

Office of the B.D.O. Sanguem
Inward No. 2611
Date of Entry 18/10/06
Section E.O.R.E.
B.D.O. 18/10/06. Head Clerk

No. 19/13/DP/95-06/904
Government of Goa,
Directorate of Panchayats,
Junta House, 3rd floor, 3rd lift,
Panaji-Goa.

Dated: 4.10.2006.

CIRCULAR

**Sub: Procedure regarding tendering and manner of execution of works
by the Panchayats**

In order to streamline the procedure of tendering and execution of various works by the Panchayats, the following instructions are hereby issued which should be strictly followed by the Panchayats, Panchayat Secretaries and Block Development Officers with immediate effect:-

I Administrative approval and expenditure sanction.

The Panchayat shall pass a resolution to carry out any developmental work and submit a copy of the resolution to the respective B.D.O. for preparation of estimates and feasibility report and for obtaining technical sanction from the competent Engineer. The B.D.O, after the receipt of the resolution shall depute his E.O.R.E. for inspection of the site and for preparation of estimates, feasibility report, etc. The B.D.O. may also inspect the site alongwith E.O.R.E. After preparation of the estimates and feasibility report by E.O.R.E./B.D.O the file should be sent to the competent Engineer for obtaining technical sanction. After obtaining technical sanction (T.S.) from the competent Engineer, the file should be returned to the respective Panchayat by the B.D.O for obtaining expenditure sanction from the competent authority and for preparation of tender documents with the help of E.O.R.E. of the B.D.O.

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II Preparation of Tender Documents

After passing of the resolution by the Panchayat and obtaining the expenditure sanction for the works to be undertaken, the Panchayat with the help of E.O.R.E. of the B.D.O. shall prepare the tender documents. Such tender documents (NIT) should be prepared as per CPWD Form No. 6 which is to be supplied to the contractors alongwith the schedule of works. The tender documents should consist of all details like EMD, time limit and all other relevant conditions and information. The tender documents for every file should be ready before issue of tender notice.

III Calling of Tenders by publication of Tender Notice

- 1) The tender notice should be approved in the fortnightly meeting of the Panchayat before issue.
- 2) While issuing the tender notice a minimum time limit of 10 days should be given between the date of publication of the tender notice and the last date of filing application for the tender form.
- 3) There should be a minimum period of two days between the last date of issue of tender forms and the date of submission of the tender.
- 4) Where the estimated cost of the work is less than Rs.2.00 lakhs, the tender notice should be published on the Notice Board of the Village Panchayat and the nearest Panchayat offices of other Panchayats and one local newspaper widely circulated in the area. The tender notice should also be sent to the Government offices well in advance for publication on their respective Notice Boards. Where the work is costing more than Rs.2.00 lakhs, the tender notice should be published in two local newspapers one in English and the other in Marathi or Konkani, widely circulated in the area. Clear instructions should be issued to the Advertisement Managers of the newspapers concerned to publish the notice of tender ten clear days in advance before the last date of receipt of applications for tender forms.
- 5) CPWD form No. 7 should be supplied to the contractor in case of (percentage rate tender) if the work is costing upto Rs.2.00 lakhs.

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- 6) CPWD form No. 8 (item rate tender) should be supplied to the contractor if the work is costing above Rs. 2.00 lakhs.
- 7) 3% contingencies shown in the estimate should be excluded from the amount put for tender.
- 8) While applying for the tender papers the following documents should be presented alongwith the application by the contractor:-
 - i. Attested copy of the license of the contractor in the concerned category of work.
 - ii. Attested copy of valid income tax clearance certificate.
 - iii. Attested copy of valid sales tax clearance certificate.
- 9) The limit of work that can be executed by the Contractor shall be as follows:
 - i. Class V upto Rs. 1.50 lakhs.
 - ii. Class IV upto Rs. 5.00 lakhs. 4.50 lakhs.
 - iii. Class III above Rs. 5.00 lakhs.
- 10) The Government has enhanced the limit of estimated cost upto Rs.10.00 lakhs to be executed by the Panchayats in respect of certain works viz. construction of Community Hall/Gymnasium Hall/Children's Park/Crematorium/Panchayat Ghar and development of Playground. In other cases, the Panchayat may execute the work upto the estimated cost of Rs. 5.00 lakhs only.-

IV Opening and Scrutiny of tenders

After removing the sealed tenders from the tender box (which should be kept within the visible range of the Sarpanch/Secretary of the Panchayat), the same should be opened one by one.

- 1) Before opening the tenders, it should be ensured that all the tender papers are properly sealed.
- 2) Tender papers in respect of the works whose estimated cost is above Rs.2.00 lakhs should be opened in the presence of the Sarpanch, the Panchayat Secretary, other Panchayat members, Extension Officer

class III upto 15 L
class II upto 45 L

(Rural Engineering), the Assistant Engineer PWD/WRD and the Contractors. Where the works are costing less than Rs.2.00 lakhs the same should be opened in the presence of Sarpanch, Panchayat Members, Panchayat Secretary, E.O.R.E and the Contractors.

