



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 1st 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

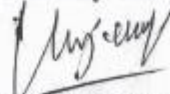
Joint Secretary to Government.

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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Forwarded/By Order,


Section Officer.

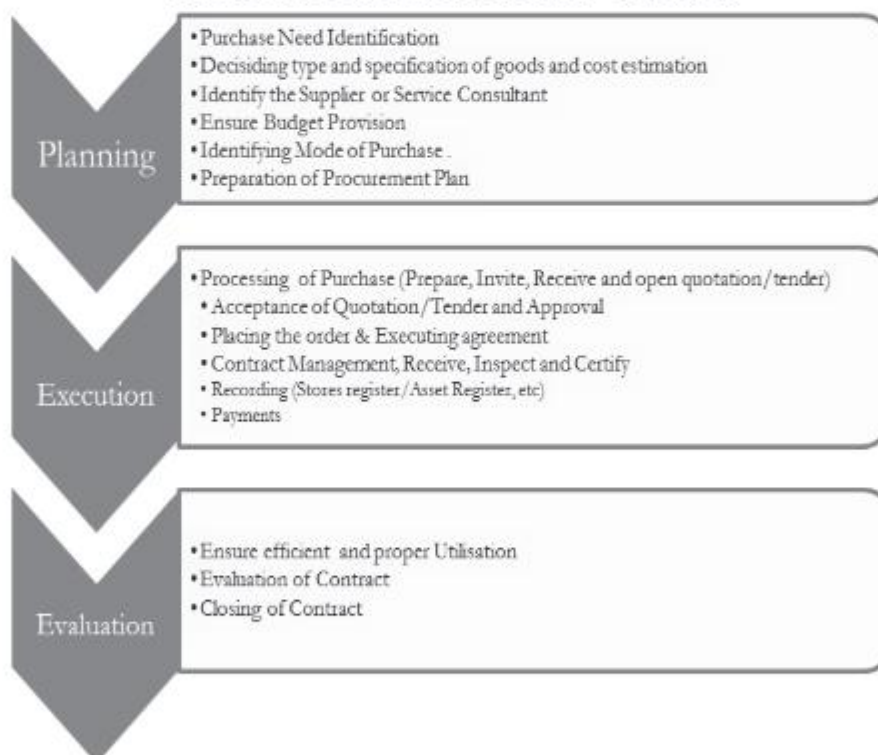
with a significant environmental impact such as timber, construction materials, energy, fuel, food, vehicles and equipments, stationery, clothing and cleaning products by ensuring the effective maintenance of goods, assets and repairing or reusing existing products.

- 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	• All Standing Committee Chairpersons • All Procurement Officers • Engineer, LSGD.
5.	Members	(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. (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).
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	(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) (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).
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.