders. Supply Order in format given in **Annexure 11** is also to be issued.

### 3.8. Items restricted for Procurement only from the firms specified by the Government

#### 3.8.1. Conditions

- i. Direct procurement compulsorily from firms specified by Government.
- ii. Direct procurement from firms specified by Government (Optional)
- iii. Quotation or Tender is not necessary in this category of procurement
- iv. Earnest Money Deposit (EMD) shall not be demanded

### 3.9. Purchase from Firms allowed by the Government

The items specified in Table 3.13 can be procured, without quotation/ tender, from the firms specified corresponding to the items in the table. These are optional, provided, the LSGIs find a better product or rate that suits to their requirement. They can opt for competitive selection procedures, but with specific reasons stated.

**Table 3.13: Items and Firms allowed by the Government**

Sl.No.	Articles	Institutions Specified by the Government
1	Books	1. Book Mark 2. Government publishers (at maximum discount)
2	Steel Furniture	Steel Industries Kerala, at the rate approved by the Government.
3	Processed Rubber Furniture	Rubco at the rate approved by the Government
4	Wooden Furniture	Forest Industries Travancore, Alwaye.
5	Cattle Feed	Malabar feeds, a product of Kannur District Cattle Feed Production and Distribution Cooperative Society Limited. (If not available from MILMA and Kerala Feeds)

*Note: If Government permits to purchase any item from a firm, Local Self Government can purchase from such firms without tender or quotation.*

### 3.10. Procuring by Beneficiaries

#### 3.10.1. Procuring of Agricultural Implements, etc.

Agricultural Implements, Pump Sets, and Sprayers can be purchased by the Beneficiaries themselves, subject to the conditions given in Table 3.14.

**Table 3.14: Agriculture Items and Conditions for Procurement through Beneficiaries**

Items	Conditions
Pump set, Sprayer, and Other Agricultural Implements.	<ol style="list-style-type: none"><li>1. Items must have ISI marks.</li><li>2. Agricultural Officer shall ascertain the lowest price, prevailing in the locality.</li><li>3. Beneficiary can directly procure, as per the rate specified by the Agricultural Officer or below such rate.</li><li>4. Subsidy to be credited in bank a/c of beneficiary by e-transfer.</li><li>5. Direct inspection to ensure actual purchase and quality.</li><li>6. Original bill to be produced to the Agricultural Officer by the beneficiary.</li><li>7. The Agricultural Officer shall certify the quality of the items purchased.</li></ol>

#### 3.10.2 Purchase of Cattle, Birds, and Seed Fish

- i. The purchase of cattle, birds, and seed fish for the beneficiaries shall be made through a Committee.
- ii. Soon after the selection of beneficiaries of a project on supply of Cattle, Birds and Seed Fish:
  - a. a meeting of beneficiaries of that project shall be convened, and
  - b. a 'Committee for Beneficiary Purchase' (CBP) as mentioned in Table 1.3 (Chapter1) shall be constituted for each project.
- iii. Members of the CBP, after conducting individual/collective enquiries, shall decide in a meeting:
  - a. Place,
  - b. Mode,
  - c. Cost of purchase, and
  - d. Quality specifications.
- iv. Quorum of the meeting shall be 2/3 of the total members.
- v. Convenor shall be responsible for recording and keeping attendance, minutes, and decisions of the Committee.
- vi. Purchase, shall be made only in the presence of at least three representatives of beneficiaries. Convener shall keep records to prove that the purchase is made as above in Paragraph 3.10.2.
- vii. After the purchase, the Convener shall personally inspect the stock and certify that purchase is actually affected. S/He shall examine quality and certify it.



- viii. The beneficiaries can procure more quality, quantity and at high price than that fixed in CBP meeting, but the assistance shall not be more than that fixed in the meeting.
- ix. The list of beneficiaries, quality specification, mode, place of procurement, and cost shall be published in the Website and notice board on the next working day of CBP meeting.
- x. The details of procurement shall be published, after the completion of procurement.

### **3.11. Two Bid System**

For purchasing high value plant, machinery etc. of a complex and technical nature, bids may be obtained in two parts as under:

- (a) Technical bid consisting of all technical details, along with commercial terms and conditions;
  - (b) Financial bid indicating item-wise price for those items mentioned in the technical bid.
- i. In the following circumstances, tender shall be invited in two bid system of procurement of goods, assets, or services. See chart 2.
    - (a) Procurements for which advanced technologies are applicable,
    - (b) The LSGIs need the goods, assets, or services with specified technology, design or knowhow,
    - (c) The design/making of goods or assets requires specified Plant and Machinery.
    - (d) Procurement of goods and services having qualities which cannot be fixed earlier.
    - (e) Procurements in cases where prior fixation of all technical specialities and specifications is not possible.
    - (f) Those procurement clubbed with services, assets, and/or goods.

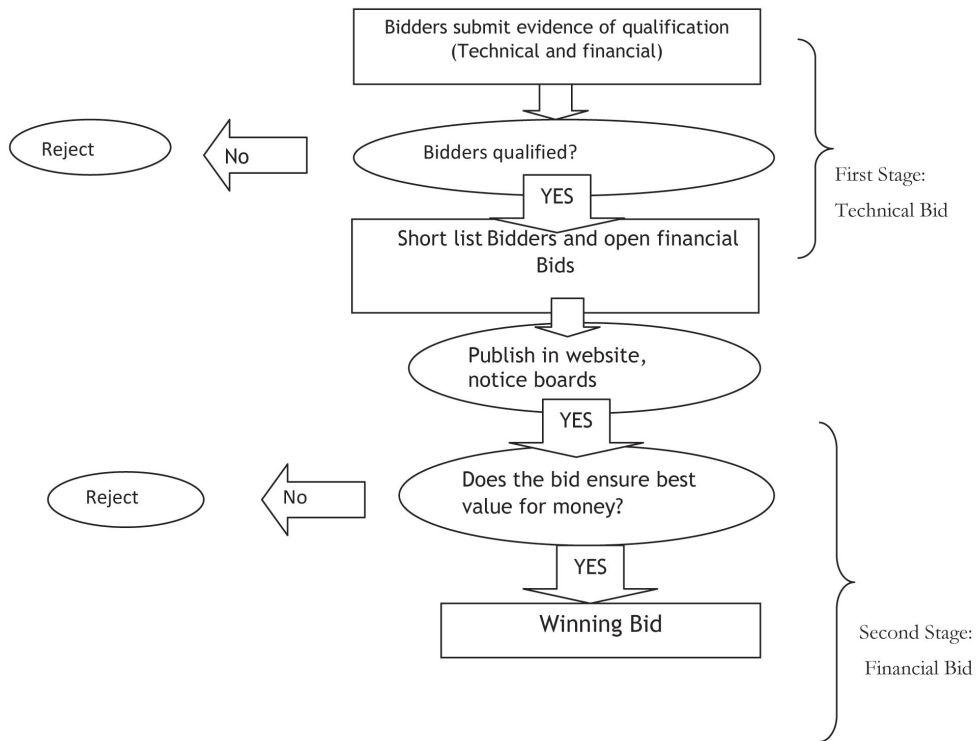
*[Note: If any of the above conditions satisfies, it is mandatory to follow the two bid system, otherwise it is optional. The same may be certified by Procurement Committee].*

- ii. For effecting the above high value procurement of complex and technical nature, the bid document shall contain instructions to the bidders to provide their quotations in two parts;
  - (a) Technical Bid: first part should contain the technical details of the concerned procurement with respect to specifications and other technical details incorporated in the bid document.
  - (b) Financial Bid: second part should contain the price quotations along with other allied issues.
- iii. The technical bid and the financial bid shall be sealed by the bidder in separate covers, duly super scribed. And both these sealed covers are to be put in a bigger cover which should also be sealed and duly super scribed as per the instructions given in the bid document.



- iv. The technical bids are to be opened in the first instance, at the prescribed place, time, and date. The same shall be scrutinized and evaluated with reference to parameters prescribed in the bid documents.
- v. The Procurement Committee, constituted for the purchase, shall evaluate the technical bids.
- vi. Thereafter, in the second stage, the financial bids of only the technically acceptable offers are to be opened for further scrutiny, evaluation, ranking, and placement of contract.

**Chart 2: Process of Two Stage Tendering**





# Execution of Procurement: Conditions for Contract

# 4

The Local Self Government Institution (LSGI) shall execute the procurement contract by signing the agreement with Supplier/Consultant. On finalization of the bid, LSGI shall inform the lowest bidder about the selection, receive security deposit, and enter into contract. The LSGI shall monitor the progress of contract, receive goods and conduct proper verification and certification. The payment and record maintenance are the other responsibilities in connection with the procurement. The procedures to be followed from the signing of agreement to record maintenance are stated below.

## 4.1. Signing of Agreement

- i. On acceptance of tender by the LSGI (Table 3.3), the concerned Officers shall take follow up action as given below.
  - a. The Secretary/PO of the LSGI shall publish the matter of acceptance of tender/ quotation specifying the name and address of the bidder, items, specifications, quantity, rate, and cost in the Notice Board and web site.
  - b. A stand still period of 7 days shall be provided, after announcing the award notice, for any complaints from other competing Bidders. Only complaints from participating bidders will be entertained at this stage. All complaints received will be addressed by following the Complaint Redressal procedures 'detailed in Para 6.3.2 in Chapter 6 in this manual. LSGD reserves the right to proceed with an award of action, in case of urgent requirements during the complaint redressal stage and would consider appropriate compensation in the event the outcome of the review is in favour of the complainant.
  - c. In the case of petty purchase up to ₹5000, the Officer responsible shall make the purchase within 30 days of acceptance of the purchase.

- d. In the case of single Tender and Running Contract the Procurement Officer shall issue communication to the firm (Table 3.11 and 3.12) within 7 days and initiate steps for procurement.
- e. Purchase through Quotation/Limited Tender/Tender: The acceptance of Quotation/Tender shall be communicated by the Procurement Officer to the successful bidder along with supply order within 15 days by registered/speed post. In the same communication, s/he shall be instructed to sign the agreement (in stamp paper worth ₹200/-), in the format given in **Annexure 12** within 15 days and to remit sufficient Security Deposit. This Format shall be made available to the successful bidder.
- f. Agreement shall be signed within 15 days of the Supply Order or Notice. If the bidder fails to sign the agreement within 15 days of receipt of Supply Order, it shall be automatically cancelled and the EMD forfeited.
- g. If the bidder applies for extension of time in writing with valid reasons within 5 days of receipt of communication, the LSGI may extend time for signing the agreement up to a maximum period of 30 days. The decision of extension of time or rejection of extension shall be communicated within 7 days of receipt of communication for extension.
- h. The agreement for procurement of assets that need annual maintenance, (viz. computer, street lights and equipments) shall invariably include the condition for AMC at least for three years after the warranty period.

## **4.2. Security Deposit (SD)**

### **4.2.1. Conditions for Security Deposit**

- i. Security Deposit at the rate of 5% of the total value of contract shall be obtained from the successful Bidder. Minimum amount of Security Deposit shall be ₹500/- (Rupees Five Hundred only).
- ii. Security Deposit shall be taken in any of the following forms.
  - a. By cash, if the amount does not exceed ₹1000/-.
  - b. By electronic fund transfer (NEFT).
  - c. By Bank Guarantee from Public Sector or Scheduled Bank. Bank Guarantee shall be furnished in the format given in **Annexure 17**. Before accepting Bank Guarantee, its validity shall be checked with the Bank.
- iii. Security Deposit/Bank Guarantee shall be refunded after 90 days of the expiry of service contract, if the LSGI is satisfied that the performance of the Consultant is satisfactory.
- iv. Earnest Money Deposit shall be treated as part of Security Deposit of the successful bidder and the balance amount need only be collected.

### **4.2.2. Exemptions from remittance of Security Deposit**

Firms owned by Central/State Government need not remit Security Deposit. This concession shall be available only in respect of goods manufactured by them and not available in respect of goods procured and supplied by them.

#### **4.2.3. Forfeiture of Security Deposit**

Security Deposit shall be forfeited and credited to the account of LSGI in the event of breach of contract by the Supplier.

#### **4.2.4. Refund of Security Deposit**

Security Deposit shall be refunded within a period of three months from the expiry of contract. However, in the case of goods covered by guarantee/warranty, refund shall be made only after the expiry of guarantee/warranty period. If any complaints are noticed during the guarantee/warranty period, they are to be considered and decided before refund.

### **4.3. Receiving Goods**

#### **4.3.1. Terms of Delivery**

- i. Unless otherwise specified, the cost of packing and transportation shall be borne by the supplier and the goods shall be delivered at the place, mentioned in the Supply Order by the LSGI.
- ii. Machinery and Equipments shall be erected at the place shown by the LSGI and trial run conducted at the expense of the Supplier. The facilities for the same shall be provided by the Purchasing Officer. The Procurement Officer shall be liable for any loss due to non-provision of such facilities.

#### **4.3.2. Acceptance of Goods**

Purchasing Officer, while accepting goods, shall ensure that the conditions specified in Table 4.1 are satisfied.

**Table 4.1: Conditions to Accept Goods**

<b>Sl. No</b>	<b>Goods Supplied</b>
1	are as per specifications
2	are of good quality
3	are as per the type, measurement, strength and material of manufacture as given in the Supply Order.
4	are new
5	do not have defect or damage
6	Follow ISI/Agmark standards and bear such mark and confirm the BEE star rating for electrical appliances. (if agreed upon in contract)
7	are as per sample (in case sample was given)
8	have a certificate of technical examination by approved agency (if the contract bears such condition).

#### **4.3.3. Certification of Goods**

- i. A Certificate shall be prepared by the PO after verifying the factors mentioned in 4.3.2 above. (A specimen of Certificate is given in **Annexure 18**). In cases where the Procurement Officer is not able to certify the goods with her/his own expertise or s/he is not having required expertise, then it is to be obtained from a Competent Expert.

- ii. Procurement of steel/wooden products, not exceeding Rupees one lakh, shall be certified by the Engineer of the LSGI.
- iii. When procurement exceeds Rupees One lakh, the quality of products shall be certified by:
  - a. the Government/Aided Engineering Colleges/Polytechnics in case of Steel products, and
  - b. an Officer not below the rank of Range Officer in the Forest Department in case of wooden products.
- iv. The certificate shall name the wood with which the wood product is made of viz. Teak, Rose wood, Irul, Anjali or treated rubber.
- v. Whichever cases the responsibility to obtain the certificate rests with the Supplier.

#### **4.3.4. Payment for Procurement**

##### **4.3.4.1. Conditions for Payment**

- a. Payment for Procurement shall be made only after satisfying the following conditions:
  - i. The goods delivered satisfactorily.
  - ii. Certification (as per the format given in **Annexure 18**) obtained.
  - iii. Entry made in the Stock Register. (After entry in Stock Register, serial number of the item and the page number in the Stock Register shall be written on the bill of the item).
  - iv. Made the physical marking of the asset.
  - v. Entry made in the Asset Register, if the goods fall under assets. (After entry in asset register serial number of the item shall be written on the bill of the item and in the stock register).
- b. The Officer making the payment shall certify in the bill that the above conditions in Para 4.3.4.1.a have been satisfied.

##### **4.3.4.2. Advance Payment**

- i. Payment shall be made only on fulfillment of the procedure prescribed in Para 4.3.4.1 above. No advance payment shall be made by the LSGIs for procurement.
- ii. Payments for services rendered or supplies made shall be released, only after the services have been rendered or supplies made. However, it may become necessary to make advance payments in the following types of cases:
  - a. Advance payment demanded by firms holding maintenance contracts for servicing of air-conditioners, computers or other costly equipments.
  - b. Advance payment demanded by firms against fabrication contracts, or having long duration.
- iii. However, such advance payments should not exceed the following limits:

- a) Thirty per cent of the contract value, in case of payments to private firms.
  - b) Forty per cent of the contract value, in case of payments to a State or Central Government agency or a Public Sector Undertaking.
  - c) The amount payable for six months under the contract, in case of maintenance contract.
  - d) In case of medicines from government owned organisations, total amount of medicines can be allowed.
- iv. While making any advance payment as above, adequate (except for item (d) above) safeguards in the form of bank guarantee should be obtained from the firm.

#### **4.3.5. Maintenance of Records**

##### **4.3.5.1. Records of Procurement Process**

- i. All records and registers related to the Procurement process shall be kept by the concerned PO and shall be produced before the LSGIs during audit.
- ii. The attendance, minutes and decisions of Social Audit Committee, and Procurement Committee shall be recorded, kept and produced for audit by the Secretary and POs.
- iii. PO shall obtain certified copies of decisions on procurement and keep in his files.

##### **4.3.5.2. Recording in Stock and Asset Registers**

- i. All the goods procured, whatever may be the purpose, (including for distribution to individual beneficiaries) shall be entered in the Stock Register.
- ii. All items forming the asset of the LSGI (excluding goods distributed to beneficiaries and consumables) shall be entered in Asset Register.

#### **4.3.6. Inventory Management**

The efficiency of procurement depends on the efficiency of inventory management and contract management. For the efficient inventory management of consumables, following seven aspects shall be complied by the LSGIs.

##### **(i) Avoid risk of out of stock**

Services delivery or implementation of projects shall not be delayed due to out-of-stock items. Hence procurement plan shall be prepared as per the manner described in paragraph 2.6 of Chapter 2. For avoiding out of stock situation, fix the re-order level for each stores required for the service by the PO during the preparation of APP. For economical procurement also find out Economic Ordering Quantity (EOQ).

##### **(ii) Don't waste cash through the procurement of overstock.**

For running a successful implementation of project, spend cash wisely. LSGI needs to buy only those items it requires. In case of buying in lots, fix the size of lot which provides minimum cost of storage and cost. (i.e. EOQ).

**(iii) Identify issues before they get out of control**

If LSGI can keep an eye on its inventory levels, then it can spot issues as soon as they arise; rather than later during an annual stock taking.

**(iv) Efficient re-ordering**

LSGI's re-ordering process shall be fast and reliable if it knows what's in stock using a software system. This will help to prevent re-ordering running out of control. So LSGIs should fix the level of re-ordering for goods in advance and display the same near the place where the goods are stored.

**(v) Minimise losses**

If LSGI can manage accurate stock levels, it can identify theft quickly. The LSGI can also discover loss of stock due to damage, loss or some other cause.

**(vi) Minimise warehouse costs**

If LSGI knows where things are in warehouse, the processes of pick/pack/ship are significantly more efficient.

**(vii) Efficient annual physical verification**

If all LSGIs inventory levels are up to date and at all the time, the periodic stock taking will be faster and more efficient.

**4.3.7. Contract Management**

Contract management is the responsibility of Secretary and Procurement Officers of LSGIs. It starts with the process of preparation of APP. The activities of contract management in different phases are given below.

**4.3.7.1. During Planning**

The Secretary shall:

- a. ensure that the budget provision is communicated to all the POs of LSGIs.
- b. call the POs to ensure that they have received the communication stating the budget provision and date of submission of details of needs of items to be procured.
- c. frequently communicate with the POs (one week prior to and also the day prior to the date of performance of contract communicated) for submission of purchase need identification.
- d. ensure that all POs have submitted the list of items to be procured during the next financial Year.
- e. ensure that the consolidation is done as per the format given in **Annexure 1**.
- f. ensure the co-ordination of activities for the approval of APP.
- g. ensure that the proactive disclosure activities are duly followed.



#### **4.3.7.2. During Implementation**

The Secretary shall:

- i. Follow up activities to ensure that the procurements are performing on time bound manner.
- ii. Motivate the POs to procure at suitable time, considering cost effectiveness along with utility.
- iii. Ensure that the mode of procurement is appropriate.
- iv. Ensure that all the documents are properly maintained during the process itself.
- v. Insist the PO to communicate with the lowest acceptable bidder within the prescribed time.
- vi. Read the contract agreement to ensure that all clauses are properly incorporated.
- vii. Ensure that the successful bidder enters into contract on the date planned. (Call prior to the date of entry into contract, to ensure the certainty of bidder's availability).
- viii. Maintain frequent contact with the Supplier/Service Provider to ensure timely delivery.
  - a. Call prior to (at least 10 days) the date of performance of contract to ensure that supplier is preparing for performing.
  - b. Call prior to (at least 2 days) the date of performance of contract to ensure that supplier is ready for performing.
  - c. If there is any supervening impossibility of performance, take remedial measures for uninterrupted supply and remedial measures for breach of contract.
- ix. Ensure that all POs' are doing follow up activities for the timely performance of contract.
- x. Maintain the details of satisfied Supplier for future contacts and enquiries.

#### **4.3.7.3. During the receipt of Product or Service**

The Secretary shall:

- a. Ensure the completeness of supply.
- b. Ensure that the arrangements for receipt of product or performance of services are made by the PO.
- c. Ensure the sufficiency of space, if storing required.
- d. Ensure the preceding activity arrangements/services performances are completed prior to the performance of contract.
- e. Contact and ensure the performance of subsequent activities if any required, along with the performance of present contract.