- 3) The tenders should be normally opened in the presence of the contractors, if they are present and they should be allowed to sign on the comparative statement.
- 4) All the Panchayat members, the Sarpanch, V.P. Secretary, E.O.R.E, A.E should sign on the tender covers before they are opened.
- 5) All the envelopes should be serially numbered work-wise, (e.g. if there are 4 tenders received, the numbers will be 1/4, 2/4, 3/4 and 4/4 with red ink).
- 6) There should be more than one tender. If a single tender is received quoting the amount above the estimated cost, the Panchayat may negotiate with the tenderer to lower the quoted amount and submit the tender document alongwith the file to the B.D.O. for scrutiny and approval.
- 7) Before opening and breaking the seal of the tender covers, the same should be shown to the Panchayat members present and contractors present.
- 8) All the corrections and overwriting should be noted on the tender paper and marked with red ink. If there are no corrections or overwritings it should be written clearly below the tender paper that corrections/overwriting are nil and the Sarpanch and the Secretary should sign the same.
- 9) Comparative statement should be prepared showing the percentage quoted by each Contractor in case of percentage rate tenders.
- 10) In case of item rate tenders comparative statement should be done with itemwise rates.
- 11) Comparative statement should be signed by the Sarpanch, Secretary, the Panchayat members present, Extension Officer (Rural Engineering), Assistant Engineer of PWD/WRD and the contractors present.

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- 12) The Panchayat can accept a tender upto 15% above the estimated cost in all types of civil works where minimum 50% of the works involves use of cement or coarse aggregate. But this is not applicable to the works such as development of grounds/crematorium/parks/soil conservation.
- 13) The Panchayat may accept the tenders upto 25% above the estimated cost only in respect of construction of roads, bridges, culverts.
- 14) Tenders pertaining to roads, buildings, water supply and drainage works quoting more than 20% below the estimated should be rejected.
- 15) The tender papers, the tender notices, applications of the contractors and all other documents alongwith the comparative statement should be sent to the B.D.O. for scrutiny and return. The scrutiny of the tender documents as far as practicable should be completed within a period of ten days and returned to the respective Panchayat.

V Approval of Government

Normally the power of Panchayat is to execute the works upto the estimated cost of Rs.10.00 lakhs in respect of certain works enumerated in clause III (10) above. In respect of works other than those mentioned in clause III(10) above, the estimated cost of the works is limited to Rs. 5.00 lakhs only. In case the estimated cost of tender works exceeds Rs.10.00 lakhs, or 5.00 lakhs as the case may be, the B.D.O. shall submit the file to the Director of Panchayats for obtaining Government approval.

VI Issue of Work Orders

- 1) On receipt of the file from the B.D.O. duly scrutinized, the same should be placed before the Panchayat in the ensuing fortnightly meeting for decision and thereafter the work order should be issued to the contractor for execution of the works within a period of three working days.
- 2) Copies of work orders for all works above Rs.2.00 lakhs should be sent to the respective B.D.O. and Deputy Director of Panchayats for information.

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VII Signing of Agreement/Contract

- 1) The agreement should be executed between the Panchayat and the contractor in CPWD form No. 7 in case of percentage rate tender and CPWD form No. 8 in case of item rate tender.
- 2) The agreement should be signed on every page by the Sarpanch, Secretary and the contractor.
- 3) Whenever any conditions are put by the B.D.O. or the Panchayat, the same shall be incorporated in the agreement as additional conditions.

VIII Layout inspection and supervision

The Sarpanch or the Secretary or the E.O.R.E shall give the layout of the work at the site to the contractor. The contractor shall give notice in writing addressed to the Sarpanch about the commencement of the work. During the work in progress the Sarpanch, the Ward Member, the V.P. Secretary, E.O.R.E. or the B.D.O. may inspect the work for the purpose of supervision and give appropriate direction to the contractor. The contractor shall not be allowed in any case to carry out the work beyond the estimated cost nor to change the Project on technical angle unless prior approval of the Panchayat and the B.D.O. is obtained.

IX Preparation of Bills and recording of measurements in M.B.

After completion of the work, the contractor shall give the notice of completion in writing to the Sarpanch and the Sarpanch after having satisfied that the work is complete in all respects shall inform the B.D.O to record the measurements in M.B. and issue a completion certificate so as to prepare the bills. Before making payment to the Contractor, the bill shall be placed for approval of the Panchayat body. In case of Running Account Bill the same procedure should be followed. The Panchayat shall make use of the same formats applicable to Government Departments (PWD) for preparation of bills, statement, estimates, withdrawal of security deposit and inspection reports etc.

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X. Maintenance of transparency

The Panchayat shall maintain transparency in dealing with the file of contracts. All files shall be opened for inspection to all members of the Panchayat as well as to the members of gram sabha. The Panchayat Secretary shall keep all the files in his custody and shall make available to the members of gram sabha or public for inspection as and when demanded under Right to Information Act, 2005.

Any lapse on the part of the Village Panchayat and the Panchayat Secretary and the B.D.O. in following the above procedure will be viewed seriously and they will be held responsible for the irregularities and liable for action as deemed fit. The above conditions may therefore, be strictly followed while tendering and executing the Panchayat works.

This Circular is issued in supersession of earlier Circular NO. 19/13/DP/95/5860 dated 22.5.2002

The receipt of this Circular may please be acknowledged.


(MENINO D'SOUZA.)
Director of Panchayats,
Panaji-Goa.

To,
The Sarpanch,
V.P. _____

Copy to: The Block Development Officer,
Salgueiro Block,
Salgueiro Goa.

(through B.D.O. for service and return)