



GOVERNMENT OF KERALA

Abstract

Finance Department-Selection and Accreditation of Agencies for execution of Public Works-Renewal and New Accreditation- Orders Issued

FINANCE (INDUSTRIES & PUBLIC WORKS - B) DEPARTMENT
G.O.(P) No. 95/2017/Fin. Dated, Thiruvananthapuram, 25/07/2017

Read 1) GO(P) No. 408/2007/Fin. dated, 7.09.2007
2) GO(P) No. 311/2014/Fin. dated, 30.07.2014
3) GO(Ms) No. 423/2014/Fin. dated, 26.09.2014
4) GO(P) No. 339/2015/Fin. dated, 7.08.2015
5) GO(P) No. 453/2015/Fin. dated, 9.10.2015
6) GO(P) No. 106/2016/Fin. dated, 27.07.2016
7) GO(P) No. 107/2016/Fin. dated, 27.07.2016
8) GO(P) No. 18/2017/Fin. dated, 09.02.2017
9) GO(Rt) No. 4723/2017/Fin. dated, 7.06.2017

ORDER

As per the Govt order read as 1st paper above, Government have issued general guidelines for the execution of Public Works through various accredited agencies other than PWD. In the Government Order read as 2nd paper above, revised guidelines were issued for the Selection and Accreditation of agencies authorised to execute public works. Accordingly a 'Selection Committee' was constituted as per the Govt order read as 3rd paper above, to advise Government on Selection and Accreditation of agencies. Based on the recommendations of the Selection Committee, Government accredited various agencies to execute public works as per the Orders read as 4th to 6th above.

2) Later, the Selection Committee on accreditation conducted a detailed review on the functioning of the accredited agencies and expressed concern on the quality of works executed by many of them. Consequently,

the existing guidelines for Selection of Accredited Agencies were modified as per Government Order read as 7th paper above. Accordingly the enlisted agencies have applied for renewal of their accreditation and certain new agencies have also applied for fresh accreditation.

3)As per the Government Order read as 9th paper above, Secretary (Finance Resources) was designated as the Chairman of the Selection Committee. The Selection Committee considered all the applications for renewal/fresh accreditation and evaluated those applications based on the criteria prescribed in the Government Orders read as 7th and 8th paper above. Based on the recommendations of the Selection Committee Government are pleased to issue the list of accredited agencies as shown in the **Annexure** to this Government Order and also issue the following guidelines for strict compliance for the proper execution of public works.

1. Accreditation will be temporarily for a period of one year and the accreditation shall be renewed only after review on the performance of Accredited Agencies by the Chief Technical Examiner (CTE)
2. Pursuant to the Judgement dated 23.03.2017 of Hon'ble High Court in WP(C) No. 39162 of 2016, the Public Works shall be entrusted to Accredited agencies as a Project Management Consultant (PMC) only which need to execute public works as being executed by any other Government Engineering Departments or PSUs in the State, except in the case of cost effective building works.
3. The Administrative Department shall adopt a fair and competitive bidding process for selection of an Accredited agency from those enlisted based on technical requirements, Centage charge etc.

4. The Administrative Department shall ensure that all relevant Government guidelines regarding execution of public works are complied by the Accredited Agency for the works entrusted.
5. Once an accredited agency is entrusted with a work, they shall not entrust such work or part of the work to another Government accredited agency as a contractor/PMC. However, for specialized works like soil investigation requiring physical infrastructure may be exempted from the above condition with prior approval of client department.
6. The nature of work as mentioned in the annexure of this Government Order shall only be entrusted to the Agency by Administrative Departments.
7. Technical Sanction (TS) for public works except cost effective building works undertaken by Non Governmental Agencies (NGOs) like HABITAT, COSTFORD, ULCCCS etc. shall be issued by the competent authority of concerned Engineering Department. In case, if the client department is not having the adequate technical personnel competent to issue Technical Sanction, the concerned engineering departments such as PWD/ Irrigation /LSGD/Harbour Engineering Department shall be entrusted with the responsibility of issuing Technical Sanction depending upon the nature of work.
8. In the case of Government agencies, Technical Sanction for works costing more than Rs. 5 Crores shall be accorded by the Government Technical Sanction (TS) Committee.
9. The Accredited agency who undertakes public works as Project Management Consultant (PMC) shall arrange the works through transparent bidding process. Exception for bidding is granted to agencies adopting cost effective building works like

Kerala State Nirmithi Kendra, District Nirmithi Kendras, HABITAT and COSTFORD.

10. The agencies taking up public works through cost effective building practices shall ensure that such constructions shall satisfy the relevant provisions in the National Building Code.
11. Contractor Profit (C.P) in the estimate is allowable only if the agency adopts a transparent bidding process for selection of contractors. No Contractor's Profit (C.P) is allowable if the agency execute the works directly. In such cases, applicable Over Head Charges and Centage Charges on the estimated value or value of work done, whichever is lower, will be payable to the executing agency.
12. In the case of works being executed by Non Governmental Accredited Agencies, joint check measurement shall be ensured involving a Government Engineer on behalf of the client department. .
13. In future, all Accredited agencies shall furnish monthly progress report to the Chief Technical Examiner for the works entrusted to them in addition to the mandatory reporting of pre-measurements.
14. Centage Charges on the estimated value or value of work done, whichever is lower, shall not exceed as per the details given below.
 - a) 5% for all works costing Rs. 5 Crores and above, subject to a minimum of Rs. 30 Lakhs
 - b) 6% for all work costing below Rs. 5 Crores and upto Rs. 3 Crores, subject to a minimum of Rs. 21 lakhs
 - c) 7% for all works costing below Rs. 3 Cores and upto Rs. 1 Crore, subject to a minimum of Rs. 8 Lakhs
 - d) 8% for all works costing below Rs. 1 Crore.