# Procurements Requiring Special Attention

## 5

### **5.1 Procurement of Anganwadi Feeding Materials**

- i. Procurement of feeding materials for Anganwadi shall be from the firm accredited by LSGD from time to time.
- ii. The quality, quantity, and stocking of Anganwadi feeds in LSGIs [rural and urban] shall be checked at least once in a month, personally by members of the Social Audit Committee (SAC). On the basis of this, SAC shall prepare a report and submit to the Local Self Government.
- iii. The Mother Committee shall ensure quality and quantity of Anganwadi feeds by conducting a weekly review of the procurement and shall submit the report to the Anganwadi Welfare Committee (AWC).
- iv. AWC shall give suitable recommendations regarding the continuation of procurement contract.
- v. The Procurement Committee (PC) shall invariably review the procurement contract on the basis of recommendations of AWC and social audit report.

### **5.2 Procurement of Toys and Play Materials for Anganwadi**

- i. The Procurement Plan Committee (PPC) shall make the need assessment and recommend the procurement of toys in cases where their standard and specification cannot be fixed, since the toys and play materials procured should be appropriate to the age and physical size of the children.
- ii. The PC constituted for the procurement of Toys and Play materials shall consider the recommendation of the PPC before they give their recommendation to LSGI.

### **5.3. Procurement of Machinery and Equipments for distribution to various Groups**

- i. In the case of agricultural machinery and equipments procured by LSGI and entrusted to Registered Padashekara Samithis, Registered Labour Banks, Kudumbasree Self Help Groups, etc., the concerned Agricultural Officer shall obtain a quarterly report on their utilization, working, income and expenditure and upkeep from the agency to which it was entrusted.
- ii. The Agricultural Officer shall examine the report and submit it for audit.
- iii. The entrustment of machineries and equipment to such agencies shall be on the basis of an agreement.

### **5.4. Procurement of Books**

- i. Books not available with Bookmark shall be procured from Government Publishers at their maximum discount or from private publishes on quotation.
- ii. Possibility of getting maximum discount shall be sought, but ensuring a minimum of 15% by sourcing directly from publishers or by obtaining quotations from various distributors.
- iii. Procurement for more than Rupees Two Thousand shall be on quotation, if it is not from Government Institutions.

### **5.5. Procurement of Furniture**

- i. The PO shall collect specifications for furniture from an expert. The Expert can be the personnel to whom the PO approaches for certification.
- ii. Furniture made of high quality wood such as Teak, Rosewood, Irul, Anjili, and Processed Rubber shall only be procured. In the case of wooden furniture, name of the wood and thickness shall be specified in the indent/quotation/tender/supply order.
- iii. In the case of steel furniture, the nature of the steel (GI/MS/stainless etc.) and gauge of the steel shall be specified in indent/quotation/tender/supply order.
- iv. Certification of Furniture shall be submitted as stated in paragraph 4.3.3 (Chapter 4).

### **5.6. Procurement of Vehicles**

- i. The LSG shall seek permission of the Government for the procurement of any vehicles, beyond the limit prescribed by the government from time to time.
- ii. The specification, type, make, and estimated cost of the vehicle shall be produced along with the request of permission.

### **5.7. Procurement of Land**

Procurement of land shall be in accordance with Kerala Panchayat Raj (Acquisition and Disposal of Property) Rules 2005 (See **Annexure 19**)/ Sec 214 and 215 of KM Act 1994. In case of procurement of land for projects it shall be as per the guidelines issued by the government from time to time.

### **5.8. Annual Maintenance Contract (AMC)**

- i. The LSGIs shall arrange AMC for computer, street lighting, water supply schemes, and the like assets.
- ii. The conditions prescribed for running contract as per table 3.12 (in Chapter 3) and the forms there under shall be followed.

### **5.9. Buy Back Offer**

- i. When it is decided by the LSGI with the recommendation of Procurement Plan Committee to replace some existing old goods with their newer and better versions/substitutes, the LSGI may trade the existing old goods/materials while purchasing the new ones. For this exchange, that item which is certified for disposal and scrap value is fixed in the Asset Register. And these shall be further certified by a technically competent expert that the buyback offer is beneficial to the LSGI. The scrap value shall be incorporated in the tender notice, so that the interested bidders can formulate and submit their tender accordingly. Provision shall also be written in the tender notice to permit the interested bidders to inspect the old goods/materials to be traded through this transaction.
- ii. Appropriate provisions like allowing the LSGI to reserve its right to trade or not to trade the old ones, while purchasing the new ones shall also to be written in the tender notice. The bidders shall be asked to frame their tenders by covering both the options. (i.e. with buy back and without buy back).
- iii. Depending on the value and conditions of the old goods to be traded, the time frame as well as the mode of handing them over to the successful bidder shall be decided. The relevant details in this regard shall be suitably incorporated in the tender document.
- iv. In case of battery, the LSGIs shall follow buyback offer only.

### **5.10. Specific Conditions for Procurement of Services**

- i. Only those services that are not available/met from within the LSGI, including professional and technical expertise under the control of the LSGI like solid waste management, non-conventional energy generation schemes, etc. shall be procured.
- ii. In case where it becomes necessary to procure services, it is to be examined whether such services are available from Government Institutions such as Universities, Government Engineering/Medical Colleges, Centre for water Resources Development and Management (CWRDM), C-DIT, National Centre for Earth Science Studies (NCESS), Kerala Forest Research Institute (KFRI), Regional Cancer Center, and Institution like K-STED, either free of cost or otherwise. If services are available from such institutions, then that shall be availed. Proposals shall be invited from one or more institutions. Security deposit need not be taken from them.
- iii. In cases where Government has ordered that Procurement of a particular service shall be made from a Government Institution, other than one in para (ii) above, such service shall be procured directly, after signing the contract.

- iv. In the case of services of drivers, engineers or any other specialists on daily basis for a period of more than sixty days shall be engaged through open tender method. The period shall be estimated well in advance and for calculating days of services, the services period shall not be split less than sixty days to avoid the mode of procurement.
- v. Procurement of services from Non-Governmental Organisations (NGOs), Private Organisations, and Kudumbasree shall be made only on open tender method.

### **5.11. Selection of Service Contracts**

Out of the two types of service contracts shown below, most appropriate one shall be selected by the LSGI.

#### **a. Lump sum Contract**

Lump sum contract is applicable in the case of services where in each activity and deliverables are determined in advance and the rate for each activity is also fixed in advance. This is not a criteria for deciding lump sum payment. But the PO shall fix the monitoring mechanism on the basis of the prefixed deliverables in each and every stage.

#### **b. Time based Contract**

Time-based Contract is applicable in cases where the period of service cannot be determined in advance and contracts shall be clearly stated on hourly/daily/monthly rates. Maximum of the period shall also be mentioned in the contract. The PO shall consider the maximum time and not allow any relaxation above the period mentioned in the contract. Also assure concurrent follow up for the satisfactory completion within the time period.

### **5.12. Tender Register**

The details of the proposals shall be written in the Tender Register (TR) for services by the Officer, who opens the proposal. (The format of the TR is given in **Annexure 20**).

### **5.13 Violations of Service Contract**

Losses sustained to the LSGI on account of violation of the conditions or quality of service given in the proposal or provisions of the contract shall be recovered from the contracting firm. As the case of AMCs, if the contractors are not responding/rectifying within the time limit stated in the contract (see box VII also for time limit), shall be considered as breach of contract. In the case of violation or breach of contract (either actual breach or anticipatory breach), the PO shall:

- i. Calculate and quantify the extent of loss including all charges with help of experts if needed.
- ii. Give notice within in a fortnight, after detection of violation or breach with acknowledgement. (**Annexure 21**).
- iii. The notice shall contain the loss and time limit for rectifying the defect or make good the loss.

- iv. Give 15 days' time after the receipt of the notice and the same shall be stated in the notice.
- v. Request the LSGI to take legal actions against the contractor/supplier, within three working days after the expiry of the period allowed in the notice; if there is no response or un-satisfactory reply.
- vi. On receipt of the request for legal action, LSGI shall take action to black list the firm and seek legal remedies through the court of justice within 30 days.

#### **5.14. Criterion for Selecting Services Provider/ Consultants**

- i. Selection of Consultants shall not be made only on consideration of the rates, quality of new technology, and the conditions put forth in the proposal. Their working capacity and quality of service shall also be considered. The consultancy criteria fixing shall be based on whether it is consultancy service or non consultancy services. The criteria for this are given in Table 5.1.

**Table 5.1: Criteria for Selecting Service Provider/Consultant**

Sl. No.	Criteria		
	Non consultancy Services	Weightage (%)	Consultancy Services
1	Firm's Working experience.	10-15	Key person's Working experience
2	Technology	15-25	Qualification
3	Key persons providing service, their educational qualifications and working experience of 3 Years	20-25	Firm's working experience of 3 years ( this criteria weightage shall be added with Key person's experience, not to the firm)
4	Success of previous endeavours	10-15	Success of previous endeavours
5	Financial position	15-25	Financial position

- ii. Firms scoring minimum 70 percent weightage only shall be considered for selection. In order to select a firm of excellence from those scored more than 70% weightage, LSGI shall conduct a two stage selection on the basis of separate criteria and weightage fixed in advance considering the peculiarities of the service (consult with experts for fixing criteria and weightage). But all the details shall be called for along with the proposal.
- iii. Details not called for, shall not be considered as the selection criteria.

#### **5.15. Payment for Services**

- i. Payment for the services shall be made on certification by the Procurement Officer in consultation with the experts. (See Para 4.3.4 in Chapter 4). See **Annexure 22** on Payment Voucher Format.
- ii. The experts shall certify that the service received is as per the specifications and conditions stated in the contract agreement between the service provider and LSGIs.





# Duties, Responsibilities and Liabilities in Procurement

# 6

The Officials and Committees concerned with procurements are duty bound in the procurement process as envisaged by this Manual. Any omission or lapses in performing the duties and responsibilities on procurements shall lead to liabilities, as detailed below.

## **6.1. Duties of Officials and Committees**

### **6.1.1. Procurement Officer (PO)**

The PO is the initiator, motivator, implementer, and evaluator of the proposal on procurement. The PO shall:

1. Collect data –from primary sources (stakeholder consultation/key informant discussion) and secondary sources (own records, files, other documents, other offices and documents) - for need assessment of procurements.
2. Consult with technical and financial experts, after obtaining permission from LSGIs.
3. Fix specification of goods, assets and services.
4. During the preparation of APP itself, prepare sources of procurements (Identification of Supplier/Consultant).
5. Ensure Budget provision.
6. Identify modes of procurements.
7. Prepare and submit procurement proposal to enable the Secretary of LSGI for the consolidation of APP on a time bound manner.

8. Maintain records on procurements and proactively disclose records viz.
  - a. Procurement Plan,
  - b. Proof of advertisement,
  - c. Tender/quotation notice,
  - d. Feasibility reports (in consultation with experts),
  - e. Received tenders,
  - f. Details of opening tender,
  - g. Minutes and attendance of Procurement committee,
  - h. Copies of contract signed,
  - i. All receipts and payment records (copy of voucher),
  - j. Record of verification of goods, assets, services sought for and received, etc.,
  - k. Process & tools of monitoring, record of storage and closure of contract.
  - l. Warranty document
9. Initiate procurements within the time limit specified as in Para 4.1 (Chapter 4).
10. Upload the APP (in the Web site) and tender/quotation notice, details of tender/quotation received. Also the details of petty purchase, details of tender/quotation accepted, details of contract entered into, details of goods/assets delivered or services performed, details of payments made, and report of social audit not later than 48 hours of approval.
11. The minutes of the PC shall be forwarded to the Secretary of LSGIs, within 48 hours of closure of meeting.
12. Enter into contract
13. Contract Management

#### **6.1.2. Secretary**

Secretary of LSGIs shall be the Coordinator of the PPC and also the Convener of PC for which he is the PO. Hence the Secretary shall perform all the duties of PO for the projects in which the Secretary is PO. In addition to this, Secretary shall:

- i. Have the sole responsibility of consolidating proposals, preparing APP, and submitting it to the PPC.
- ii. Convene the meeting of PPC, maintaining documents of meeting, and initiating all the processes of procurements.

#### **6.1.3. Procurement Plan Committee (PPC)**

Procurement Plan Committee (PPC) being the authority to plan, recommend, advise, and monitor the APP, shall:

- i. Consolidate Procurement Proposals submitted by the POs.

- ii. Get it recommended and submits the consolidated proposals to the LSGIs, with recommendations.
- iii. Monitor the procurement made by the PC.

#### **6.1.4. Procurement Committee (PC)**

The committees shall be responsible for:

- i. procuring as per the procurement plan.
- ii. adhering time schedule in procurement.
- iii. communicate constraints, if any, to PPC and LSGI.

#### **6.1.5. Local Self Government Institutions (LSGIs)**

The LSGIs shall:

- i. Monitor the preparation of APP.
- ii. Appraise APP submitted by the PPC and approve it based on the appraisal.
- iii. Monitor the procurement process and ensure time bound progress.
- iv. Consider the constraints and find remedy with the help of PPC.

#### **6.1.6. Supplier/Consultant**

The Supplier/Consultant shall:

- i. Enter in to contract with the LSGIs within 15 days of receipt of intimation.
- ii. Supply the goods/ service within the firm period, by fulfilling the specifications and requirements.
- iii. Maintain and Repair during warranty period

### **6.2. Liability**

- i. All the parties involved in the procurement process shall be jointly and severally liable for non-performance, part performance, and wrong performance of functions in each and every stage of the procurements that they are involved and negatively affected the LSGIs.
- ii. Any loss sustained to LSGI for not adhering to the provisions of this Manual or violation of the procedures prescribed therein shall be recovered from the concerned Elected Representatives, Officials, members of various Committees, or Suppliers/ Consultants who are responsible for the loss in the manner prescribed in section 16 of Kerala Local Fund Audit Act 1994. Besides, if Elected Representatives are responsible for the loss, their membership shall be lost as per section 35 (0) of Kerala Panchayat Raj Act or Section 91 (N) of Kerala Municipalities Act.

#### **6.2.1. Liability on Procurement Plan**

- a. All procurements made by the LSGI shall be in accordance with the approved Annual Procurement Plan (APP); exception being emergency procurement. (Definition of emergency procurement is given in paragraph xiv of Chapter 1).
- b. Any necessity for procurement arises after the approval of APP, can be made only

with the approval of LSGI meeting after the following,

- i. The PO shall publish a notice inviting opinion and comments of procurement in notice board, notice board of institutions of LSGI and web site 15 days prior to the presentation in the LSGI meeting.
  - ii. The notice shall include details of goods/services needed with the reason for such procurement and also state that it is not in APP.
  - iii. Provide opportunity to other POs, public, ERs to make comment on the procurement.
  - iv. Secretary shall present the necessity in LSGI meeting along with the comment/ complaint/suggestions/modifications received from other POs, public and ER and POs replay for the comment.
  - v. The decision of LSGI shall be stated as separate decision
- c. The Procurement Plan Committee shall revise the APP accordingly in the next meeting itself.
  - d. Any procurement made without approving APP or not included in APP, the ER, Secretary and PO, who is responsible for that procurement, shall be treated as guilty of an offence of corruption.
  - e. The Elected Representatives, Secretary and Procurement Officer, who are responsible and involved in APP shall be jointly and severely liable for any loss due to procurement that are contravening to APP.
  - f. The liability in the situation stated as (b) and (c) above, shall be fixed on such amount of loss plus interest. Interest will be calculated at two percent more than the interest rate for the fixed deposit allowed by the Treasury. Period for interest calculation shall be from the date of final payment and recovery of amount.
  - g. If any PO at any stage of procurement notices a conflict of interest, shall report the same in writing to the LSGI and receive instructions from the LSGIs.
  - h. If no instruction is received within 7 days, then the PO has the right to abstain from the further proceeding of the process by giving a written report directly to Secretary to Govt., LSGD; with evidence proving the conflict of interest and other relevant details. The Secretary, LSGD shall take further necessary action and give direction to PO regarding the course of action.
  - i. The PO, receives direction from the Secretary of LSGD, shall act accordingly. If no communication is received within 2 weeks from the date of acknowledgement, the LSGI Secretary, PO can resume the process of procurement.

#### **6.2.2. Approval of LSGI**

- i. All procurements (except emergency procurements) shall be made only with the prior approval of the LSGI.
- ii. LSGI shall approve the procurement, only after considering the recommendations of the Procurement Officer and Procurement Committee.

- iii. The Elected Representatives shall be jointly and severally liable any loss sustained to the LSGI due to the decision taken by them against the recommendation of the Procurement Officer/ Procurement Committee.
- iv. The liability shall be imposed only against those who are present in the meeting and who have not expressed dissent in the matter.

#### **6.2.3. Liability of the Officer inviting Tender/Quotation and entering into Contract**

- i. The Procurement Officer/Technical Expert, as the case may be, shall be liable for the loss sustained due to the deficiencies and shortfalls in the description of articles, assets, or services and their specifications, provisions and conditions given in the notice.
- ii. In cases where specifications and conditions are fixed by Government, the liability of the Officer shall be exempted to that extent.

#### **6.2.4. Liability of the Officer/Procurement Committee conducting Technical Scrutiny**

If any goods, assets, or services procured by the LSGI, could not be used or loss sustained there of (loss due to excess procurement or defect of goods/services) because of the following reasons, then the Officer/Committee conducting such technical scrutiny shall be the liable:

- 1. Unrealistic need assessment.
- 2. Cannot be used because of defects in specification.

#### **6.2.5. Liability of Bidder**

- i. All the Bidder shall, on demand by the LSGI within the firm period, be liable to enter into contract with the LSGI and supply goods/services as per the contract.
- ii. The Bidder shall be liable for all losses sustained by the LSGI due to not entering into contract or violating the conditions of the contract.
- iii. The loss shall be recovered from the firm or contractor concerned and they shall be black listed.

#### **6.2.6. Recovery of Loss: Procedure**

If any loss is suffered by the LSGIs due to delay in signing the contract, or delayed performance of contract, or short supply of goods/assets/services or defectiveness in supplied goods, or irrelevant services, the PO should give notice to the concerned bidder/contractor to show cause within 15 days. The same shall be reported to the Procurement Committee.

- i. The report of PO shall include,
  - a. The causes of loss and amount of loss, including interest of two percent above the treasury fixed deposit rate. .
  - b. Actual loss is the loss due to the default made by the Contractor/Bidder according to the calculation of PO. That includes loss due to increased price, additional expense for procedures involved, and for alternative arrangements.

- c. Expected loss includes gain, which the LSGI would reasonably expect to receive from the proper performance of the contract without breach.
- d. A report of breach of contract with evidence
- ii. If satisfactory reply is received, the PC can condone the breach, provided the actual loss is recovered with interest.
- iii. If reply received is not satisfactory or no reply is received, the PC can decide to recover loss including expected loss by giving further notice to the supplier/contractor within 7days after the expiry of show cause notice for giving him an opportunity of being heard.
- iv. The time and place of hearing shall be the working time and in POs office as fixed by the Chairman of PC, but not less than 7 days after the receipt of the notice.
- v. The Chairman and PO shall hear the bidder/contractor, and either condones the breach of contract or proceeded to the court of law.
- vi. Inform LSGI, the loss sustained and details of procedure adopted through PPC for initiating the black listing procedures. (See **Annexure 23**).

#### **6.2.7. Cartel Formation and Pool Rates**

Sometimes a group of bidders quote identical rates against a Tender. Such pool/ cartel formation and pool rates are against the basic principles of competitive bidding and defeats the very purpose of open and competitive tendering system. Such practices shall be severely discouraged with strong measures like black listing. Suitable administrative actions like rejecting the offers, reporting the matter to Store Procurement Department (SPD) shall be initiated for further action against such firms. As a precaution to avoid this practice, the LSGI shall

- 1. Watch the amount of tender and analyse whether the tender amounts are higher than the reasonable estimated cost.
- 2. If the amount is higher than the reasonable cost, conduct a preliminary enquiry and find out the cartel formation.
- 3. If an offer in writing is received at reasonable price, cancel the tender process and go for further tendering.
- 4. Intimate the SPD, the details of firms.

#### **6.2.8. Black Listing**

- i. The LSGI shall have the right to black list any firm, after recording the reasons there of, if:
  - a. The firm fails to sign the contract agreement though demanded to do so by the LSGI within the firm period,
  - b. Violate the provisions of the contract,
  - c. Goods/Services supplied happens to be of below standard, or
  - d. Resort to improper means to get the contract.

- e. Fails to attend maintenance/repair of assets during warranty period or AMC period.
- ii. Any practice of fraudulent, collusive, coercive, and obstructive nature committed.
- iii. Before Black listing a firm, the LSGI shall conduct an enquiry and give an opportunity to the firm to explain their side.
- iv. The black listed companies/suppliers/bidders list shall be published in the website of LSGIs as well as the website on procurement, developed by the State Government.
- v. All the LSGIs should refer the website and identify the name of black listed bidders, and give due care during the time of acceptance of bid.
- vi. While counting the number of quotation/tender received, the bid of blacklisted bidders will not be considered. (If the number of valid bid received is two, other than the black listed bidders, the tender/quotation shall be considered as insufficient in number, and go for further invitation of offers.)
- vii. No LSGI shall procure any goods, assets, or services from the blacklisted firm for the succeeding ten years. (See **Annexure 23** for details of the blacklisting process for procurement and public works).

### **6.3. Complaint Redressal**

#### **6.3.1. Social Audit**

- a. All procurements of goods, assets, and services by LSGIs shall be subjected to Social Audit. For this purpose, a subcommittee of Social Audit Committee shall be constituted by the LSGI as per the provisions laid down in Chapter VII.
- b. The Committee shall submit the audit report to the LSGI in a time bound manner.
  - i. The nutrition food products of Anganwadi on monthly basis.
  - ii. Other procurement, within one month of the completion of procurement of goods, assets, or services.

#### **6.3.2. Complaint Redressal Mechanism**

- i. There shall be an effective mechanism to redress the complaint relating to the procurements.
- ii. Complaint Redressal Register (**Annexure 24**) shall be maintained at the level of:
  - a. Procurement Officer
  - b. Procurement Committee
  - c. Procurement Plan Committee
  - d. Local Self Government Institution
  - e. Social Audit Committee
- iii. The complaints received by LSGI and action taken shall be published in the Notice Board and Website.
- iv. Complaints received by the Procurement Officer, Procurement Committee, and

Social Audit Committee shall be enquired into by the PPC and sent it to the LSGI; along with their enquiry report.

- v. Action taken by the LSGI shall be published in the Website and Notice Board of the LSGI and communicated to the Procurement Officer/Committee concerned.
- vi. Receipts shall be given for complaints received by LSGI and the action taken shall be intimated to the complainant in writing within thirty days.
- vii. LSGI shall take action against those found guilty on the basis of the enquiry conducted on the complaints.
- viii. If the Officer concerned or the LSGI fails to take appropriate action on any complaint in seven days, the complainant may approach the Ombudsman for Local Governments.



# Social Audit

## 7.1. Social Audit Committee (SAC)

- i. A Social Audit Committee of procurement shall be constituted by incorporating the conveners of ward level Social Audit Committees as prescribed in the Social Audit Manual. The Chairperson and Secretary shall be elected from the Social Audit Committee (SAC).
- ii. All procurement of goods, assets and services by LSGIs, cost ₹2,00,000 and above shall be subjected to Social Audit, and sample check can be resorted to, in the case of procurement below ₹2,00,000.

## 7.2. Ineligibility

Following persons shall not be included in the Social Audit Committee.

- i. Elected Representatives of LSGI and their close relatives/followers/dependents.
- ii. Implementing Officers and their close relatives.
- iii. Employees of the institutions under the control of LSGI and their relatives.
- iv. Active workers of political parties.
- v. Person subjected to serious allegations or punishment.
- vi. Traders, Industrialists, contractors and their close relatives.
- vii. Persons having any contractual relations with the LSGI and their close relatives.

### **7.3. Tenure of Social Audit Committee**

- i. The tenure of Social Audit Committee for Procurement shall be same as prescribed in the Social audit Manual.
- ii. Any vacancy in the SAC for procurement shall be filled within thirty days.
- iii. The names of SAC members shall be published by the LSGI. (In the notice board of LSGI, Institutions of LSGI, Sevagram Grama Kendra/Ward Kendra, website, and Citizens Charter).

### **7.4. Responsibilities of the SAC for Procurement**

- i. The SAC shall conduct social audit on all procurement made by the LSGI for value of ₹ 2,00,000 and above do sample check of procurement below ₹ 2,00,000.
  - a. for the selection of sample, choose at least one or two procurement at random from the institutions of LSG and one or two from the LSG.
  - b. If any major irregularity is noticed during the Social Audit of random samples all procurements shall be subjected to social audit.
- ii. The SAC is responsible to look into the following.
  - a. quality issues,
  - b. quantity issues,
  - c. reasonableness of cost,
  - d. delays.
  - e. Utilization of procured items
  - f. Transparency in purchase including proactive disclosure
- iii. In order to fulfill the above responsibilities, SAC for Procurement shall do the following:
  - (a) Attend all meetings of the LSGIs relating to procurement as Observers. This shall be ensured by the Chairperson and Secretary of the SAC for Procurement.
  - (b) Be watchful of each stage of purchase to ensure quality, economy, transparency, and due adherence of procedures.
  - (c) Ensure quality and utility of goods, assets, and services purchased through personal examination as far as possible.
  - (d) Report to the LSGI whether the goods, assets, and services purchased were beneficially used.
  - (e) Bring to the notice of LSGI, in writing, the deficiencies and shortcomings if any noticed.
  - (f) Create awareness among beneficiaries and general public.
  - (g) Assure the proactive disclosure of APP, details of execution of APP at each stage by the POs.

### **7.5. Meetings of SAC for Procurement - Minutes and Decisions**

- i. Meetings of the SAC for Procurement shall be held in the office of the LSGI.
- ii. Quorum for the meeting shall be one third of total members. (Chairperson and Secretary shall be present).
- iii. A register shall be kept for recording attendance, minutes and decisions. The recordings shall be made promptly by the Secretary.
- iv. Decision of the SAC shall be reported as recommendation or proposals to the LSGI. Opinion of the individual member shall not be reported.
- v. SAC shall meet at least once in a month. But the interval between two meetings shall not exceed 90 days.
- vi. The members of SAC for Procurement shall be paid Daily Allowance (DA) admissible to Grade II (b) Government Officer under Kerala Service Rules (KSR). If the road journey involves 32 kms or more (one side), road mileage allowance is also admissible.
- vii. Field visit by the members of the SAC for Procurement:
  - a. LSGI shall facilitate field visit if so requested by the SAC for procurement.
  - b. If the members conduct field visit as decided by the SAC for Procurement and record in the minutes, they shall be paid road mileage allowance (maximum three journeys in a month) admissible to Grade II (b) Officer under KSRs.

### **7.6. Social Audit Report (SAR)**

- i. SAC shall prepare a Social Audit Report (SAR) by using the check list given in Box VII.
- ii. The report so prepared shall be submitted to the Secretary of the LSGI who shall present it in the next meeting of the LSGI along with the Action Taken Report on it.
- iii. LSGI shall consider the SAR and ATR in its next meeting.
- iv. The Action Taken Report (ATR) by the LSGI shall be conveyed to the SAC for procurement by the Secretary of the LSGI immediately after the above meeting.
- v. The SAR and ATR shall be presented in the Grama Sabha/Ward Sabha/Ward Committee.
- vi. Member of the SAC for procurement representing the ward/grama sabha shall present the reports.
- vii. The SAR and ATR shall be published in the website, notice boards of LSGIs, and Institutions of LSGIs, Grama Swaraj Grama Kendras, and also made available in the Front Office for reference.
- viii. The statutory Audit/Performance audit shall give due consideration to the SAR and ATR.

**Box VII : Questions to be asked during the Social Audit for Procurement**

1	Whether Annual procurement plan was prepared?
2	Whether procurement was made as per the procurement plan?
3	Whether the method adopted for procurement was as per the threshold limits given in the Procurement Manual?
4	Whether Procurement Committee was involved in the procurement procedure?
5	Whether the overall procurement was done within a reasonable time?
6	Whether there was any avoidable delay at any stage/stages of the procurement process?
7	Whether necessary approval was taken from appropriate authority whenever required?
8	Whether proper and adequate documents relating to procurement were maintained?
9	Whether the technical and financial evaluation was done properly and in a fair manner?
10	Whether the contracted firm has supplied the goods/assets/service as per quality, quantity and price agreed upon?
11	Whether the receipts are properly recorded in books of accounts?
12	Whether the payment was made to the supplier in time?
13	Whether the proactive disclosures are done in all stages of procurement? If Yes: List out the stages
14	Whether the suggestions of previous reports are considered?
15	Whether the monitoring systems for procurement have effectively worked during the procurement process?

# Proactive Disclosure

The constitution of committees, Annual Procurement Plan (APP), preparation of list of potential suppliers, inviting offers, acceptance, and receipt of goods, payment and utilisation of goods are the various stages in the procurement process. To ensure transparency and accountability in these stages, LSGI shall disclose all the details in a website designed and managed by the LSGD of State Government for special purpose of procurement.

## 8.1. Modes and Places of Disclosure

The LSGIs shall disclose the details of procurement through the following. Publication of the notification and important events shall be informed to the public through all the media including social media.

1. Exclusive website on Procurement
  2. Notice Boards of:
    - a. LSGI
    - b. Institutions of LSGI
    - c. Sevagram Grama/Ward Kendras
    - d. Public Libraries/Reading Rooms
    - e. Village Offices within the jurisdiction
    - f. Other tiers of LSGIs
  3. Other prominent public places, within the jurisdiction
  4. Display system in the LSGI's front office.
- } in the case of Grama Panchayat  
and Urban Local Bodies only

## **8.2. Separate Website**

- i. The LSGL, Government of Kerala, shall launch and manage an exclusive website on Procurement of LSGIs, for disclosing the details of their procurement.
- ii. The website shall provide facilities for separate windows displaying LSGI wise, Procurement Officer/Department wise, Item wise, Mode of procurement wise, and time wise details of activities.
- iii. Each Procurement Officer shall be provided with user name and password for uploading the details of procurement.
- iv. The changes in uploaded details shall be controlled and shown separately.
- v. LSGI wise responsibility.
  - a. Procurement Plan Committee shall monitor and supervise the proactive disclosure responsibility.
  - b. The Convener of Committee shall notify/upload the details of activities relating to it.
  - c. Each PO shall be responsible for uploading/notifying the respective activities by adhering to the prescribed time limits.
  - d. The Secretary of LSGI shall notify/upload the probable list of members to be considered for committees and the list of potential suppliers.
  - e. Proactive Disclosure Compliance Report with details of matters and date disclosed shall be presented to the respective committee by the Convener.

## **8.3. Constitution of Committees**

The LSGI shall constitute Procurement Plan Committee (see paragraph 1.7.1 in Chapter 1), Procurement Committee (see paragraph 1.7.2 in Chapter 1), Committee for Beneficiary Purchase (see paragraph 1.7.3 in Chapter 1), and Social Audit Committee (See paragraph 7.1 in Chapter 7), in connection with procurement. For proactive disclosure, the LSGIs shall;

- i. Notify 15 days in advance the name and address of persons other than the ex-officio members considered to be included in the respective committees, selection criteria, and procedures applicable.
- ii. Notify the committees constituted and the name and address of the members within two days of their constitution.
- iii. Notify the yearly meeting calendar, soon after the approval of calendar by the LSGI.
- iv. Notify the Agenda of each committee, 6 days in advance.
- v. Publish the minutes of meeting within 48 hours of the completion of meeting.

## **8.4. Annual Procurement Plan (APP)**

The APP shall be published in the website and notice board of LSGIs as well as the notice boards of Institutions of LSGI, on the next day of approval by the LSGI.

### **8.5. Petty Purchase**

- i. The requirements of petty purchase for the year shall be published separately, along with the procurement plan.
- ii. The items to be purchased, quantity, and the amount available shall be clearly stated in the display notice.

### **8.6. Procurement Process**

Details of the following shall be notified on the same day.

- a. Tender/quotation notice.
- b. Tender acceptance
- c. Negotiation
- d. Agreement and contracts
- e. Purchase Order
- f. Receipt of goods/service
- g. Payment
- h. Stock and store
- i. Contract management activities:
  1. Monitoring and Follow up of agreement
  2. Show cause notices
  3. Breaches of contract, if any
  4. Black listing.
  5. Loss recovery measures

### **8.7. Social Audit**

Separate window for Social Audit shall be created in the Website on Procurement.

- a. The Social Audit Committee (SAC) shall provide opportunities for the public to convey their suggestions, opinions regarding any of the procurement activities.
- b. The Social Audit Committee (SAC) shall publish;
  - i. Stage wise report on each procurement with respect to its compliance of the procedures prescribed.
  - ii. Suggestions and comments if any given.
- c. LSGI shall publish the Action Taken Report on the suggestions of Social Audit Report.

### **8.8. Plan Variance Report**

The Procurement Plan Committee shall conduct a comparative analysis of the APP with their actuals and prepare a Plan Variance Report (PVR). Reasons for the variance, if any, shall be included in the PVR. (See Table 8.1).

**Table 8.1: Format for Variance Report**

Sl. No	Plan			Actual			Variance*	Reasons**
	Item	Amount Rs	Mode of Procurement	Item	Amount Rs	Mode of Procurement		

\* Variance shall be stated in quantified form of amount in percentage.

\*\* The justification and sanction obtained for change in mode of purchase, items and quantity amount (if the variance is due to increase of amount above 10%).

## 8.9 PO's Procurement Report

- i. On completion of each procurement, the POs shall upload a report with the following details.
    - (a) Detailed specifications of procurement,
    - (b) Mode of procurement,
    - (c) The list of agencies/suppliers to whom the invitations are sent to submit offers,
    - (d) Receipt of quotation/tender, details of tender opening and tender opening date,
    - (e) The details of lowest bidder and a comparative statement of all the bids received
    - (f) Details of contract and the details of goods/assets/services supplied, together with details like location where the documents can be inspected or from where copies can be obtained.
  - ii. The information under para 8. 9(i) shall be uploaded in the website on time bound manner, but not later than fifteen days after the event.
  - iii. The PO shall provide a copy of the report to:
    1. Exclusive website on Procurement
    2. Notice Boards of:
      - a. LSGI
      - b. Institutions of LSGI
      - c. Sevagram Grama/Ward Kendras
      - d. Public Libraries/Reading Rooms
      - e. Village Offices within the jurisdiction
      - f. Other tiers of LSGIs
- } in the case of Grama Panchayat and Urban Local Bodies only
3. Other prominent public places, within the jurisdiction
  4. Display system in the LSGI's front office.



# **Annexure**



Annexure 1:

**Annual Procurement Plan of Local Government for the Year.....**

[See Para 1.3(ii), 4.3.7.1(e)]

Name of the LSGL: .....																	
Sl. No.	Name of Article, Description	To which Institution / Office / Activity	Detailed Specifications / Standards / Guarantee	Unit Cost	Quantity required	Total Estimate Cost	Procurement by utilising Non-plan fund/project fund	Source of fund					Mode of Procurement	Purchase in single lot/in phases	Time of Procurement (Month)	Name of Procurement Officer	
								Own Fund	Development Fund	Maintenance Fund	Department fund	Others (Specify)					
1		2	4	5	6	7	8	9	10	11	12	13	14	15	16	17	

Above purchase plan approved as per decision No.....dt..... of the meeting of the Local Government

Signature : .....  
Name : .....

Date: ..... Office Seal (Secretary)  
\* Separate forms to be used for project/non project purchase and for goods and services

Annexure 1.1

**Procurement Proposal Form for the Year.....**

[See Para 2.6.(i).]

Name of the LSGI : .....

Name & Designation of the officer proposing procurement: .....

Proposal Number and Date : .....

Sl. No.	Name of Article, Description/ Standards/ Guarantee Period	Detailed Specifications	Unit Cost	Total Quantity required	Total Estimate Cost	Procurement by utilising Non-plan fund/project fund	Expected Source of Fund					Mode of Procurement	Purchase in single lot/in phases	Time of Procurement (Month)	Name of Procurement Officer
							Own Fund	Development Fund	Maintenance Fund	Department fund	Others funds (Specify)				
1	2	3	5	6	7	8	9	10	11	12	13	14	15	16	17

\*Separate forms to be used for project/non project purchase.

\* Separate proposals to be submitted for goods and services

Date : (Office Seal)

Signature :  
Name :  
Designation :  
(Officer who submits the proposal)

Annexure 2:

**List of Ex-officio Secretaries<sup>3</sup>: Grama Panchayat**

[See Para 1.3 (xvii)]

<b>Sl. No.</b>	<b>Ex-officio Secretaries</b>
1	Agricultural Officer
2	Veterinary Surgeon
3	Village Extension Officer
4	Fisheries Sub Inspector
5	Asst. Engineer LSGD
6	HM,UPS/LPS
7	ICDS Supervisor
8	Tribal Extension Officer
9	Medical Officer: PHC/Ayurveda/Homoeopathy

**List of Ex-officio Secretaries: Block Panchayat**

<b>Sl. No.</b>	<b>Ex-officio Secretaries</b>
1	Asst. Director of Agriculture
2	Veterinary Surgeon
3	Industries Extension Officer
4	Asst. Director of Fisheries/Project Officer Matsyafed
5	Child Development Project Officer
6	SC Development Officer
7	Asst. Executive Eng. LSGD
8	Medical Officer, Community Health Centre
9	Project Officer/Tribal Extension Officer/Tribal Development Officer for ST
10	Medical Officer Taluk Hospital (ISM)
11	Medical Officer Taluk Hospital Homoeo
12	Diary Extension Officer

**List of Ex-officio Secretaries: District Panchayat**

<b>Sl. No.</b>	<b>Ex-officio Secretaries</b>
1	Principal Agricultural Officer
2	District Animal Husbandry Officer
3	General Manager District Industries Office
4	Deputy. Director of Fisheries
5	Joint Registrar of Cooperative Societies
6	Project Officer, Poverty Alleviation Unit
7	Deputy Director of Education
8	HM/DEO/AEO
9	District Social Justice Officer
10	District Development Officer for SC
11	Executive Eng. LSGD
12	District Medical Officer Health
13	District Tribal Development Officer, Tribal Development Officer for ST
14	District Medical Officer (ISM)
15	District Medical Officer Homoeo
16	Deputy Director, Diary Development Department
17	District Soil Conservation Officer

**List of Ex-officio Secretaries: Municipalities & Corporations**

<b>Sl. No.</b>	<b>Ex-officio Secretaries</b>
1	Agricultural Officer
2	Veterinary Surgeon
3	Industries Extension Officer
4	Fisheries Sub Inspector
5	Member Secretaries Kudumbasree
6	HM, High School/ Principal, Higher Secondary School
7	CDPO/Assistant Child Development Project Officer
8	Taluk Development Officer for SC
9	Municipal Engineer
10	Medical Officer, Allopathy
11	MO, ISM
12	MO, Homoeo
13	Tribal Development Officer
14	Medical Officer, Sidha

## **Guidelines for Ensuring Transparency and Accountability**

[See Para 1.5(iv)]

### **1. Policy of Transparency, Competition and Fairness in Public procurement Process**

In all LSGIs procurement should be done in a transparent, competitive and fair manner, to secure best value for money. This will encourage more bidders to participate in the bidding process. Some of the measures for ensuring the above are as follows:

1. The text of the bidding document should be self-contained and comprehensive without any ambiguity. All essential information, which a bidder needs for sending responsive bid, should be clearly spelt out in the bidding document in simple language. The bidding document should contain, inter alia.
  - i. The criteria for eligibility and qualifications to be met by the bidders such as minimum level of experience, past performance, technical capability, manufacturing facilities and financial position.
  - ii. Eligibility criteria for goods indicating any legal restrictions or conditions about the origin of goods which may be required to be met by the successful bidder.
  - iii. The procedure as well as date, time and place for submitting the bids.
  - iv. Date, time and place of opening of the bid.
  - v. Terms of delivery.
  - vi. Special terms affecting performance, if any.
2. Suitable provision should be kept in the bidding document to enable a bidder to seek clarifications on the bidding conditions, bidding process and/or rejection of its bid.
3. Suitable provision for settlement of disputes, if any, emanating from the resultant contract, should be provided in the bidding document.
4. The bidding document should clearly indicate that the resultant contract will be interpreted under Indian Laws.
5. The bidders should be given reasonable time to send their bids.
6. The specifications of the required goods should be clearly stated without any ambiguity so that the prospective bidders can send responsive bids. In order to attract sufficient number of bidders, the specifications should be general and broad based to the extent feasible. Efforts should also be made to use standard specifications which are widely known to the industry.
7. Criteria for determining responsiveness of bids, criteria as well as factors to be taken into account for evaluating the bids on a common platform and the

criteria for awarding the contract to the lowest responsive bidder should be clearly indicated in the bidding documents.