15. However, in the case of cost effective works being executed directly by the accredited agencies without any bidding process, necessary recoveries @0.50% of the estimated value or value of work done whichever is lower, shall be effected from the Project Management Consultancy (PMC) charges. Also these agencies will not be eligible for Contractor's Profit since they are entitled to receive part advance payments.

4) All other conditions stipulated in the previous Government orders on accreditation will continue to be in force.

5) This Government order will come into force with immediate effect.


By Order of the Governor

**MINHAJ ALAM IAS
Secretary (Finance Resources)**

To

The Princiapal Accountant General (A&E) Kerala, Thiruvananthapuram
The Principal Accountant General (G&SSA) Kerala,
Thiruvananthapuram
The Principal Accountant General (E&RSA) Kerala,
Thiruvananthapuram
All Heads of Departments and Offices
The Secretary to Governor
All Departments of Secretariat
All Private Secretaries to Ministers
Private Secretary to Chief Minister
Private Secretary to the Leader of Opposition
All Secretaries to Government
The Registrar, High Court of Kerala
The Secretary, Kerala Human Rights Commission,
Thiruvananthapuram
The Election Commissioner, State Election Commission,
Thiruvananthapuram
The Registrar, University of Kerala/Cochin/Kozhikkode/Kottayam
✓ The Nodal Officer, www.finance.kerala.gov.in
Stock file/Office Copy

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Section Officer



Annexure

List of Accredited Agencies

Sl. No.	Name of Agency	Maximum Value of Single Works (Rs. In Crore)	Total Cost of works eligible to be taken up newly in a FY (Rs. In Crores)	Area of Accreditation
1	Kerala State Electricity Board Ltd (KSEB)	75	565	General Works as PMC
2	KITCO Ltd	60	450	General Works as PMC
3	Bharath Sanchar Nigam Ltd (BSNL)	60	450	General Works as PMC
4	Kerala State Construction Corporation Ltd (KSCC Ltd)	50	340	General Works as PMC
5	Uralungal Labour Contract Co-operative Society Ltd (ULCCS Ltd)	150	500	General Works as PMC
6	Kerala State Housing Board (KSHB)	50	400	Building works
7	Kerala State Nirmithi Kendra (KESNIK)	45	340	General Works as PMC
8	Kerala State Coastal Area Development Corporation (KSCADC)	50	250	Building works in Fisheries Sector and coastal areas
9	Kerala Police Housing and Construction Corporation Ltd (KPHCC)	25	225	Building works under Home Department as PMC
10	Kerala Electrical & Allied Engineering Ltd (KEL)	25	225	Electro Mechanical works as PMC

11	Steel Industries Kerala Ltd (SILK)	25	225	Steel Structures, Electro Mechanical works as PMC
12	Centre for Science and Technology for Rural Development (COSTFORD)	25	60	General Works as PMC. In the case of Cost effective works, that can be executed without bidding process as non PMC
13	Kerala Land Development Corporation Ltd (KLDC)	25	150	Land Development works as PMC
14	Infrastructure Kerala Ltd (INKEL)	25	150	Industrial Land Development works as PMC
15	Habitat	25	250	General Works as PMC. In the case of low cost or cost effective works, works can be executed without bidding process as Non PMC
16	Kerala Irrigation Infrastructure Development Corporation Ltd (KIIDC)	11.5	115	Irrigation related works as PMC
17	Kerala Health Research & Welfare Society (KHRWS)	7.5	75	Building Works as PMC under Health Department.
18	Kerala State Electronics Development Corporation Ltd (KELTRON)	5	50	PMC for works approved by IT Department under the scheme MLA-SDF and LAC-ADS and Civil works costing less than Rs. 50 laka
19	Kerala Agro Industries Corporation Ltd (KAICO)	5	50	Industrial building works as PMC

20	District Nirmithi Kendra Wayanad	6	60	Cost effective works without bidding process within the District of their sphere of activity as Non PMC and general works as PMC
21	District Nirmithi Kendra Thrissur	4.5	15	Cost effective works without bidding process within the District of their sphere of activity as Non-PMC
22	District Nirmithi Kendra Kottayam	4.5	15	Cost effective works without bidding process within the District of their sphere of activity as Non PMC
23	District Nirmithi Kendra Kozhikkode	4.5	15	Cost effective works without bidding process within the District of their sphere of activity as Non PMC and general works as PMC
24	District Nirmithi Kendra Kannur	4.5	15	Cost effective works without bidding process within the District of their sphere of activity as Non-PMC
25	District Nirmithi Kendra Malappuram	4.5	15	Cost effective works without bidding process within the District of their sphere of activity as Non-PMC
26	District Nirmithi Kendra Palakkad	4.5	15	Cost effective works without bidding process within the District of their sphere

				of activity as Non-PMC and general works as PMC
27	District Nirmithi Kendra Kollam	4.5	15	Cost effective works without bidding process within the district of their sphere of activity as Non-PMC
28	District Nirmithi Kendra Alappuzha	4.5	15	Cost effective works without bidding process within the District of their sphere of activity as Non-PMC. Also general works as PMC
29	District Nirmithi Kendra Kasargode	4.5	15	Cost effective works without bidding process within the district of their sphere of activity as Non-PMC
30	District Nirmithi Kendra Ernakulam	4.5	15	Cost effective works without bidding process within the district of their sphere of activity as Non-PMC
31	HLL Infra Tech Services Ltd (HITES)	60	750	General Works as PMC
32	WAPCOS	35	450	General Works as PMC
33	Pinarayi Industrial Co-operative Society Ltd (PICOS)	1	2	General Works within the District of their sphere of activity as PMC for 1 year.