8. Bids received should be evaluated in terms of the conditions already incorporated in the bidding documents; no new conditions which were not mentioned in the bidding documents should be brought in for evaluation of the bids. Determination of a bid's responsiveness should be based on the contents of the bid itself without recourse to extrinsic evidence.
9. Bidders should not be permitted to alter or modify their bids after expiry of the deadline for receipt of bids.
10. Negotiation with bidders after bid opening is severely discouraged. However, in exceptional circumstances where price negotiation against ad-hoc procurement is necessary due to some unavoidable circumstances, the same may be resorted to only with the lowest evaluated responsive bidder.
11. In the rate contract system, where a number of firms are brought on rate contracts for the same item, negotiations as well as counter offering of rates are permitted with the bidders in view.
12. Contracts should ordinarily be awarded to the lowest evaluated bidder whose bid has been found to be responsive and who is eligible and qualified to perform the contract satisfactorily as per the terms and conditions incorporated in the corresponding bidding document. However, where the lowest acceptable bidder against ad-hoc requirement is not in a position to supply the full quantity required, the remaining quantity, as far as possible, be ordered from the next higher responsive bidder at the rates offered by the lowest responsive bidder.

The name of the successful bidder whom the bid is awarded should be mentioned in the notice board, bulletin and web site.

## **2. Efficiency, Economy and Accountability in Public Procurement System**

LSGIs procurement procedure is also to ensure efficiency, economy and accountability in the system. To achieve the same, the following key areas should be addressed:-

1. To reduce delays, appropriate time frame for each stage of procurement should be prescribed by the LSGI. Such a time frame will also help the concerned POs to manage the procurement process.
2. To minimise the time needed for decision making and placement of contracts, the secretary/HoILG may delegate, wherever necessary, appropriate purchasing powers to other functionaries with the approval of the Chairperson of the LSGI.

The POs should ensure that contracts are placed within the original validity of the bids. Extension of performance time must be discouraged and resorted to only in exceptional circumstances.



### **3. Public Procurement Code of Ethics**

#### **3.1. Conduct of Procurement Officials**

- A procurement official shall
- a. be honest and shall not be afraid to stand up for the truth.
  - b. possess integrity.
  - c. put character above wealth.
  - d. not lose individuality in a crowd.
  - e. make no compromise with a wrong.
  - f. not do it because everyone else does it.
  - g. not believe that shrewdness, cunning and hard headiness are best qualities for winning success.
  - h. not be ashamed or afraid to stand for the truth when it is unpopular.
  - i. have respect for the law and system of government.

#### **3.2. Behaviour of Procurement officials**

- a) Avoid the intent and appearance of unethical behaviour and practices.
- b) Follow procurement laws and rules diligently.
- c) Refrain from any activity that would create or appear to create conflict of interest between personal interests and interests of the government agency. Identify and eliminate conflicts of interest.
- d) Avoid soliciting or accepting money, loans, credits, discounts, favours, or services from present or potential suppliers or service providers which may influence or appear to influence purchasing decisions.
- e) Ensure that all persons are given equal opportunity to compete in a fair and open process.
- f) In performing his/her official duties, a public official should ensure that public resources are not wasted, abused, or used improperly or extravagantly. By upholding the principle of financial propriety as envisaged in Kerala Financial Code (KFC).

#### **3.3. Responsibilities of Procurement Officials**

- a) Implement a code of conduct that commits the contracting authority and its employees to a strict anti-corruption policy. The policy should take into account possible conflicts of interest; provide mechanisms for reporting corruption and protecting whistle-blowers.
- b) Maintain a blacklist of companies for which there is sufficient evidence of involvement in corrupt activities.

- c) Ensure that all contracts between the authority and its contractors, suppliers and service providers require the parties to comply with strict anti-corruption policies. This may best be achieved by requiring the use of a project integrity pact during both the tendering and project execution phase, committing the authority and bidding companies to refrain from bribery.
- d) Ensure that public contracts above a threshold limit are subject to open competitive bidding. And above Rs 5 lakhs through e-tendering.
- e) Provide all bidders, and the general public, with easy access to information about: - Activities carried out prior to initiating the contracting process - Tender opportunities - Selection criteria - The evaluation process - The award decision and its justification - The terms and conditions of the contract and any amendments - The implementation of the contract - The role of intermediaries and agents - Dispute-settlement mechanisms and procedures.
- f) Confidentiality should be limited to legally protected information (for example Trade secrecy of particular bidder in respect of pricing, technical collaboration or association). Equivalent information on direct contracting or limited bidding processes should also be made available to the public.
- g) Ensure that no bidder is given access to privileged information at any stage of the contracting process, especially information relating to the selection process.
- h) Allow bidders sufficient time for bid preparation. Allow a reasonable amount of time between publication of the contract award decision and the signing of the contract, in case of any complaints regarding the decision.
- i) Ensure that contract 'change' orders that alter the price or description of work beyond a cumulative threshold (for example, 15 per cent of contract value) are monitored at procurement committee level.
- j) Ensure that internal and external control and auditing bodies are functioning effectively, and that their reports are accessible to the public. Any unreasonable delays in project execution should trigger additional control activities.
- k) Separate key functions to ensure that responsibility for demand assessment, preparation, selection, contracting, supervision and control of a project is assigned to separate officials.
- l) Apply standard office safeguards, such as the use of committees at decision-making points and rotation of staff in sensitive positions. Staff responsible for procurement processes should be well trained.
- m) Promote the participation of civil society, Social audit team, shall be constituted as independent monitoring agencies of both the tender and execution of projects.

Annexure 4:

**Content to be included in the Feasibility Report**

[See Para 2.2.i.d.]

The technical feasibility study is to ascertain whether the procurement of product or service benefits the LSGI.

Name of LSGI .....

Name of Project:

**Skeleton of Content for Technical Feasibility Report**

Objectives	Components	Benefits	Utility
	Material*		
	Labour#		
	Transportation@		
	Physical Location**		
	Technology needed***		

\* Parts needed to produce the product, supplies, other materials and its specifications

# Skill and qualification needed for the worker to produce the product or render service

@ Mode of conveyance from the production centre to LSGIs

\*\* Requirements of the location in which the product is going to install or to render services.

\*\*\*Technological specification needed for the service or product.

**Financial Feasibility Report – Skeleton of Contents**

**I. Investment**

Sl. No	Elements Investment	Initial Cost	Running Cost	Maintenance	Total
1	Total estimated cost				
2	Source of fund				
3	Existing Investment				
4	Repayment				

**II. Recurring Expenditure/Income/ Future liabilities**

**i. Recurring Expenditure per month/Year**

- Cost of Raw Material
- Cost of Transportation
- Cost of Fuel/Energy
- Cost of Labour
- Cost of Maintenance
- Contingency expenses if any
- Total

**ii. Income Forecast**

- a. User Fees
- b. Budget Allocation from Own Fund
- c. Ear marked fund from grand receivable
- d. Sales
- e. Donation
- f. Total

**iii. Future Operational Liabilities**

- a. Staff Appointment and Management
- b. Proper Accounting, Book keeping and Reporting
- c. Cost of Depreciation and Maintenance
- d. Cost of legal measures if any anticipated such as pollution

**III. Repayment sensitivity**

- i. Amount of repayment
- ii. The time lag available for repayment
- iii. Constraints and contingencies in availability of surplus funds
- iv. Benefits from the project
- v. Comparison with Alternatives available in terms of costs and benefits.

Annexure 5:  
[See Para 2.5 (i)]  
**Suggestive Mode of Purchase**

Sl. No	Name of items	Suggestive Mode, if the amount is within the limit as per manual		
		GP/BP	DP/Municipality	Municipal Corporation
1	Agricultural Tools (Small equipments)	Beneficiary Purchase/tender		
2	Animal Husbandry	Beneficiary Purchase/tender	Beneficiary Purchase/tender	Beneficiary Purchase/Tender
3	Allopathy (Medicine)	Tender	Tender	Tender
4	Ayurvedic (Medicine)	)Govt. specified Institutions	Govt. specified Institutions	Govt. specified Institutions
5	Cleaning Items	Petty Purchase	Quotation	Quotation
6	Computer	Tender	Tender	Tender
7	Computer accessories and spares	Quotation	Quotation	Limited Tender
8	Electrical (Repairing)	Quotation	Quotation	Quotation
9	Energy Production and conservation	Limited Tender	Limited Tender	Tender
10	Equipment for office and institutions	Limited tender	Limited tender	Tender
11	Equipments for physically challenged	Govt. specified Institutions	Govt. specified Institutions	Govt. specified Institutions
12	Equipments to Anganwadi	Limited Tender	Limited Tender	Limited Tender
13	Equipments for Fisheries sector	Tender	Tender	Tender
14	Furniture	Limited Tender	Limited Tender	Tender
15	Hardware(Plumbing)	Quotation	Quotation	Quotation/Limited Tender
16	Homoeo (Medicine)	Govt. specified Institutions	Govt. specified Institutions	Govt. specified Institutions
17	Nutrition Food	Tender	Tender	Tender
18	Periodicals	Petty Purchase	Petty Purchase	Petty Purchase
19	Pump set	Quotation	Quotation	Quotation
20	Sports Materials	Quotation	Quotation	Limited tender
21	Stationery (Office)	Quotation	Limited Tender	Tender
22	Street light	Govt. specified Institutions	Govt. specified Institutions	Govt. specified Institutions
23	Vehicle	Tender	Tender	Tender
24	Vehicle Spares	Petty Purchase	Quotation	Quotation
25	Waste processing Plant	Tender	Tender	Tender

Annexure 6:

**Indent for Petty Purchase**

..... Municipal Corporation/Municipality/..... Panchayat

[See Para 3.1.1]

Page \_\_\_\_\_ of \_\_\_\_\_

File No \_\_\_\_\_

Secretary

Indent. Date

..... LSGI.

Quotation Attached

Institutions of LGIs No:

(Y/N)

<b>Types of Material:</b>			<b>Purchase Order Type</b>	
Consumable			Normal	
Non-Consumable			Repeat Order	
Limited Time Asset			Rate Contract	

Please Tick Where ever-applicable

Item Category -----

(Please see the next page for Detailed info. of Category)

**Details of Required Items**

<b>Sl. No</b>	<b>Complete Description of Items (Specification Model, Catalog No) Use separate Sheet If required</b>	<b>Stock Held On date (Where ever Applicable)</b>	<b>Quantity Required</b>	<b>Purpose</b>	<b>Aprox Units price</b>	<b>Aprox Total Cost</b>
Total Cost						

**Budget Details**

<b>Sl. No.</b>	<b>Institution Name/ Project No</b>	<b>Budget Head</b>	<b>Budget Amt</b>

**Suggested Supplier**

<b>Sl. No.</b>	<b>Name</b>	<b>Address, with phone no and email</b>

Prepared by  
(Signature, Name and Designation of official)

**Approved**  
Signature of HOI  
(Signature)

**Purchase Categories for which separate Indent Forms are to be used**

1. Stationery
2. Survey and Drawing Equipment
3. Wooden & steel Furniture
4. Office Equipment
5. Cooling Equipment & Goods
6. Electrical / Electronic Equipment & Goods
7. Scientific Equipment & Goods
8. Tools
9. Hardware
10. Wood
11. Gas & Gas cylinder etc.
12. Medicines. Medical & Photographic Equipment and Goods
13. Chemicals
14. Glassware & Glass Apparatus
15. Textile & liveries
16. Petroleum Products
17. Computer and spare parts
18. Anything not covered Under the above

Annexure 7:

**Format for Quotation Notice**

[See Para 3.2(ii) (i)]

1.	Quotation Number, Date	
2.	Last date & Time for receipt of Quotation	
3.	Date and time of opening Quotation	
4.	Firm period up to which date	
5.	Earnest Money Deposit (EMD) Rs.	
6.	Officer to whom the Quotation is to be submitted (Designation & address of the Officer)	
7.	To be written on the cover in which Quotation to be enclosed	Quotation for ..... As per Quotation Notice No ..... dated .....

Sealed Quotations are invited for the supply of goods given in the table below. The amount quoted shall be for delivery of goods at the site shown in the table. Quotation received late, Quotation without specifying firm period, Quotation with price variation clauses and incomplete Quotation will not be accepted. Maximum number of days for delivery of goods should invariably be stated in the Quotation.

**Conditions for acceptance of Quotations**

1. Successful Quotationer shall enter into a contract at his own expense with the officer noted above within 15 days of receipt of communication confirming the Quotations.
2. Security Deposit being 5% of the contract amount shall be remitted before entering into the contract.
3. Withdrawing from quotation when required to sign the contract, refusing to sign the contract with in the appointed date, make delivery violating specifications and deliver substandard materials etc, will entitle cancellation of the Quotation and purchasing the goods at the risk and cost of the quotationer. Any loss sustained due to such purchases shall be recovered from the quotationer. Besides he will be blacklisted and the matter shall be reported to the DPC and Stores Purchase Department for further action.



4. In cases where samples are to be submitted the list of sample shall be submitted in a separate sealed cover along with the quotation. Samples are to be submitted directly at the expense of the Quotationer. LSGI may return or not return the sample at its discretion.
5. After confirmation of the Quotation any demand for increase in price will not be accepted.
6. Any unlawful interference for acceptance of quotation will be a disqualification.
7. If any permission or license from any authority is required for using the goods delivered it should be (including the authority) clearly stated in the quotation.
8. In the case of machinery the firm shall give its user specifications, safety measures and precautions to be taken while effecting supply.
9. Quotation shall be submitted for all or any of the items shown in the table. But for a particular item the whole quantity shall be quoted.
10. If the supply of the goods is partially made and fails to supply the balance in time the undelivered portion shall be purchased at the risk and cost of the quotationer and any loss thereof will be recovered from the contractor. In such cases payment for partial supply shall be made only after the completion of the process.
11. The amount quoted should be inclusive of all taxes duties, cess, packing and transportation charges and installation and commissioning charges (Wherever applicable)
12. Payment shall be made within fifteen days after examination by the Procurement Officer and taking into stocks. In the case of machinery and equipments payment will be made after certifying that the machines are functional. The responsibility to obtain the certificate from the concerned authorities rests with the supplier.
13. In the case of goods having guarantee/warranty, security deposit will be returned after the guarantee/warranty period. In case of any complaint, decision on refund will be taken after considering the complaints.
14. If any rebate is available for speedy (eg. 7 days/ 10 days) payment the same can be shown in the Quotations)
15. LSGI will be free to adjust any amount due from the supplier from the cost of the goods supplied.
16. The officer entering in to the contract will have the right to include any condition not contrary to the provisions in the procurement manual in the contract.
17. LSGI reserves the right to reject any Quotation without assigning any reason.
18. Further details are available from the office if requested in writing.

### SCHEDULE OF MATERIALS REQUIRED

Sl. No.	Name of the item and Description	Detailed Specification	Standard – ISI/ BIS/ BEE etc.	Guarantee, Period Years, Months	Quantity required	Unit (Kg., litre, metre etc.)
1	2	3	4	5	6	7

Sl.No. of the items which require sample .....

Date before which complete supply is to be made .....

Place/Institution/Office where delivery is to be made .....

Any Special Conditions Stipulated by Procurement Officer or LSGI

1 .....

2 .....

3 .....

4 .....

5 .....

Signature :

Name :

Designation :

(Quotation Inviting Officer)

Date:

Place: (Office Seal)

Annexure 8:

**Form for Submitting Quotation**

[See Para 3.2(ii) (ii)]

1. Name of the LSGI : .....
2. Designation and address of the  
Officer who invited Quotation : .....
- a. Quotation Number and date : .....
3. Date and time of opening Quotation : .....
4. Firm period (30/45/60/75/90 days/.....) : .....
5. Period with in which supply can be completed : .....
6. Whether samples and their list submitted : Yes ☐ No ☐ Not Applicable ☐
7. Quoted items and rate

Sl.No.	Name and description of the item (As the item (As per Quotation Notice)	Detailed specification	Standard (ISI, BIS, BEE, etc.)	Guarantee Period offered	Quantity required as per Quotation notice	Unit (Kg., Liter, Meter etc..)	Total amount quoted in figures (Rs)	Total amount in words (Rs)
1	2	3	4	5	6	7	8	9

8. In the case of machinery details of running cost :

.....  
.....

9. Declaration

I/we agree to supply the goods mentioned above at the rates quoted above and as per the conditions mentioned there in. I/we also agree to abide by the conditions given in the notice inviting quotation Additional Information (if any)

.....  
.....  
.....

Signature : .....

Name : .....

Full Address of the firm:

.....  
.....

Date: (Including phone number , Email id, TIN No, TAN No, Bank Account No,

Place: Name of the Bank) and Branch

### **For Office Use**

Name and Designation of the officer opening the quotation:

No of unattested corrections if any:

If corrections give details:

Date:

Signature:

Annexure 9:  
**Quotation/Tender Register**  
[See Para 3.2(ii) (iv) and (vi)]

1. Name of the LSGI : .....
2. Designation of the Officer opening the Quotation/Tender : .....
3. Tender/Quotation Number, Date : .....
4. Date and time of opening Quotation/Tender : .....
5. Name and Signature of the Social Audit Committee Members present at the time of opening of Quotation/Tender
  - (i) .....
  - (ii) .....
6. Name and signature of the tenderers present at the time of opening of Quotation/Tender
  - (i) .....
  - (ii) .....
  - (iii) .....
  - (iv) .....
7. Details of Quotationers/Tenders received

Sl. No.	Name of Quotationer/Tenderer	Amount of EMD remitted (Rs)	No. and Date of Receipt of EMD	To be written after opening			
				Name of each item given in Quotation/Tender	Price quoted for each item (In figures and in words)	Defects if any in the Quotation/tender	Signature of the officer who opened Quotation/Tender
1	2	3	4	5	6	7	8

- Note :
1. After the last entry the words 'Entry Closed' shall be written as the next line and attested by the officer who opens the Quotation/Tender and two members of the Social Audit Team
  2. No erasing or overwriting is allowed. In case of mistake strike of the entry under attestation and rewrite.

Signature :

Name :

(Officer who opened Quotation/Tender)

Annexure 10:

**Tabulation statement of Quotation/Tender**

.....**Grama/Block/District Panchayat/Municipality/Municipal Corporation**

[See Para 3.2(ii) (vi)]

**(To be prepared by the officer who opened Quotation/tender)**

1. Quotation/Tender no. : .....
2. Date and time of opening of Quotation /Tender: .....
3. Tabulation statement of item No. of Quotation /  
Tender Notice\* : .....
4. Name of the article : .....
5. Specification as per Quotation /Tender Notice : .....
6. Quantity required as per Quotation/Tender Notice: .....
7. Details of Quotation /Tender received

Sl. No.	Name of the Quotationer/ Tenderer	Specification as per the Quotation / Tender Submitted	Standard (ISI, BIS, BEE etc)	Guarantee Period offered	Amount Quoted (in figures)	Amount quoted in words	Firm period Offered	Date of supply Offered	Addl. information in Quotation/ Tender	Remarks and Recommendation of the officer
1	2	3	4	5	6	7	8	9	10	11

\*Separate tabulation sheet shall be prepared for each item in the Quotation /tender

Note : After the last entry the words 'Entry Closed' shall be written and signed by the Implementing Officer

Signature :  
Place : Name :  
Date : (Office Seal) Designation :

**Remarks and Recommendation of the Procurement Committee**

Decision No. and Date : .....  
Decision and Recommendation (Record) : .....  
.....  
.....

	Signature, Name	Signature, Name
	(Chairman ,	(Convener,
Date:	Procurement Committee)	Procurement Committee)

**Decision of LSGI**

Decision No and Date : .....  
Decision (Record) : .....  
.....  
.....

Date:		Signature, Name
(Office Seal)	(Secretary)	

Annexure 11:

**Form of Supply Order**

**SUPPLY ORDER**

.....( **Name of LSGI**) **Grama/Block/District Panchayat/Municipality/  
Muni.Corporation**

[See Para 3.2(ii) (ix), 3.7.1(iii), 3.6.2]

Supply Order No.:..... Date :.....

Office :..... Station:.....

Telephone No :..... E-mail:.....

From

.....  
.....

To

.....  
.....

Subject :.....

Reference 1). Quotation/Tender notice no..... dated ..... for the purchase of .....

2). Quotation /Tender submitted by .....

..... on .....

Dear Sirs,

Your offer to supply the materials as detailed in the list appended is accepted subject to the conditions mentioned below. Please effect the supply according to the special conditions given below, the instructions in the notes below and in accordance with the list of materials appended. The special conditions, if any, printed on your Quotation/Tender sheets or attached with your quotation/tender will not be applicable to this order unless they have been expressly accepted in the list appended. (If any condition is accepted by the LSGI the list should be attached).



An agreement has to be executed by you in the prescribed form on stamp paper of value rupees ..... purchased in the Kerala State after furnishing a security of Rs. .... within 15 days of receipt of this supply order for the due fulfillment of the contract. If you fails to execute the contract within 15 days after receipt of this communication, the supply order will stand cancelled. Payment on account of supplies against this order is liable to be withheld until the agreement is executed. The earnest money will be refunded on furnishing the required Security Deposit for the contract. Bank draft for the security should be drawn in favour ..... . Cheques are not acceptable. The Security Deposit may be made in cash also and in such cases the cash should be remitted in the office.

Special Conditions .....  
 .....  
 .....

Yours faithfully,

Signature : .....

Name : .....

Designation : .....

(Procurement Officer)

### NOTES

1. The packages should be marked .....
2. They should be insured to destination viz.....
3. The contents of the packages should be strictly confined to this order.
4. Invoices in triplicate should be drawn on and forwarded for payment to ..... (H.E. Name of Procurement Officer)
5. Acknowledgement of all other communications regarding this order may be sent to the Procurement Officer who has placed this order.
6. In all future correspondence and bills relating to this order the number and date at the top should Invariably be quoted.
7. Separate bills should be sent for each other
8. The consignment will be paid for only after receipt and inspection of the articles by Competent Official.

**List of materials accepted and to be supplied**

<b>Item No.</b>	<b>Name of Materials and Description</b>	<b>Specifications in detail</b>	<b>Standard (ISI, BIS, BEE etc.)</b>	<b>Guarantee Period</b>	<b>Quantity</b>	<b>Unit (Kg., Litre, Metre etc.)</b>	<b>Amount in Figures (Rs.)</b>	<b>Amount in words (Rs.)</b>	<b>Remarks</b>
1	2	3	4	5	6	7	8	9	10

N.B: The specifications, quantities, price, etc., are subject to correction. Errors or omissions, if any, will be intimated within ten days from this date.

Date :..... (Office seal)

Signature, Name and Designation  
of Purchasing

Annexure 12:

**Form of Agreement**

[See Para 3.2(ii) (x), 3.7.1(iii), 4.1.i(e), 3.6.2]

AGREEMENT executed ..... day of ..... 20..... between ..... (hereinafter called “the Contractor”) and ..... (H.E. the name and designation of the officer) for and on behalf of ..... (Name of LSGI) Grama/Block/District Panchayat/Municipality/Municipal Corporation (hereinafter called “the LSGI).

WHEREAS the Contractor has tendered for the supply of articles for the use of the LSGI as per quotation/tender Notification No. .... dated ..... published on the notice board and website of the LSGI and also in the news papers namely ..... on ..... which quotation/tender notification shall form part of this Agreement as if incorporated herein.

“AND WHEREAS the LSGI /Procurement Officer have/has been pleased to accept the offer subject to the conditions stipulated in the Supply Order No..... dated ..... (which shall form part of this agreement as if incorporated herein) in respect of the articles mentioned therein.”

AND WHEREAS the contractor has as security for the due fulfillment of his obligations under this deed deposited Rs. .... (in words)..... only being 5 per cent of the estimated value of the contract as electronic fund transfer for such amount from ..... Bank approved by the LSGI.

NOW THESE PRESENTS WITNESS AS FOLLOWS

- 1.(a) In cases where along with the quotation/tender samples have been forwarded to the LSGI and the samples approved, the Contractor agrees to supply the materials according to the approved sample. In other cases the Contractor agrees to forward samples to Local Government for approval if so required and then to supply materials according to such approved samples. When the samples are not required, the Contractor agrees to supply according to standard specifications.

Samples forwarded by the Contractor to the LSGI will not be paid for and shall be the property of LSGI but the LSGI are at liberty to return them to the Contractor on the completion

of his contract. All samples must be clearly labeled showing to what particular items tendered for they relate and they should be of sufficient size and quantity to enable the LSGI to see if the supplies made are according to the approved samples.

- (b) The Contractor hereby declares that the goods sold to the buyer under this contract shall be of the best quality and workmanship and shall be strictly in accordance with the specifications and particulars contained in the copy of the order attached herewith and the contractor hereby guarantees that the said goods would continue to conform to the description and quality aforesaid for a period of .....days/months from the date of delivery of the said goods to LSGI and that notwithstanding the fact that the LSGI may have inspected and/or approved the said goods, if during the aforesaid period of .....days/months the said goods be discovered not to conform to the description and quality aforesaid or have deteriorated (and the decision of the LSGI in that behalf will be final and conclusive) the LSGI will be entitled to reject the said goods or such portion thereof as may be discovered not to conform to the said description and quality. On such rejection the goods will be at the contractor's risk and all the provisions herein contained relating to rejection of goods, etc., shall apply. The contractor shall if so called upon to do replace the goods, etc., or such portion thereof as is rejected by the LSGI. Otherwise the Contractor shall pay to the Local Government such damages as may arise by reason of the breach of the condition herein contained. Nothing herein contained shall prejudice any other right of the LSGI in that behalf under this contract or otherwise.
2. Requests for enhancement of rates once accepted will not be considered.
3. The articles and quantities to be supplied are shown in the copy of the supply order, No..... and date..... attached herewith. The contractor agrees to supply the quantities of the articles shown in the order at the rate tendered by him for each article within the time fixed.
- 3.a. The articles, assets, or services to be supplied are according to the specifications stated in the bid, shall be for the use for which it is procured, all parts and components also satisfy the specifications, if not stated in the bid, the supplier shall supply the standard product, and the ensure that the supply of articles, assets or services have the specified quality.
4. The Contractor agrees that time is the essence of this contract.
- 5(a). If the Contractor defaults in the supply of all or any of the articles correctly and promptly as above the LSGI is at liberty to procure the same from elsewhere without cancelling the contract as a whole. If LSGI incur, in thus procuring such materials a higher cost than the agreed rate such excess cost may be deducted by the LSGI from the contractor's bill or adjusted or otherwise realized from his security deposit or recovered from him by other means. The contractor agrees that he shall not be entitled to claim the excess, if any, of the tendered rate over such cost to LSGI.
- (b) If the contractor fails to deliver all or any of the stores or perform the service within the time/period(s) specified in the contract, the purchaser shall without prejudice to its other remedies under the contract, deduct from the contract price as liquidated damages, a sum equivalent to 0.5% or 1% of the delivered price of the delayed stores or unperformed services for each week of delay until actual delivery or performance, upto a maximum deduction of 10% of the contract prices of the delayed stores or services. Once the maximum is reached, the purchaser may consider termination of the contract at the risk and cost of the contractor.

6. All payments to the Contractor for supplies effected satisfactorily will be made through electronic fund transfer to the bank/ treasury account after scrutiny of the bills.
7. All incidental expenses incurred by the LSGI for making payment outside the District in which the claim arises shall be borne by the contractor.
8. The contractor shall not assign or make over in part or wholly the contract or the benefits or burdens thereof. The contractor shall not underlet or sublet the execution of the contract or any part thereof without the consent in writing of the LSGI. The LSGI shall have absolute power to refuse such consent or rescind such consent (if given) at any time. The contractor shall not be relieved from his obligation, duty or responsibility under this contract even if consent to let or sublet is given by the LSGI.
9. NOTWITHSTANDING the provisions contained in clause 3, the LSGI shall have the right to cancel the contract for any default on the part of the contractor in due performance thereof.
10. It shall be lawful for the LSGI from and out of any money for the time being payable or due to the Contractor from the LSGI under this contract or otherwise to set off any loss or expense, cost or damages sustained or incurred by the LSGI by reason of the cancellation of the contract.
11. The security deposit shall subject to the conditions specified herein be returned to the contractor within three months after the expiration of the contract. In all cases where there is guarantee for the goods supplied the security deposit will be released only after the expiry of the guarantee period.
12. The contractor agrees that any communication addressed to him may be handed over to him or his agent personally or left at his residence or place of business or may be sent by prepaid post to his address as mentioned in this deed.
13. In case the supply of articles involves erection of machinery the contractor agrees that the machinery will be erected within the time and at the place specified by the Local Government/ Procurement Officer in that behalf. It shall also be the duty and responsibility of the contractor to see that the machinery thus erected is in good working condition to the satisfaction of the person duly authorized by the LSGI /Procurement Officer in that behalf and to ensure the proper functioning of the machinery till the guarantee period is over.
14. In the event of failure of the contractor to erect the machinery within the time and at the place specified by the LSGI /Procurement Officer or in the event of the machinery failing to function properly during the guarantee period the amount spent by the LSGI and the loss sustained by the LSGI on this account by making alternate arrangements shall be recoverable from the contractor in the manner provided in Clause 15 hereunder.
15. The Contractor agrees that all sums found due to the LSGI under or by virtue of these presents shall be recoverable from him and his properties, movable and immovable, under the provisions of the Revenue Recovery Act, for the time being in force as though they are arrears of land revenue or in any other manner and within such time as the LSGI may deem fit. In deciding the sum of money due to LSGI under or by virtue of this deed, the contractor agrees that the decision of the LSGI shall be final and conclusive and shall be binding on the contractor.

16. The Contractor agrees that any sum of money due and payable to him from LSGI shall be adjusted against any sum of money due to Government from him under any other contracts.
17. The Contractor agrees that, any violation or deviation from the quality specification, quantity, delay of time or any other changes in this contract, she/he shall be black listed, liable for damages and tried in a court of law, within the jurisdiction where LSGI situates.

IN WITNESS WHEREOF the Contractor and Shri .....  
..... (H.E. name and designation of Officer) for and on behalf of the LSGI have hereunto set their hands.

Signed, sealed and delivered by.....  
(Contractor)

In the presence of witnesses

- (1)
- (2)

Signed, sealed and delivered by Shri .....  
..... (H.E name and designation of Officer) for and on behalf of the LSGI.

In the presence of witnesses

- (1)
- (2)

Annexure 13:

**Form of Tender Notice**

**Tender Notice**

[See Para 3.3 (ii), 3.4.2.1(i), 3.6.2]

1.	Tender Number and Date	
2.	Place from where Tender form is available (office)	
3.	Last date and time for sale of Tender	
4.	Cost of Tender Form	
5.	Last date and time for receipt of Tender	
6.	Date and time of opening of Tender	
7.	Earnest Money Deposit (Rupees)	
8.	Firm Period	
9.	Officer to whom tender is to be submitted (Designation and Address)	
10.	To be written on the cover in which tender enclosed	Tender for : ..... as per Tender Number:.....dt....

Sealed Tenders are invited for the supply of goods given in the table below. The amount quoted shall be for delivery of goods at the site shown in the table. Tender received late, Tender, without specifying firm period, Tender with price variation clauses and incomplete Tender will not be accepted. Maximum number of days for delivery of good should invariably be stated in the Tender.

**Conditions for acceptance of Tenders:**

1. Successful Tenderer shall enter into a contract at his own expense with the officer noted above within 15 days of receipt of communication confirming the Tenders.
2. Security Deposit being 5% of the contract amount shall be remitted before entering into the contract.
3. Withdrawing from Tender when required to sign the contract, refusing to sign the contract with in the appointed date, make delivery violating specifications and deliver substandard materials etc, will entitle cancellation of the Tender and purchasing the goods at the risk and cost of the Tenderer. Any loss sustained due to such purchases shall be recovered from the Tenderer. Besides he will be blacklisted and the same will be reported to the District Collector and Stores Purchase Department for further action.
4. In cases where samples are to be submitted the list of samples shall be submitted in a separate sealed cover along with the Tender. Samples are to be submitted directly at the expense of the Tenderer. Local Government may return or not return the sample at its discretion.
5. After confirmation of the Tender any demand for increase in price will not be accepted.
6. Any unlawful interference for acceptance of Tender will be a disqualification.

7. If any permission or license from any authority is required for using the goods delivered it should be (including the authority) clearly stated in the Tender.
8. In the case of machinery the firm shall give its user specifications, safety measures and precautions to be taken while effecting supply.
9. Tender shall be submitted for all or any of the items shown in the table. But for a particular item the whole quantity shall be quoted.
10. If the supply of the goods is partially made and fails to supply the balance in time the undelivered portion shall be purchased at the risk and cost of the Tenderer and any loss thereof will be recovered from the contractor. In such cases payment for partial supply shall be made only after the completion of the process.
11. The amount quoted should be inclusive of all taxes, duties, cess, packing and transportation charges and installation and commissioning charges (Wherever applicable)
12. Payment shall be made within fifteen days after examination by the Procurement Officer and taking into stocks. In the case of machinery and equipments payment will be made after certifying that the machines are functional. The responsibility to obtain the certificate from the concerned authorities rests with the supplier.
13. In the case of goods having guarantee/warranty, security deposit will be returned after the guarantee/warranty period. In case of any complaint decision on refund will be taken after considering the complaints.
14. If any rebate is available for speedy (eg. 7 days/10 days) payment the same can be shown in the Tenders)
15. LSGI will be free to adjust any amount due from the supplier from the cost of the goods supplied.
16. The officer entering in to the contract will have the right to include any condition not contrary to the provisions in the purchase manual in the contract.
17. LSGI reserves the right to reject any Tender without designing any reason.
18. Further details are available from the office if requested in writing.



### SCHEDULE OF MATERIALS REQUIRED

Sl. No.	Name of the item and Description	Detailed Specification	Standard – ISI/ BIS/ BEE etc.	Guarantee, Period (Years, Months)	Quantity required	Unit (Kg., litre, metre etc.)
1	2	3	4	5	6	7

Sl.No. of the items which require sample .....

Date before which complete supply is to be made .....

Place/Institution/Office where delivery is to be made .....

Any Special Conditions Stipulated by Procurement Officer or LSGI

1 .....

2 .....

3 .....

4 .....

5 .....

Signature :

Name :

Designation :

(Tender Inviting Officer)

Date:

Place: (Office Seal)

Annexure 13.1:

**Form of Short Tender Notice**

[See Para 3.4.2.2(iv)]

Tender No. ....

Name of LSGI: .....

Sealed tenders are invited for the supply of the following goods:

*(Here mention the goods briefly with quantity and wherever possible quality also)*

.....

.....

The envelopes containing the tender should bear the superscription  
“.....” and should be  
addressed to .....  
(H. E. Designation of Procurement Officer).

Last date for receipt of tenders will be ..... Late tenders will not be accepted. The  
tenders will be opened at ..... (time) on ..... in the  
presence of such of the tenderers or their authorized representatives who may be present at that  
time.

Intending tenderers may, on application to the..... (H.E.  
Designation of the Procurement Officer) obtain the requisite tender forms on which tenders  
should be submitted. Application for the tender form should be accompanied by a cash remittance  
of Rs... which is the price fixed for a form/set of forms and which is not refundable under any  
circumstances. The tender forms are not transferable. Sale of tender forms will be closed at  
..... on ..... Cheques, postage stamps, etc., will not be accepted  
towards the cost of forms, nor will the forms be sent by V.P.P. Details can be had from the Officer  
designated below.

Place:

Date:

(Office seal)

(Signature, Name, and Designation of Issuing Officer)

Annexure 14:

**Form of E-Procurement  
Request Form for Tenders Administration Account  
(For User Account)**

[See Para 3.4.2.3(ii)]

**Personal Details:**

1	Title*:	Mr/Mrs/Ms/Dr/Sri		
2	First Name*:			
	Last Name*:			
3	Date Of Birth*:	(DD/MM/YY)		
4	Login ID* say abc@gmail.com:	(Login ID should be individual's personal id not designation based id)		
5	Organization Name*:			
6	Dept/Circle*:			
7	Division*:	Designation*:		
8	Address1*:			
9	Address2:			
10	District:			
11	City:	Pin code		
12	Correspondence Email ID*:	(Correspondence Email ID can be same as Login ID. All the mail correspondence will be sent only to the correspondence Email ID)		
13	Phone: 91-	STD:	No:	
14	Fax : 91-	STD:	No:	
15	Mobile:	(All the SMS correspondence will be sent only to this Mobile Number)		
16	User Roles:	Nodal Officer/Tender Creator/ Publisher/Bid Opener/Evaluator (select one or more as applicable)		

Date:

**Signature of Tender Inviting Authority**

Name: \_\_\_\_\_

Seal:

Note: the requested tenders administration accounts details will be communicated by email.

Disclaimer: This account is meant for publishing and maintaining the Tenders information on Local Government e Procurement System Tenders Portal. The sole responsibility of the accuracy and validity of User Information/Contents in the Tender documents shall rest with the authorized user of the Account i.e. the concerned Tender Inviting authority is responsible for Tender Administration. NIC shall be responsible only for ensuring the system performance and security.

Annexure 15:

**Form of Open Tender**

[See Para 3.4.2.4 (i), 3.4.4, 3.6.2]

From

.....  
.....

To

.....  
.....

Sir,

I/We hereby tender to supply, under the annexed general conditions of contract; the whole of the articles referred to and described in the attached specification and schedule at the rates quoted against each item. The articles will be delivered within the time and at the places specified in the schedule.

\*I/We am/are remitting/have separately remitted the required amount of Rs..... (Rupees ..... only) as earnest money.

Yours faithfully

Signature .....

Name .....

Address .....

.....

.....

Date:

\*(To be scored in cases where no earnest money deposit is furnished)

## **GENERAL CONDITIONS**

Sealed tenders are invited for the supply of the materials as specified in the schedule below/ attached.

1. The tenders should be addressed to the officer mentioned below in a sealed cover with the tender number and name shown below duly super scribed on the cover.
2. The tenders should be in the prescribed form which can be obtained from the officer mentioned below on payment of the price which is also noted below. The cost of tender forms once paid will not be refunded. Tenders which are not in the prescribed form are liable to be rejected. The rates quoted should be only in Indian currency. Tenders in any other currency are liable to rejection.
3. Intending tenderers should send their tenders so as to reach the Officer mentioned below, on due date and time (noted below). No tender received after the specified date and time will be accepted on any account. The rates will be considered firm for acceptance till the date mentioned below. Tenders not stipulating period of firmness and tenders with price variation clause and/or 'subject to prior sale' condition are liable to be rejected.
- 4.(a) Every tenderer except a Government undertaking or firms as prescribed in Para 3.8 & 3.9 of the manual who has not registered his name with the State Government (Stores Purchase Department) or with Government of India (Director General of Supplies and Disposals) or a rate/running contract holder as prescribed in Para 3.7 of the manual should send along with his tender, an earnest money of one per cent of the total cost of the articles tendered for (rounded to the nearest rupee) subject to a minimum of Rs. 500, if the amount calculated at one per cent of the value of the articles tendered for falls below Rs. 500. The amount may be paid through electronic fund transfer in favour of the officer mentioned below. Cheques will not be accepted. The earnest money of the unsuccessful tenderers will be returned within 15 days after the stipulated firm period; but that of the successful tenderers will be adjusted towards the security that will have to be deposited for the satisfactory fulfillment of the contract.
  - (b) Tenderers whose names are registered with Government (Stores Purchase Department) are generally exempted from furnishing earnest money for such articles for which they have registered their names. If they tender for goods other than those for which they have registered their names, they will have to furnish earnest money as in the case of unregistered firms. Registered firms will have to quote invariably in every tender they submit the registration number assigned to them by the Stores Purchase Department.
  - (c) State or Central Government Institutions/State Public Sector Industries which manufacture and supply goods will be exempted from furnishing earnest money only for the articles they manufactured.
  - (d) Firms/Institutions prescribed in Para 3.8 & 3.9 of the manual are exempted from furnishing earnest money.
  - (e) The exemption stipulated in clauses (b), (c) and (d) above will not however, apply to tenders for the supply of raw materials or dietary articles or stores on rate or running contract basis.
5. The tenders will be opened on the appointed day and time in the office of the undersigned, in the presence of Social Audit Team members and such of those tenderers or their nominees who may be present at that time.
6. If any tenderer withdraws from his tender before the expiry of the period fixed for keeping the rates firm for acceptance, the earnest money if, any, deposited by him will be forfeited to the Local Government or such action taken against him as the LSGI thinks fit.

7. Tenderers shall invariably specify in their tenders the delivery conditions including the time required for the supply of articles tendered for.
8. (a) The tenderer shall clearly specify in the tender whether the articles offered bear Indian Standards Institution Certification Mark or such other standards or not. In such cases, they shall produce copies of Certification mark along with their tender in support of it.  
(b) Tenderers shall clearly specify whether the goods are offered from indigenous sources, from imported stocks in India or from foreign sources to be imported under a license. Local Government reserves the right to reject offers for import of goods if the Import Trade Control Policy in force at the time of award of the contract prohibits or restricts such imports.
9. The final acceptance of the tenders rests entirely with the Local Government who does not bind themselves to accept the lowest or any tender. But the tenderers on their part should be prepared to carry out such portion of the supplies included in their tenders as may be allotted to them.
10. In the case of materials of technical nature the successful tenderer should be prepared to guarantee satisfactory performance for a definite period under a definite penalty. It should be clearly mentioned in the tender.
11. Communication of acceptance of the tender normally constitutes a concluded contract. Nevertheless, the successful tenderer shall also execute an agreement for the due fulfillment of the contract within the period to be specified in the letter of acceptance. The contractor shall have to pay all stamp duty, lawyer's charges and other expenses incidental to the execution of the agreement. Failure to execute the agreement within the period specified will entail the penalties set out in para 12 below.
12. (a) The successful tenderer shall, before signing the agreement and within the period specified in the letter of acceptance of his tender deposit a sum equivalent to 5 per cent of the value of the contract as security for the satisfactory fulfillment of the contract less the amount of money deposited by him along with his tender. The amount of security may be deposited in the manner prescribed in clause 4 supra. If the successful tenderer fails to deposit the security and execute the agreement as stated above, the earnest money deposited by him will be forfeited to LSGI and contract arranged elsewhere at the defaulter's risk and any loss incurred by LSGI on account of the purchase will be recovered from the defaulter who will, however, not be entitled to any gain accruing thereby.  
(b) In cases where a successful tenderer, after having made partial supplies fails to fulfil the contracts in full, all or any of the materials not supplied may at the discretion of the Procurement Officer, be purchased by means of another tender/ quotation or by negotiation or from the next higher tenderer who had offered to supply already and the loss, if any, caused to the Local Government shall thereby together with such sums as may be fixed by the LSGI towards damages be recovered from the defaulting tenderer.  
(c) Even in cases where no alternate purchases are arranged for the materials not supplied, the proportionate portion of the security deposit based on the cost of the materials not supplied at the rate shown in the tender of the defaulter shall be forfeited and balance alone shall be refunded.  
(d) If the contractor fails to deliver all or any of the goods or perform the service within the time/period(s) specified in the contract, the purchaser shall without prejudice to its other remedies under the contract, deduct from the contract price as liquidated/damages, a sum equivalent to 0.5% or 1% of the delivered price of the delayed goods or unperformed services for each week of delay until actual delivery or performance, upto a maximum deduction of 10% of the contract prices of the delayed stores or services. Once the maxi-

mum is reached, the purchaser may consider termination of the contract at the risk and cost of the contractor.

13. The security deposit shall, subject to the conditions specified herein, be returned to the contractor within three months after the expiration of the contract, but in the event of any dispute arising between the LSGI concerned and the contractor, the LSGI shall be entitled to deduct out of the deposits or the balance thereof, until such dispute is determined the amount of such damages, costs, charges and expenses as may be claimed. The same may also be deducted from any other sum which may be due at any time from LSGI to the contractor. In all cases where there is guarantee for the goods supplied the security deposit will be released only after the expiry of the guarantee period.
14. (a) All payments to the contractors will be made by the Procurement Officer in due course through electronic fund transfer.  
(b) All incidental expenses incurred by the LSGI not for making payments outside the district in which the claim arises shall be borne by the contractor.
15. The tenderers shall quote also the percentage of rebate (discount) offered by them in case the payment is made promptly within seven days/within ten days of taking delivery of stores.
16. The contractor shall not assign or make over the contract on the benefits or burdens thereof to any other person or body corporate. The contractor shall not underlet or sublet to any person or persons or body corporate the execution of the contract or any part thereof without the consent in writing of the Procurement Officer who shall have absolute power to refuse such consent or to rescind such consent (if given) at any time if he is not satisfied with the manner in which the contract is being executed and no allowance or compensation shall be made to the contractor or the sub-contractor upon such rescission. Provided always that if such consent be given at any time, the contractor shall not be relieved from any obligation, duty or responsibility under this contract.
17. In case the contractor becomes insolvent or goes into liquidation, or makes or proposes to make any assignment for the benefit of his creditors or proposes any composition with his creditors for the settlement of his debts, carries on his business or the contract under inspection on behalf of or his creditors, or in case any receiving order or orders, for the administration of his estate are made against him or in case the contractor shall commit any act of insolvency or case in which under any clause or clauses of this contract the contractor shall have rendered himself liable to damages amounting to the whole of his security deposits, the contract shall, thereupon, after notice given by the Procurement Officer to the contractor, be determined and the LSGI may complete the contract in such time and manner and by such persons as the LSGI shall think fit. But such determination of the contract shall be without any prejudice to any right or remedy of the LSGI against the contractor or his sureties in respect of any breach of contract therefore committed by the contractor. All expenses and damages caused to LSGI by any breach of contract by the contractor shall be paid by the contractor to LSGI, and may be recovered from him under the provisions of the Revenue Recovery Act in force in the State.<sup>9</sup>
18. (a) In case the contractor fails to supply and deliver any of the said articles and things within the time provided for delivery of the same, or in case the contractor commits any breach of any of the covenants, stipulations and agreements herein contained, and on his part to be observed and performed, then and in any such case, it shall be lawful for LSGI (if they shall think fit to do so) to arrange for the purchase of the said articles and things from elsewhere or on behalf of the Local Government by an order in writing under the hand of the Procurement Officer put an end to this contract and in case the LSGI shall have incurred, sustained or been put to any costs, damages or expenses by reason of such purchase or by reason of this contract having been so put an end to or in case any

difference in price, compensation, loss, costs, damages, expenses or other money shall then or any time during the continuance of this contract be payable by the contractor to the LSGI under and by virtue of this contract, it shall be lawful for the LSGI from and out of any moneys for the time being payable or owing to the contractor from the LSGI under or by virtue of this contract or otherwise to pay and reimburse to the LSGI all such costs, damages and expenses they may have sustained, incurred or been put to by reason of the purchase made elsewhere or by reason of this contract having been so put an end to as aforesaid and also all such difference in price, compensation, loss, costs, damages, expenses and other moneys as shall for the time being be payable by the contractor aforesaid.

(b) In case any difference or dispute arises in connection with the contract, all legal proceeding relating to the matter shall be instituted in the Court within the jurisdiction of the LSGI

19. Any sum of money due and payable to the contractor (including security deposit returnable to him) under this contract may be appropriated by the Procurement Officer or LSGI or any other person authorized by LSGI and set off against any claim of the Procurement Officer or LSGI for the payment of a sum of money arising out of or under any other contract made by the contractor with the Procurement Officer or LSGI or any other person authorized by LSGI. Any sum of money due and payable to the successful tenderer or contractor from LSGI shall be adjusted against any sum of money due to LSGI from him under any other contracts.
20. Every notice hereby required or authorized to be given may be either given to the contractor personally or left at his residence or last known place of abode or business, or may be handed over to his agent personally, or may be addressed to the contractor by post at his usual or last known place of abode or business and if so addressed and posted, shall be deemed to have been served on the contractor on the date on which, in the ordinary course of post, a letter so addressed and posted would reach his place of abode or business.
21. The tenderer shall undertake to supply materials according to the standard sample and/or specifications.
22. (a) No representation for enhancement of rates will be considered.  
(b) In the case of imported goods, when the price accepted is the ex-site price quoted by the tenderer, the benefit of any reduction in the c.i.f. price should accrue to the LSGI.
23. Any attempt on the part of the tenderers or their agents to influence the LSGI in their favour by personal canvassing with the Officers concerned will disqualify the tenderers.
24. Tenderers should be prepared to accept orders subject to the penalty clause for forfeiture of security in the event of default in supplies or failure to supply within the stipulated period.
25. Samples should be forwarded if called for an unapproved sample should be taken back by the tenderers at their own cost. Samples sent by V.P. Post or 'freight to pay' will not be accepted. The approved samples may or may not be returned at the discretion of the undersigned. Sample sent by post, railway or plane should be so despatched so as to reach the Procurement Officer not later than the date on which the tenders are due. In the case of samples sent by railway the receipt should be sent separately and not along with the tender since the tender will be opened only on the appointed day and demurrage will have to be paid if the railway parcels are not cleared in time. The LSGI will not be responsible if any sample is found missing at any time due to the non-observance of the provisions of this clause. Tenderers whose samples are received late will not be considered. Samples should be forwarded under separate cover duly listed and the corresponding number of the item in the tender schedule should also be noted in the list of samples. Tenders for the supply of materials are liable to be rejected unless samples, if called for, of the materials tendered for are forwarded.



26. The prices quoted should be inclusive of all taxes, duties cesses, etc., which are or may become payable by the contractor under existing or future laws or rules of the country of origin/supply or delivery during the course of execution of the contract.
27. The tenderer will invariably furnish the following certificate with their bills for payment:-
- “Certified that the goods on which VAT/GST has been charged have not been exempted under the Central Sales Tax Act or State Sales Tax Act or the Rules made thereunder and the charges on account of sales tax on these goods are correct under the provisions of the relevant Act or the rules made there under. Certified further that we (or our Branch or agent) (Address) ..... are registered as dealers in the State of ..... under Registration No. .... for purposes of sales tax.”
28. Special conditions, if any, of the tenderers attached with the tenders will not be applicable to the contract unless they are expressly accepted in writing by the purchaser.
29. In the event of any question or dispute arising under these conditions or any special conditions of this contract or in connection with this contract the same shall be referred to the State Government. In such cases the decision of State Government will be final.
30. The tenderer should submit along with his tender an agreement executed and signed in Kerala Stamp Paper of value Rs. 100. A specimen form of agreement is also given in this document. Tenders without the agreement in stamped paper will be rejected outright.

1	Superscription - Tender No.....for.....	
2	Due date and time for receipt of tender	
3	Price of tender form	
4	Date and time for opening of tender	
5	Date upto which the rates are to be firm	
6	Period within which goods should be delivered	
7	Where materials should be delivered	
8	Address of Officer from whom tender forms are to be obtained and to whom tenders are to be sent:	

Name of Office :  
Station and date:

(Signature, Name & designation  
of Procurement Officer)

## SCHEDULE OF MATERIALS REQUIRED

[illegible]

Rates should be quoted for delivery at ..... including installation and erection charges, if it is necessary.

Other special conditions stipulated by Procurement Officer or the LSGI.

.....

Signature : .....

Name : .....

Designation: .....

.....

Station :

Date : (Office seal) (Procurement Officer)

**To be filled by Tenderer**

**SCHEDULE OF MATERIALS OFFERED**

Sl. No.	Name of materials and its description	Specification in detail	Standard(ISI, BIS, BEE etc.)	Guarantee Period	Quantity Offered	Unit (Kg., Litre, Metre etc.)	Amount Quoted in figures (Rs.)	Amount in words (Rs)	Remarks
1	2	3	4	5	6	7	8	9	10

Date up to which rates are firm : .....

Date within which materials are to be supplied : .....

Samples submitted or not (if yes give details) : .....

Details of running and maintenance cost  
(in the case of machinery and equipments) : .....

Other things, if any : .....

.....

.....

.....

Signature\* : .....

Name : .....

Name of Firm : .....

Address : .....

.....

.....

Place : (Including Phone No., Email ID, TIN No.,

Date : TAN No., Bank A/c No. and Name of Bank)

\* To be signed by Tenderer or Authorised Person of the Tenderer

## **AGREEMENT**

Articles of agreement executed on this the ..... day of ..... between ..... (H.E. the name of the Officer and designation) for and on behalf of ..... (Name of LSGI) Grama/Block/District Panchayat/ Municipality/ Municipal Corporation (hereinafter referred to as “the LSGI”) of the one part and Shri..... (H.E. name and address of the tenderer) (hereinafter referred to as “the bounden” which expression shall where the context so admits includes his successor, heir and assignees) of the other part.

WHEREAS in response to the Tender Notification No..... dated ..... the bounden has submitted to the Local Government a tender for the ..... specification therein subject to the terms and conditions contained in the said tender;

WHEREAS the bounden has also deposited with the Government a sum of Rs..... (in words) ..... only as earnest money for execution of an agreement undertaking the due fulfillment of the contract in case his tender is accepted by the Government.

NOW THESE PRESENTS WITNESS and it is hereby mutually agreed as follows:

1. In case the tender submitted by the bounden is accepted by the LSGI and the contract for ..... is awarded to the bounden, the bounden shall within .....days of acceptance of his tender execute an agreement with the LSGI incorporating all the terms and conditions under which the Local Government accepts his tender.
2. In case the bounden fails to execute the agreement as aforesaid incorporating the terms and conditions governing the contract, the LSGI shall have power and authority to recover from the bounden any loss or damage caused to the LSGI by such breach as may be determined by the LSGI by appropriating the earnest money deposited by the bounden and if the earnest money is found to be inadequate the deficit amount may be recovered from the bounden and his properties movable and immovable in the manner hereinafter contained.
3. All sums found due to the LSGI under or by virtue of this agreement shall be recoverable from

the bounden and his properties movable and immovable under the provisions of the Revenue Recovery Act for the time being in force as though such sums are arrears of land revenue and in such other manner as the LSGI may deem fit.

In witness whereof Shri.....  
(H.E. name and designation of the officer) for and on behalf of the LSGI and Shri.  
..... Bounden have hereunto set their hands the day and year  
shown against their respective signatures.

Signed by Shri. ....  
(date) .....  
(Bounden)

In the presence of witnesses:

1. ....  
2. ....

Signed by Shri. .... (date) .....  
(Procurement Officer)

In the presence of witnesses:

1. ....  
2. ....

Annexure 16:

**Tender Form Stock and Distribution Register**  
**(To be kept by the Secretary of Local Government)**

[See Para 3.4.2.4 (v)]

Name of the Local Government : .....

<b>Date</b>	<b>Voucher No., Date/ Request No. Date</b>	<b>From where received to Secretary</b>	<b>Number of forms received</b>	<b>To whom distributed (Designation of Officer)</b>	<b>Number of forms distributed</b>	<b>Signature of Receiving Officer</b>	<b>Bala nce in Stock</b>	<b>Signature of Secretary</b>
1	2	3	4	5	6	7	8	9

This register is only meant for distribution of tender forms by the secretary of the Local Government to the Officers who are authorised to invite tenders on behalf of the Local Government. This shall not be used for recording sale of Tender forms. When the Secretary takes forms for sale from stock it should also be recorded in this register.

Annexure 17:

**Model Bank Guarantee Format for Furnishing Security Deposit/  
Performance Guarantee**

[See Para 4.2.1(ii) (c)]

(To be used by Nationalised/ Scheduled Banks)

In consideration of the.....(Name of LSGI) Grama/  
Block/District Panchayat/Municipality/Municipal Corporation (hereinafter called the "LSGI")  
having agreed to exempt ..... (H.E. name and address of  
Contractor(s)) [Hereinafter called "the said Contractor(s)"] from the demand, under the terms  
and conditions of an agreement dated.....made between  
.....and  
..... for  
..... (hereinafter called "the  
said Agreement") of security deposit/performance guarantee for the due fulfillment by the said  
contractor(s) of the terms and conditions contained in the said Agreement, on production of a  
bank guarantee for ₹..... (Rupees in words) .....  
.....only.  
We..... Bank Limited  
(hereinafter referred to as "the Bank") do hereby undertake to pay to the Local Government an  
amount not exceeding ₹..... (Rupees in words)  
..... only against any loss or  
damage caused to or suffered or would be caused to or suffered by the Local Government by  
reason of any breach by the said contractor(s) of any of the terms or conditions contained in the  
said Agreement.

2. We ..... Bank Limited  
do hereby undertake to pay the amounts due and payable under this guarantee without any  
demur, merely on a demand from the LSGI stating that the amount claimed is due by way of loss  
or damage caused to or would be caused to or suffered by the Government by reason of any  
breach by the said contractor(s) of any of the terms or conditions contained in the said Agreement  
or by reason of the contractor's failure to perform the said Agreement. Any such demand made  
on the Bank shall be conclusive as regards the amount due and payable by the Bank under this  
guarantee. However, our liability under this guarantee shall be restricted to an amount not  
exceeding ₹. .... (Rupees in words) .....only.

3. We ..... Bank Limited  
further agree that the guarantee herein contained shall remain in full force and effect during the  
period that would be taken for the performance of the said agreement and that it shall continue  
to be enforceable till all the dues of the LSGI under or by virtue of the said Agreement have been  
fully paid and its claims satisfied or discharged of till .....

(Designation of the Officer and Name of the LSGI) certified that the terms and conditions of the said Agreement have been fully and properly carried out by the said contractor(s) and accordingly discharges the guarantee. Unless a demand or claim under this guarantee is made on us within one year from the expiry of the contract or extended (if the agreement/supply order specifically provide for such extension of time) for the due performance of the contract by the contractor we shall be discharged from all liability under this guarantee thereafter.

4. We..... Bank Limited further agree with the LSGI that the LSGI shall have the fullest liberty without our consent and without affecting in any manner our obligations hereunder to vary any of the terms and conditions of the said Agreement or to extend time of performance by the said contractor(s) from time to time or to postpone for any time or from time to time any of the powers exercisable by the Local Government against the said contractor(s) and to forbear or enforce any of the terms and conditions relating to the said Agreement and we shall not be relieved from our liability by reason of any such variation or extension being granted to the said contractor(s) or for any forbearance act or omission on the part of the LSGI or any indulgence by the LSGI to the said contractor(s) or by any such matter or thing whatsoever which under the law relating to sureties would but for this provision have effect of so relieving us.

5. To give effect to this guarantee it shall be competent for the LSGI to act as though the Bank, were the principal debtor.

6. It is hereby expressly agreed and declared that this guarantee and the powers and provisions herein contained are in addition to and not by way of limitation of or substitution for any former or other guarantees or guarantee heretofore given by the Bank to the Local Government and now existing uncanceled and that this guarantee is not intended to and shall not revoke or limit such other guarantee or guarantees.

7. We.....Bank Limited lastly undertake not to revoke this guarantee during its currency except with the previous consent of LSGI in writing

Dated..... day of..... 20 ..... for .....  
..... Bank Limited.

Signature of the authorized

Officer of the Bank :

Station:

(Seal of the Bank)

Name and designation of the Officer:

Name and Address of the Bank and

Address of the Branch



Annexure 18:

**Certification of Goods Purchased**

[See Para 4.3.3.a, 4.3.4.1.a(ii)]

1. Name of LSGI : .....
2. Date & Number of Quotation/Tender : .....
3. Date & Number of Supply Order : .....
4. Officer who issued Supply Order : .....
5. Name of Article : .....
6. Description as given in Quotation/Tender : .....
7. Specification as given in Quotation/Tender : .....
8. Quantity received : .....
9. Findings of inspection

Sl.No.	Item	As per Tender	As per Inspection
1.	Type of Raw Material (if raw material is wood name of wood)		
2.	Specification		
3.	Technical Details		
4.	Working Condition		
5.	Standard (ISI, BIS, BEE etc)		

10. Certificate

All the goods received as stated above were personally inspected by me. As satisfied on inspection I certify that

1. All goods received agree with the specifications given in the Tender are of good quality and new.
2. There are no defective or damaged goods.
3. The goods are of same measurements and made of the same raw materials as given in the tender and are in working condition.

4. On inspection of the machinery after installation it is found that they are working satisfactorily (strike off if not applicable).
5. On comparison with samples supplied it is found that the articles are same as samples. (Strike off if samples are not required).
6. Goods are of technical quality and standard (strike off if not applicable).
7. Additional information

.....

.....

.....

Place

Signature

Date

(Office Seal)

Name

Designation

(Officer who inspected and certified)

Annexure 19 :

**The Kerala Panchayat Raj (Acquisition and Disposal of Property) Rules, 2005.**

[See Para 5.7]

[Translation in English of the Kerala Panchayat Raj (Acquisition and Disposal of Property) Rules, 2005, published under the authority of the Governor.]

S. R. O. No. 258/2005.—In exercise of the powers conferred by section 178 of the Kerala Panchayat Raj Act, 1994 (13 of 1994) read with clause (xxxvii) of sub-section (2) of section 254 thereof, the Government of Kerala hereby make the following rules, namely:—

1. Short title and commencement.—

- (1) These rules may be called the Kerala Panchayat Raj (Acquisition and Disposal of Property) Rules, 2005.
- (2) They shall come into force at once.

2. Definitions.—In these rules, unless the context otherwise requires,—

- (a) 'Act' means the Kerala Panchayat Raj Act, 1994 (13 of 1994);
- (b) 'Director' means the Director of Panchayats;
- (c) 'Panchayat' means a Village Panchayat, a Block Panchayat or a District Panchayat;
- (d) 'Secretary' means the Secretary of a Village Panchayat or a Block Panchayat or a District Panchayat, as the case may be;
- (e) 'Property' includes the land, building and everything therein;
- (f) 'Competent Engineer' means a Civil Engineer appointed in the respective Panchayat under section 180 or lent to a Panchayat by Government under section 181 or authorised by Government by general or special order for this purpose with pecuniary powers prescribed for providing technical sanction to Original Estimates;
- (g) 'Section' means a section of the Act;
- (h) Words and expressions used but not defined in these rules, but defined in the Act shall have the meanings respectively assigned to them in the Act.

**CHAPTER I**  
**ACQUISITION OF PROPERTY**

3. Power to acquire property.—

- (1) A Panchayat may acquire any land or building within or outside its area either by purchase or otherwise in order to introduce any public facility or for providing any service, and may with the prior approval of the Government dispose of any of its property either by sale or otherwise.
- (2) The acquisition of land under sub-rule (1) may either be in accordance with the Land Acquisition Act for the time being in force and the rules made thereunder or through private purchase or free surrender.
- (3) A Panchayat, before acquiring any land under sub-rule (1) shall comply with the following conditions, namely:—
  - (a) Suitability certificate to the effect that the proposed land is suitable for the proposed purpose shall be obtained from the Deputy Director of Panchayats/Assistant Development Commissioner/District Collector in the case of Village/Block/District Panchayats respectively.

- (b) If the proposed property is for educational purpose, permission from the. Deputy Director of Education shall be obtained.
  - (c) Permission from the District Medical Officer shall be obtained in the case of Hospitals, Dispensaries etc.
4. Acquisition of land under the Land Acquisition Act.—
- (1) In case of acquisition of land by a Panchayat otherwise than by a bilateral agreement or free surrender, the provisions in the Land Acquisition Act for the time being in force and the procedure in the rules made thereunder shall be complied with.
  - (2) The Competent Engineer shall fix the value of the building or improvements, if any, in the land proposed to be acquired and the Secretary shall inform the said value to the Land Acquisition Officer concerned.
  - (3) The panchayat shall compulsorily be a party in all litigations that may come before a court, in respect of the value in land acquisition proceedings and where a case in this regard is filed or referred to a court the Land Acquisition Officer concerned shall intimate in writing the fact to the Panchayat concerned in the Government.
5. Acquisition of Land by bilateral agreement.—
- (1) In all cases wherein it is proposed to acquire land by bilateral agreement,—
    - (a) ensure that the land is free from liability by obtaining encumbrance certificate for 18 years from the Sub-Registrar Office concerned to prove the previous liability of the land proposed to be acquired;
    - (b) ensure that the owner has clear title and ownership right to dispose over the property proposed to be acquired by getting the title of the property scrutinised by the District Government pleader;
    - (c) ensure that the cost of land given for the land proposed to be acquired does not exceed that fixed in writing by the Tahsildar/District Collector concerned; and .
    - (d) ensure that the cost of the building or improvement, if any, upon the land does not exceed that fixed by the competent Engineer.
  - (2) In case the Panchayat is in need of any land or building for any public purpose, such land or building may be taken on lease subject to the terms as may be decided by the panchayat:  
 Provided that when such land or building is taken on lease, the lease rent shall be fixed only after proper valuation of the cost of the land or the building.
  - (3) The title deed of the property acquired by the Panchayat under sub-rule (1) shall be in accordance with Form No. 1 appended to these rules.
  - (4) Nothing mentioned in the aforesaid rules shall apply to any property acquired by a Panchayat upon a Judgment of a Court.

## **CHAPTER II**

### **DISPOSAL OF PROPERTY**

- 6. Transfer of Panchayat's own property through sale.—Panchayat may transfer any of its own property by sale with the prior permission of the Government and such transfer shall be in accordance with Form II appended to these rules.
- 7. Grant of Panchayat's own property for rent or lease on licence.—
- (1) A Panchayat may construct buildings for the purpose of trade or otherwise and can give the same to the public who require them on rent or lease on license in accordance with provisions

of the Act and the rules made thereunder and the bylaws that may be made by the Panchayat for this purpose and may also levy fees that may be decided by the Panchayat for its enjoyment and possession.

- (2) Every licence under sub-rule (1) shall contain the conditions for the enjoyment and possession of that building or room or space, in it and rate of fees and time of payment, and the above said conditions and stipulations shall be written in the form of an agreement in stamped paper of appropriate value and shall also be in accordance with Form III appended to these rules.
- (3) No building or room or space given on rent under sub-rule (1), shall be Sublette to another or change its nature of use by the licensee.
- (4) If at any time the Secretary feels that any building or room given on rent to any person under sub-rule (1), has been Sublette to another person, he shall cancel the licence issued to such person immediately by an order and direct the person or persons enjoying and possessing that building or room or space, as the case may be, to vacate within the time mentioned in the order.

Provided that the Secretary shall before issuing an order cancelling the licence and also before evicting the user or the possessor, give notice asking him to show cause the reason if any, for not issuing such order within a reasonable time, to be specified in the notice.

- (5) If the order under sub-rule (4) is not complied within the time specified therein, the Secretary shall evict such person or persons from the building, room or space with or without the assistance of police and the building, room or space, as the case may be, shall be closed. Thereafter all the properties found in that premises become the property of the Panchayat and shall be disposed of and the income therefrom shall be credited in the Panchayat fund.
- (6) Every person having been granted a licence as per sub-rule (1) shall remit without demand the licence fee and other charges at the rate specified in the agreement within the time mentioned therein.
- (7) If any licensee defaults the remittance of licence fee beyond the period for which the amount deposited in accordance with the provisions of the licence, the Secretary shall, by notice in writing, demand the defaulter to remit the amount due along with interest or fine provided for in the agreement, within days from the issuance of such notice and in the case of default, he shall make to close the premises temporarily at once and evict the possessor or possessors from there with or without the assistance of the police.
- (8) Even if such premises are closed under sub-rule (7), the licensee shall continue as the user and possessor of that premises and shall be responsible for the safety of the properties present there. Provided that he shall not open such premises by force or shall re-enter there.
- (9) When a premise is caused to be closed by the Secretary under sub-rule (7), he shall direct the licensee to remit the amount due within the period that may be specified in the notice.
- (10) If the licensee remits the amount demanded under sub-rule (9), the Secretary shall handover possession of the premises to him immediately and if he defaults the payment of that amount, the Secretary shall cancel the licence at once and the order of cancellation of the licence shall be communicated to him and where it is not possible to communicate to him personally that order, it shall be published in the premises closed under sub-rule (7) and it shall be deemed to be sufficient notice.
- (11) Where a licence has been cancelled by the Secretary under sub-rule (10) He shall after giving advance notice to the licensee and public notice dispose of the properties found in

the premises by auction or otherwise on the date notified and the income received from it shall be set off towards the amount due from the licensee and other expenses and charges connected with the sale and the balance, if any, shall be returned to the licensee. If the income received from such sale is not sufficient to set off completely the amount to be realised from the licensee and other charges and expenses connected with the sale, the balance amount shall be realised from the licensee as arrear of tax due to the Panchayat.

8. Transfer of property vested in the Panchayat.—

- (1) Any property of the Panchayat not owned but vested in it may be granted on lease without violating the terms on which it was vested in it.
- (2) The transfer under sub-rule (1) shall be in accordance with Form IV appended to these rules.

9. Grant on lease of the sides of roads and streets.—

- (1) The Panchayat may grant licence, subject to the conditions and restrictions it may deem proper, for erecting tents or other edifices temporarily in any public street vested with the Panchayat or in any other public place, the control of which is vested with the Panchayat.
- (2) The Secretary may remove any tent or edifices, or constructions connected with it without notice made as per the said sub-rule, after the expiry of the period for which the licence had been granted under sub-rule (1), and the expenses incurred for such removal thereof shall be realised as provided under section 210 of the Act from the licensee.
- (3) Panchayat shall have the power to lease out the sides of the roads and fringes of the streets vested in it, for possession, subject to the terms and conditions and for the period as it think fit.
- (4) Licence under sub-rule (1) or lease under sub-rule (3) shall not be granted if any construction or possession is likely to be injurious to the health or may cause inconvenience to the public or use of the road in such a manner may lead to severe interruption in other ways.
- (5) The Government may through an order restrict or limit the exercise of powers under sub-rules (1) and (3) by the Panchayats generally or by any Panchayat, particularly as it think fit.

10. Reservation for Scheduled-Caste/Scheduled Tribe categories and the Physically Handicapped.

- (1) The Panchayat shall reserve ten per cent of each item of the shop rooms, bunks, stalls etc. granted on rent or lease upon licence for persons belonging to scheduled caste/scheduled tribe categories and three per cent to the physically handicapped (having disability above 50%) and the same shall be granted by openly inviting applications from such categories alone.
- (2) Where there are no applicants from the category concerned even after openly inviting applications for the shop rooms, bunks etc. reserved under sub-rule (1), the same may be allotted to other categories, provided steps should be taken to allot the next arising vacant space for persons belonging to such category.

11. Transfers to be either in public auction or through tenders.—The transfers of the property of the Panchayat through sale, except renewal of licences, rehabilitation of licensees, granting of lease, letting out on rent, shall either be in public auction or by inviting tenders.

12. The Panchayats not to dispose of property transferred to them by Government.—Notwithstanding anything contained in Rule 8, the Panchayats shall not sell, transfer, alienate, create any encumbrance on, or otherwise dispose of, any property transferred to them by Government under sub-section (6) of section 166 or sub-section (5) of section 172 or sub-section (5) of section 173 of the Act.

ANNEXURE

**FORM I**

[See rule 5 (3)].

**ACQUISITION BY PURCHASE**

This DEED OF SALE is made on this the.....day of.....

.....between .....son of.....aged.

.....residing at.....(hereinafter called the 'vendor' which expression shall where the context so admits includes his heirs executives, administrators and legal representatives) of the ONE PART and .....Panchayat constituted under the Kerala Panchayat Raj Act, 1994 (13 of 1994).....(hereinafter called the 'purchaser' which expression shall where the context so admits includes its successors and assigns) of the other part.

WHEREAS, the vendor is the absolute owner of the property/properties mentioned and described in the schedule hereto, by virtue of ..... (here enter description of the documents under which the property developed on him); and whereas, the vendor has agreed with the purchaser Jo sell absolutely to the latter the said property with (tenement, trees, sheds) standing thereon for the price of ₹.....(Rupees .....only) for which the purchaser has agreed.

NOW THEREFORE THIS DEED WITNESSETH that the pursuance of the said agreement and in consideration of the sum of rupees ..... paid by the purchaser to the vendor on the day of ..... (the receipt whereof the vendor doth hereby acknowledge) the vendor doth hereby grant, convey and assign unto the purchaser all that piece or parcel of land situated in .....and more particularly described in the schedule hereunder written and which together with the messuage or tenement erected thereon is commonly called or known as ..... TOGETHER with all buildings, godowns, trees, commons, hedges, ditches, mud-walls, ways, waters, liberties, previlages, easements advantage and appurtenances whatsoever to the said piece or parcel of land, messuage and premises or any of them in any wise appertaining or heretofore occupied or enjoyed therewith AND all the estate, right, title, interest, property, claim and demand whatsoever of the vendor in and upon the same premise TO HAVE AND TO HOLD the said piece and parcel of land, messuage and premises hereby granted, conveyed and assigned unto the purchaser forever AND the vendor doth hereby covenant with the purchaser that he the vendor now hath good right to grant, convey and assigned the premises hereby granted, conveyed and assigned unto the purchaser in manner aforesaid AND that the purchaser shall and may at all times hereafter peacefully and quietly

possess and enjoy the said premises free from all encumbrances whatsoever and receive the rents and profits thereof without any lawful eviction, interruption, claim or demand whatsoever from or by the vendor or any other person or persons AND further that he the vendor and all persons having lawfully or equitably claiming any estate or interest in the said any premises or any of them or any part thereof from under or in trust for the vendor or from or under any of his ancestors shall and will from time to time and at all times hereafter at the request and cost of the purchaser do execute and register or cause to be done executed and registered all such acts, deeds and things whatsoever for further and more perfectly assuring the said premises and every part thereof unto the purchaser in the manner aforesaid as may be reasonably required;

IN WITNESS WHEREOF the vendor hath hereunto set his hand and seal on the day and year first above written.

### **SCHEDULE**

All that piece or parcel of land, banding and premises, situated in the Village of .....in the registration sub-district of ..... in the registration district of .....and bounded on the north by.....on the south by ..... on the east by ..... and west by .....bearing re-survey No.....and old survey No.....and containing on the whole by admeasurement..... (be the same more or less) signed, sealed and delivered by the above named vendor in the presence of witnesses.

.Witnesses:

1.....(Name, full address)

2.....(Name, full address)



**FORM II**  
(See rule 6)  
**TRANSFER BY SALE**

This Deed made on this the ..... day of .....  
between ..... son of ..... aged ..... residing at .....  
(hereinafter called the "purchaser" which expression shall where the context so admits include his heirs, successors, executors, administrators, and legal representatives and assigns) of the ONE PART and ..... Panchayat constituted under the Kerala Panchayat Raj Act, 1994 (13 of 1994) (hereinafter called the "vendor" which expression shall where the context so admits includes its successors and assigns) of the other part:

WHEREAS, the vendor is the absolute owner of the piece or parcel of the land, building and premises mentioned and described in the schedule hereto; AND whereas the vendor has agreed with the purchaser to pay rent, if any, outstanding to be paid and to sell absolutely free from all encumbrances to the latter the said property with ..... standing thereon for the price of ₹.....(Rupees .....only) for which the vendor has agreed; and whereas by Government Order No.....dated day of..... have sanctioned the sale of the properties mentioned below AND WHEREAS due notice of the sale in accordance with the rules in this regard, has been given.

NOW, THIS DEED WITNESSETH that in pursuance of the said agreement and in consideration of the sum of rupees ..... paid by the purchaser to the vendor on the day of ..... (the receipt whereof the vendor doth hereby acknowledge) being the beneficiary, authority assigned by law and also in accordance with other authority doth hereby grant, convey and assign unto the purchaser all that piece or parcel of land situated in .....and more particularly described in the schedule hereunder written and which together with the messuage or tenement created thereon is commonly called or known as .....

TOGETHER with all buildings, godowns, trees, commons, hedges, ditches, fences, mud-walls, ways, waters, water courses, liberties, previlages, easements, advantages and appurtenants whatsoever to the said piece or parcel of land, messuage and premises or any of them in any wise, appertaining or heretofore occupied or enjoyed therewith AND all the estate, right, title, interest, property, claim and demand whatsoever, of the vendor in and upon the property and the same premises to HAVE AND TO HOLD the said piece or parcel of land, massuage and

premises hereby granted, conveyed and assigned unto the purchaser forever AND the vendor doth hereby covenant and assign the premises hereby granted conveyed and assigned unto the purchaser in the manner aforesaid AND that the purchaser shall and may at all times hereafter peacefully and quietly posses and enjoy the said premises free from all encumbrances whatsoever and receive the rents and profits thereof without any lawful eviction, interruption, claim or demand whatsoever from or by the vendor or any other person or persons AND further that the vendor and all persons having lawfully or equitably claiming any estate or interest in the said premises or any of them or any part thereof from or under a trust for the vendor shall and will from time to time and at all times hereafter at the request and cost of the purchaser do execute and register or cause to be done executed and registered all such acts, deeds and things whatsoever for further and more perfectly assuring the said premises and every part thereof unto the vendor in manner aforesaid as shall may be reasonably required and the vendor hereby undertake and agree that he shall pay all assessments and taxes presently due or may be levied hereafter by the Government of Kerala.

IN WITNESS whereof..... for the Panchayat hath hereunto set his hand and seal of the panchayat on the day and year first above written.

#### **THE SCHEDULE**

All that piece or parcel of land, building and premises, situated in the Village of .....in the registration sub-district of ..... in the registration district of ..... in

.....District bounded on the north by.....

on the south by.....on the east by.....and on west by.....bearing survey No.....and containing on the whole by admeasurement.....

Signed, sealed and delivered by the.....

Panchayat Secretary on behalf of the .....Panchayat

in the presence of witnesses.

Witnesses

1 .....

2 .....

**FORM III**  
**TRANSFER OF RENT**  
[See rule 7 (2) ]

THIS INDENTURE made on this the.....day of .....  
BETWEEN ..... aged..... son of.....  
residing, carrying on business at (hereinafter called "the lessee" which expression, where the context admits, shall include his heirs, executors, administrators, legal representatives and assigns) of the ONE PART and the .....Panchayat constituted under the Kerala Panchayat Raj Act, 1994 (13 of 1994) (hereinafter called "the lessor" which expression where the context admits, shall include its official successors and assigns) of the OTHER PART.

1. In consideration of the rent hereby reserved and of the covenants by the lessor herein contained the lessor demises unto the lessee all that piece or parcel of land with building known as ..... with its premises situate in the registration sub-district of in the Registration District of ..... comprised in survey number ..... and more particularly described in the schedule attached hereto for a term of ..... years from the ..... day of ..... paying therefore in advance the rent of ₹..... (Rupees .....) for each year clear of all deductions the first of such payments to be made on the .....days of .....

2. The lessee covenants with the lessor as follows:—

(1) To pay the reserved rent on or before.....day of every month in advance and in the manner aforesaid.

(2) To bear, pay and discharge all taxes, charges, assessment and outgoings payable in respect of the demised building and premises.

(3) To keep the exterior and interior of the demised building premises and all additions thereto and the boundary walls and fences thereof and the drains, earthen pipes and other pipes and sanitary and water apparatus and electric fittings and fixtures thereof in good and tenable repair condition.

(4) Not to make or permit to be made under any circumstances any alterations in or additions to the demised buildings without the permission in writing of the lessor provided always that if the lessee, is permitted to make any alterations by the lessor, the lessee shall not be entitled to any compensation therefore.

(5) To permit the lessor with, or without workmen at all reasonable times on giving one day's previous notice to enter upon the demised land and to View the condition thereof and after one month from the date of serving notice to the lessee to do the repairs thereon.

(6) Not to assign or sub-let or part with the possession of the demised building or premises or any part thereof without obtaining prior written consent of the lessor.

(7) To yield up the demised building, premises, fixture and all additions thereto at the determination of tenancy in good and tenable repair and condition in accordance with the covenants herein contained.

3. The lessor covenants with the lessee as follows:—

(1) That the lessee paying the rent hereby reserved and observing and performing the several covenants and stipulations herein on his part contained shall peaceably hold and enjoy the demised house, building and premises during the said term without any interruption by the lessor or any person rightfully claiming under or in trust for the lessor.

(2) To carry out all repairs to main walls, roof and foundations due to wear and tear at his own cost and the decision of the ..... Divisional Executive Engineer for the time being to the necessity for such repairs being final.

4. PROVIDED ALWAYS and it is hereby expressly agreed by and between the parties hereto as follows:—

(1) If the rent hereby reserved or any part thereof shall be unpaid for 14 days after becoming payable (whether formally demanded or not) or if any covenant on the lessee's part herein contained shall not be performed or observed or if the lessee or other person in whom for the time being the terms hereby created shall be vested shall become insolvent then and in any of the time thereafter to re-enter upon to the demised premises or any part thereof in the name of the whole and there upon this rent deed shall absolutely determine but without prejudice to the right of action of the lessor in respect of breach of any of the lessee's covenant herein contained.

(2) If the lessee desires to determine the present rent deed and shall give to the other party three calendar months previous notice in writing of such desire then immediately on the expiration of the three calendar months the present demise and everything herein contained shall cease and be void but without prejudice to the remedies of one party against the other in respect of any antecedent claim or breach of covenant.

(3) On the written request of the lessee within three calendar months prior to the expiry of the period for which the lease is granted the lessor will grant on lease the rented building and premises for a further period of ..... years under the terms and conditions for renewal with the same terms and conditions contained on this indenture.

In witness whereof the.....for and on behalf of the lessor Panchayat have set their hands and the seal of the Panchayat is hereto affixed on the day and year first above written.

#### **SCHEDULE**

All that piece or parcel of land and permises situated in the registration sub-district of.....in the registration district of.....in the..... district and bounded on the north by.....on the south by ..... on the east by.....and on the west by.....bearing resurvey No.....

.....and old Survey No.....and containing on the whole by admeasurement..... (be the same more or less).

Signed and sealed by the above first named (lessee) in the presence of the following witnesses.  
Witnesses:

1. 2.

Signed by the second named, Panchayat Secretary, the lessor in the presence of witnesses.

Witnesses 1 .....

2 .....

(common seal of the office of the Panchayat affixed in the presence of.....)

**FORM IV**  
[See rule 8 (2)]  
**TRANSFER BY LEASE**

THIS INDENTURE made on this the.....day of.....

BETWEEN the Panchayat of.....constituted under the Kerala Panchayat Raj Act, 1994 (13 of 1994) (hereinafter called "lessor" which expression where the context admits shall include his successors and assigns) of the one part AND Sri/ Smt.....aged son/ daughter of.....residing at .....and

carrying on the business of.....(hereinafter called the "lessee" which expression where the context admits shall include his heirs, executors, administrators, legal representatives and permitted assigns) of the other part.

WHEREAS, the lessee has applied to the lessor for a lease of the property more particularly described in the first schedule hereto for a period and at the rate of lease rent prescribed and subject to the terms and conditions hereinafter contained in the second schedule.

AND WHEREAS, the lessor has agreed to grant a lease of the said property in the manner hereinafter contained.

**1. NOW THIS INDENTURE WITNESSETH:—**

That in consideration of the lease rent hereby reserved and of the covenants by the lessee herein contained the lessor demises unto the lessee, ALL that piece or parcel of land together with the building and premises known as ..... situate in the registration district of ..... in the registration sub-district

of ..... bearing survey No.....for the term from.....day of ..... month of ..... year.

**2. The lessee covenants with the lessor as follows:—**

(1) To pay the reserved rent on or before the first day of the month or before in advance and in the manner aforesaid.

(2) To bear, pay and discharge all existing and future charges, assessments and outgoings, payable in respect of the said buildings and boundaries inclusive of the ground rent of Rs .....(Rupees .....) or any other sum that may from time to time be levied as such, upon the piece or parcel of the land by the Collector of the .....district on behalf of the Central Government or the Government of Kerala.

(3) To Keep the exterior and the interior of the demised premises and all additions thereto and the boundary walls and fences additions thereto and the boundary walls and fences thereof and the drains, mud pipes, and other pipes and sanitary and water apparatus and electric fittings and fixtures thereof always in good and tenable repair and conditions and

(4) Not to make or direct to make or permit to be made under any circumstances any alterations in or additions to the demised land or buildings without the previous consent in writing of the lessor or the person authorised by

PROVIDED ALWAYS that if the lessee is permitted to make any alterations by the lessor the lessee shall not be entitled to any compensation therefore.

(5) To permit the lessor and his authorised officers or agents with or without workmen or others at all reasonable times on giving one day's previous notice to enter upon the demised premises and to view the condition thereof and upon notice being given by the lessor or his authorised officers to repair within one month from the date of service of the notice in accordance therewith.

(6) Not to assign, underlet or part with the possession of the demised property, building or premises or any part thereof without obtaining the prior written consent of the lessor.

(7) To yield up the demised building and premises with all fixtures thereon and additions thereto at the determination of the tenancy in good and tenable repairs and conditions in accordance with the covenants herein contained.

3. The lessor covenants with the lessee as follows: —

(1) The lessee paying the rent hereby reserved and observing and performing the several covenants and stipulations herein on this part contained shall peaceably hold and enjoy the demised building and premises during the said term without any interruption by the lessor or any person rightfully claiming under or in trust for him.

(2) IV carry out at his expense, all repairs to main walls, roof and foundations due to fair reasonable wear and tear and the decision of the Engineer as to the necessity for such repairs being final.

4. PROVIDED ALWAYS and it is hereby expressly agreed by and between the parties hereto as follows:—

(1) If the lease amount or rent hereby reserved or both or any part thereof is unpaid for 14 days after becoming payable (whether formally demanded or not) or if any covenant on the lessee's part herein contained is not performed or observed or if the lessee or any other person in whom for the time-being the terms hereby created shall be vested shall become insolvent then and in any of the said cases it shall be lawful for the lessor or his authorized officers at any time thereafter to re-enter upon the demised premises or any part thereof in the name of the whole and thereupon this indenture shall absolutely determine but without prejudice to the right of action of the lessor in respect of the breach of any of the lessee's covenants herein contained.

(2) If at any time it appears to the lessor (whose decision shall be final) that it is necessary in the public interest to determine the lease it shall be lawful for the said lessor forthwith to cancel this lease by notice in writing addressed to the lessee at his last known place of residence and therupon this lease shall absolutely determine and the lessee shall not be entitled to any compensation whatsoever in respect of such determination except a proportionate abatement of any rent that have been paid by the lessee in advance.

IN WITNESS whereof.....for and on behalf of the Panchayat and Sri/  
Smt.....the lessee have set their hands and the seal of the Panchayat is  
hereto affixed the day and year first above written.

### FIRST SCHEDULE

All that piece or parcel of land and premises situated in the village of .....  
in the registration sub-district of .....in the registration district  
of.....and bounded on the north by.....on the  
south by on the west by and on the east by ..... bearing survey No.....and  
Door No.....and containing on the whole by admeasurement  
..... (be the same more or less).

### THE SECOND SCHEDULE

Conditions imposed by the District Collector under rule  
.....

(1)

(2) (3)

Signed, sealed and delivered by the Secretary of the Panchayat in the presence of the following  
witnesses:

(1) (2)

Signed by Sri.....(the lessee) in the presence of witnesses

(1) .....

(2) .....

By order of the Governor,

S. M. VIIAYANAND,

Principal Secretary to Government.

### Explanatory Note

(This does not form part of the notification, but is intended to indicate its general purport.)

Section 178 of the Kerala Panchayat Raj Act, 1994 (13 of 1994) provide for the acquisition of  
immovable properties for public purpose by a Panchayat Clause xxxvii of sub-section (2) of  
section 254 empowers me Government to make rules for this purpose. Government purpose to  
make rules accordingly.

This notification is intended to achieve the above object.

Annexure 20:

**Tender Register for Purchase of Services**

[See Para 5.12]

1. Name of LSGI : .....
2. Designation and address of the officer  
Opening the proposal : .....
3. No. and Date of proposal : .....
4. Proposal for which service : .....
5. Date and time of opening the of proposal : .....
6. Name and signature of Members of the Social Audit Committee present at the time of opening the proposal
  1. ....
  2. ....
7. Name and signature of those who submitted proposals and are present at opening.
  1. ....
  2. ....
  3. ....
  4. ....
  5. ....

**Details of Proposal**

Sl. No.	Firm which submitted proposal	Date and time of receipt of proposal	Signature of the officer who received the proposal	To be written after opening	
				Amount demanded (item wise)	Signature of the officer who invited Tender
1	2	3	4	5	6

Signature

Name

(Office Seal)

(Officer who opened the proposal)



Annexure 21:  
(See Para 5.13 (ii))

**Model Format for Correspondence with Supplier after Breach of Contract**  
Registered Acknowledgement Due

**Office of the ..... (PO)**

**Address**

Date.....

To

M/s. ....

.....

**Sub: Contract no..... dated..... for supply of .....**

Dear Sirs,

The date of delivery of the subject contract expired on ..... As supplies against the same have not yet been completed, there is a breach of the contract on your part. The nature of breach and extent of loss sustained are detailed below. You are requested to furnish reply within 15 days after the receipt of this notice, show there in any reason to believe that there is no breach of contract on your part. If no satisfactory replay received within the said period, LSGI seek the legal remedies in this regard.

- 1.
- 2.
- 3.
- 4.

This is without prejudice to the rights and remedies available to the purchaser in terms of the contract and law applicable in this behalf.

Yours faithfully,

(.....)

for .....

Annexure 22:  
[See Para 5.15 (i)]  
**Payment Voucher**

Voucher No.....

.....Corporation/Municipality/.....Panchayat

..... District

**Receipt**

Received with thanks from..... a sum of ₹.....

(Rupees..... ) by cash/cheque/DD no

..... dated .....of.....(Name of the Bank)

Towards.....

Revenue  
Stamp

Name of the receiver :

Signature of the receiver with date :

Address of the receiver:

Annexure 23:

**Guidelines for Blacklisting of Manufacturers, Suppliers, Distributors, Contractors and Consultants in LSGIs**

[See Para 6.2.6 (vi), 6.2.8 (vii), 1.3(vii)]

**1. Scope**

These guidelines shall govern the blacklisting of manufacturers, suppliers, distributors, contractors and consultants ("contractors" for brevity) involved in Local Self Government procurement for offenses or violations committed during competitive bidding and contract implementation.

**2. Prohibition on Blacklisted Persons/Entities to participate in the Bidding of Government Projects/Contracts**

A person/entity that is blacklisted by any one LSGI in Kerala and approved by the DPC shall not be allowed to participate in the bidding of any project during the period of disqualification unless it is delisted as provided for in these guidelines.

A joint venture or consortium which is blacklisted or which has blacklisted member/s and/or partner/s as well as a person/entity who is a member of a blacklisted joint venture or consortium are, likewise, not allowed to participate in any LSGI's procurement during the period of disqualification.

In the case of corporations, a single stockholder, together with his/her relatives up to the third civil degree of consanguinity or affinity, and their assignees, holding at least twenty percent (20%) of the shares therein, its chairman and president, shall be blacklisted after they have been determined to hold the same controlling interest in a previously blacklisted corporation or in two corporations which have been blacklisted; the corporations of which they are part shall also be blacklisted.

**3. Sanctions and Grounds for Blacklisting**

**3.1 Competitive Bidding Stage**

During the competitive bidding stage, the procuring entity shall impose on bidders or prospective bidders the penalty of suspension for two (2) years for the first offense, suspension for three (3) years for the second offense from participating in the public bidding process, without prejudice to the imposition of additional administrative sanctions as the internal rules of the agency may provide and/or further criminal prosecution, as provided by applicable laws, for the following violations:

- a. Submission of eligibility requirements containing false information or falsified documents.
- b. Submission of Bids that contain false information or falsified documents, or the concealment of such information in the Bids in order to influence the outcome of eligibility screening or any other stage of the public bidding.
- c. Unauthorized use of one's name, or using the name of another for the purpose of public bidding.
- d. Withdrawal of a bid, or refusal to accept an award, or not enter into contract with the LSGI without justifiable cause, after he had been adjudged as having submitted the Lowest Calculated Responsive Bid or Highest Rated Responsive Bid.

- e. Refusal or failure to post the required performance security within the prescribed time.
- f. Refusal to clarify or validate in writing its Bid during post qualification within a period of seven (7) calendar days from receipt of the request for clarification.
- g. Any documented unsolicited attempt by a bidder to unduly influence the outcome of the bidding in his favor.
- h. All other acts that tend to defeat the purpose of the competitive bidding, such as but not limited to: an eligible contractor not buying bid documents or not complying with the requirements during bid evaluation, and contractors habitually withdraw from bidding or submitting letters of non-participation for at least three (3) times within a year, except for valid reasons.

In addition to the penalty of suspension, the bid security posted by the concerned bidder or prospective bidder shall also be forfeited.

### **3.2 Contract Implementation Stage**

For violations committed during the contract implementation stage, which include but not limited to the following:

- i. Failure of the contractor, due solely to his fault or negligence, to mobilize and start work or performance within the specified period in the Notice to Proceed ("NTP");
- ii. Failure by the contractor to fully and faithfully comply with its contractual obligations without valid cause, or failure by the contractor to comply with any written lawful instruction of the LSGIs or its Procurement Officer (s) pursuant to the implementation of the contract. For the procurement of infrastructure projects or consultancy contracts, lawful instructions include but are not limited to the following:
  - a. Employment of competent technical personnel, competent engineers and/or work supervisors;
  - b. Provision of warning signs and barricades in accordance with approved plans and specifications and contract provisions;
  - c. Stockpiling in proper places of all materials and removal from the project site of waste and excess materials, including broken pavement and excavated debris in accordance with approved plans and specifications and contract provisions;
  - d. Deployment of committed equipment, facilities, support staff and manpower; and
  - e. Renewal of the effectivity dates of the performance security after its expiration during the course of contract implementation.
- iii. Assignment and subcontracting of the contract or any part thereof or substitution of key personnel named in the proposal without prior written approval by the procuring entity.
- iv. For the procurement of goods, unsatisfactory progress in the delivery of the goods by the manufacturer, supplier or distributor arising from his fault or negligence and/or unsatisfactory or inferior quality of goods, as may be provided in the contract;
- v. For the procurement of consulting services, poor performance by the consultant of his services arising from his fault or negligence. Any of the following acts by the consultant shall be construed as poor performance:
  - a. Defective design resulting in substantial corrective works in design and/or construction;
  - b. Failure to deliver critical outputs due to consultant's fault or negligence; and

- c. Specifying materials which are inappropriate, substandard, or way above acceptable standards.
- d. Allowing defective workmanship or works by the contractor being supervised by the consultant.
- vi. For the procurement of infrastructure projects, poor performance by the contractor or unsatisfactory quality and/or progress of work arising from his fault or negligence as reflected in the existing performance monitoring system of the LSGIs shall be applied. Any of the following acts by the constructor shall be construed as poor performance:
  - a. Negative slippage of 15% and above within the critical path of the project due entirely to the fault or negligence of the contractor; and
  - b. Quality of materials and workmanship not complying with the approved specifications arising from the contractor's fault or negligence.
- vii. Willful or deliberate abandonment or non-performance of the project or contract by the contractor resulting to substantial breach thereof without lawful and/or just cause.

In addition to the penalty of suspension, the performance security posted by the contractor shall also be forfeited.

#### **4. Procedure for Suspension and Blacklisting during the Competitive Bidding Stage**

##### **4.1 Initiation of Action**

Any bidder/prospective bidder or duly authorized observer may initiate the suspension and blacklisting proceedings by filing a written complaint with the Procurement Plan Committee ("PPC")/Secretary of LSGIs/President/Procurement Officer, the receipt of complaints shall be placed before the PPC within three (3) days of receipt or the date of opening of any bid whichever is earlier.. The PPC may also motu proprio (by itself) commence the proceedings upon prima facie (self-sufficient) determination that the contractor as a bidder or prospective bidder has committed any of the grounds for blacklisting during the competitive bidding stage.

At the option of the LSGIs, a reasonable fee may be required for initiating the suspension and blacklisting proceedings.

##### **4.2 Notification**

Upon verification of the existence of grounds for blacklisting, the PPC shall immediately notify the contractor concerned in writing, advising him that:

- i. a complaint for suspension and blacklisting has been filed against her/him, or she/he has been considered by the PPC for suspension and blacklisting, stating the grounds for such;
- ii. she/he has the opportunity to show cause why he/she should not be suspended and blacklisted;
- iii. a hearing shall be conducted before the PPC, upon his request, where she/he may present documentary evidence, verbal testimony and cross-examine the witnesses presented against him; and
- iv. the consequences of being suspended and blacklisted.

Within five (5) calendar days from receipt of notification, the contractor shall submit its written answer with documentary evidence to the PPC with a manifestation for request of hearing to determine questions of fact, if he so desires. No time extension shall be allowed.

Should the contractor fail to answer within the same period, the PPC shall issue a resolution recommending to the LSGIs the immediate suspension of the contractor from participating in any bidding process of the agency and the forfeiture of his bid security.

#### **4.3 Hearings**

If a hearing is requested, the PPC shall immediately set the date and time for hearing. The hearing shall be non-litigious and shall be terminated within five (5) days.

The PPC may also invite a representative from a duly recognized private group in a sector or discipline relevant to the procurement at hand as an observer for each hearing.

If no request is made, the PPC shall make a determination of the case based on the complaint, answer, documentary evidence submitted and facts verified. If the PPC is convinced that the contractor is at fault, it shall issue a resolution recommending to the LSGIs the suspension of the contractor from participating in any bidding process of the agency and the forfeiture of his bid security.

#### **4.4 Decision**

The LSGIs shall, within fifteen (15) days from receipt of the resolution and the records of the PPC proceedings, determine whether reasonable cause exists for the suspension of the contractor and the forfeiture of the latter's bid security. If the LSGIs determines that such reasonable cause exists, shall issue a decision suspending the contractor from participating in any bidding process, and further declaring that her/his bid security is forfeited. Otherwise, shall dismiss the case.

The decision shall clearly and distinctly state the facts, evidence and the law on which it is based, as well as the date of effectivity of the penalty, if any.

The LSGI may delegate to the PPC the authority to impose the corresponding sanction(s) provided for in these guidelines.

In case a contractor commits more than one offense or a combination of offenses for the same project/contract in a particular agency, each violation shall be meted the corresponding penalty.

#### **4.5 Notice of Decision**

The LSGIs shall furnish the suspended contractor a copy of the decision immediately from its promulgation.

#### **4.6 Effect of Decision**

A contractor is suspended upon receipt of the notice of decision prohibiting him from participating in the bidding process of the LSGIs. The suspension shall remain in effect during the period of motion for reconsideration and protest and shall terminate only upon a reversal of the decision by the LSGIs or appellate authority.

If no motion for reconsideration or protest is filed, the decision shall become final and executory after the lapse of seven (7) calendar days from the receipt of the notice of decision. Thereafter, the LSGI shall issue a Blacklisting Order disqualifying the erring contractor from participating in the bidding of all government projects.

#### **4.7 Motion for Reconsideration**

A Motion for Reconsideration may be filed by the suspended person/entity within seven (7) calendar days from receipt of the notice of decision and shall be for either or both of the following causes, provided that only one (1) Motion for Reconsideration shall be filed with the blacklisting agency:

- a. The decision is not in conformity with the evidence and/or facts presented; and
- b. Newly discovered evidence or facts which could not be discovered and produced at the investigation and which when presented would probably alter the result of the investigation.

The LSGI shall resolve with finality the motion for reconsideration within fifteen (15) calendar days from the filing thereof and furnish suspended contractor a copy of the resolution immediately from its promulgation.

#### **4.8 Protest from Decision**

A protest may be filed by the suspended contractor with the appellate authority within seven (7) calendar days from receipt of the resolution on the Motion for Reconsideration.

#### **4.9 Finality of Decision**

The decision of the LSGI shall become final and executory after the lapse of seven (7) calendar days from the receipt of the notice of decision or resolution on the motion for reconsideration. If a protest is filed, the affirmed, modified or reversed decision shall become final and executory upon receipt thereof by the agency and person/entity concerned.

Upon finality of the decision suspending the contractor, the LSGI or appellate authority shall issue a Blacklisting Order disqualifying the erring contractor from participating in the bidding of all government projects.

### **5. Procedure for Blacklisting during the Contract Implementation Stage**

Upon termination of contract due to default of the contractor, the LSGI shall immediately issue a Blacklisting Order disqualifying the erring contractor from participating in the bidding of all government projects. The performance security of said contractor shall also be forfeited.

### **6. Status of Blacklisted Person/Entity**

Before the issuance of a Blacklisting Order, the erring contractor may participate in the procurement of any government project except in the LSGI, where she/he is suspended. But if Blacklisting Order is issued prior to the date of the notice of award ("NOA"), the blacklisted person/entity shall not be qualified for award and such project/contract shall be awarded to another bidder on the basis of next lowest bid criteria.

If the Blacklisting Order is issued after award of a government project/contract to the blacklisted person/entity, the awarded project/contract shall not be prejudiced by the said order: Provided, however, that the said offense(s) committed by the blacklisted person/entity is/are not connected with the awarded project/contract.

### **7. Delisting**

- 7.1 A blacklisted person/entity shall be automatically delisted after the period for the penalty shall have elapsed, unless the LSGI requests the DPC to maintain the blacklisted person/entity in the DPC Consolidated Blacklisting Report due to justifiable reasons. In the latter case, the blacklisted person/entity shall be delisted only upon the LSGI's issuance of a Delisting Order.

### **8. Methodology for Notification to the DPC**

- 8.1. Unless otherwise provided in these guidelines, the blacklisting agency concerned shall submit to the DPC, within seven (7) calendar days after the issue of the blacklisting order/delisting orders made by the agency, the following documents:

- a) Blacklisting Order duly signed by the LSGI/appellate authority containing, among others, Office Order or Board Resolution number, name and address of the blacklisted person/entity, license number, if applicable, name of project/contract and location/amount, specific ground(s)/offense(s) committed, sanction imposed and its date of start and completion, date of issuance of the order to blacklist, and other conditions which can extend duration of sanctions.
  - b) Delisting Order duly signed by the LSGI containing, among others, Department/Office Order or Board Resolution number, name and address of the blacklisted person/entity, name of project/contract and location, specific sanction being lifted and the number of previously issued blacklisting Office Orders or Board Resolutions, effectivity date of delisting, and date of delisting approval.
- 8.2. The DPC shall prepare the Consolidated Blacklisting Report every quarter, based on the submitted Blacklisting Orders as provided for in Para 8.1(a) hereof and disseminate the same to procuring entities and the Kerala State Audit Department (KSAD)The report shall be further posted in the DPC website and the Government Electronic Procurement System ("G-EPS") and shall indicate the number of times a person/entity has been blacklisted, the type of offense/violation committed, the penalty imposed, and the blacklisting agency concerned. The DPC shall delist from such report those whose sanctions are lifted automatically after serving the given penalty as provided for in Para 7.1 hereof and those whose sanctions are lifted through the issue of Delisting Orders.
- 8.3. In the case of procurement of infrastructure projects, if a LSGI decide to refer the case of its blacklisted person/entity to the Government of Kerala ("GoK") for license suspension/revocation, it shall submit to GoK a copy of the decision accompanied with supporting documents.



Annexure 24 :

### **Complaint Redressal Register**

[See 6.3.2(ii)]

(To be kept by Purchasing Officer/Purchase Committee/ Local Government/Social Audit Committee)

<b>Sl. No.</b>	<b>Name and address of Complainant</b>	<b>Date of receipt of complaint</b>	<b>Name of Purchase Officer mentioned in the complaint</b>	<b>Complaint in brief</b>	<b>Action taken on complainant</b>	<b>Date of Reply to complainant</b>	<b>Action taken if any against delinquent officer</b>	<b>Name &amp; Signature</b>
1	2	3	4	5	6	7	8	9