

# **West Bengal State Rural Development Agency**

(An Agency of the Panchayats & Rural Development Department, Government of West Bengal:  
Registered under the West Bengal Societies Registration Act, 1961, Registration No.S/IL/17726 of 2003-2004)

## **Institutional Strengthening of Gram Panchayats (ISGP) Project Cell**

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No.209/ISGPP/20E-2/(Proc.)/39

Dated: 15.02.2012

### **ORDER**

#### **Sub: Procurement guidelines for implementation of schemes by the Gram Panchayats out of Block Grant of ISGP Project**

The question of formulation of Procurement Guidelines as per requirements of Project Implementation Manual (PIM) and as per agreed action plan of the State Government for the 1000 Gram Panchayats under ISGP Project for expenditure under block grant only but with a plan to roll out to non-ISGP GPs and other untied grants in future has been under active consideration of the Project Cell for sometime past. After careful consideration, the following Procurement Policy is hereby formed for information and compliance of all concerned:-

- 1). Primary objective of the infrastructure planned should be to avoid fragmentation/sansad wise division of works and to create sustainable and tangible asset. Annual development plans should be prepared to ensure that optimum utilization of untied funds are combined to create infrastructure or other assets/ services to deliver maximum benefits to the people in the specific area.
- 2). For implementation of schemes under ISGP, there is no bar in engaging contractors by the Gram Panchayats. But for compact work, Gram Panchayat must maintain the norms prescribed in West Bengal Panchayat (Gram Panchayats Accounts, Audit & Budget) Rules, 2007.
- 3). There shall be no rate contracts. For each individual scheme/work, contractor may be engaged by the Gram Panchayats following procedures prescribed in West Bengal Panchayat (Gram Panchayats Accounts, Audit & Budget) Rules, 2007. Materials may also be procured by the Gram Panchayats for execution of schemes considering the requirement of the materials for those schemes only. No rate contract shall be allowed i.e. the practice of taking rate for various materials at a time for implementation of various schemes over a considerable period of time is not permissible.
- 4). No special preference, price or purchase, will be accorded to any bidder, state owned enterprises, small scale enterprises or enterprises from any given State for implementation of schemes for which funds are drawn from the ISGP Block Grant. In other words, procurement of goods/materials shall neither be made directly from Cooperative Society/Government owned Company/ Government Undertaking/ neither Corporation etc. nor any special preference shall be given to them over other participating firms/agencies/ organizations and all should be evaluated on equal footing. All procurement under ISGP or where

ISGP funds are combined with other funds to implement a larger scheme will be based on comparing price quotations obtained from several suppliers( in case of goods) and several contractors ( in case of works) with minimum of three suppliers / contractors or as applicable, in each case.

- 5). There shall be no negotiation of price with the bidders for schemes where ISGP funds are used i.e. the rate offered by a bidder in a particular bid shall be treated as final and subsequent negotiation with that bidder for change in price shall not be allowed. Post bidding negotiation will be treated as corrupt practice and will be disallowed.
- 6). Selective exemption of bid security or performance security to any class of bidders shall not be allowed. To be specific, there shall not be any exemption in deposition of earnest money for any Cooperative Society/Government owned Company/ Government Undertaking/Corporation/Engineering Co-operative etc. All participating bidders will be treated on equal basis only and no favorable/ special considerations will be accorded to any bidders.
- 7). Bids shall not be invited on percentage rate basis and shall not be rejected based on a ceiling on bid premium. In other words, the bidders will quote rates in absolute numerical values (both in figures and words) against the estimated cost, not in percentage against estimated cost of a scheme.
- 8). Bids shall be accompanied with detailed bill of quantities, design drawings wherever applicable. Bill of Quantities should also include Environment/Social Management Plan wherever applicable as detailed in the ESMF for each type of works. All the estimates should be detailed in the ESMF for each type of works. All the estimates should be detailed item-wise with their respective specification and supported with drawing in case of civil structures and shall be included in the tender document made available to the progressive bidder.
- 9). Issues related to ESMF must be mentioned in the Tender Form and also in the contract form, i.e. no work can be done which is affecting environment or interest of the vulnerable group. On the other hand, contractor must cover those areas for restoring environment and benefit of the marginalized section of the locality. Plan should be prepared in such a manner that weaker sections of the society viz.S.T.,S.C. are not ill-affected by the development work.
- 10). Complete records of all procurements made should be retained for audit.. A register for contracts must be maintained at the Gram Panchayats and available for inspection.
- 11). Stock and asset registers must be maintained by the Gram Panchayats in the respective formats.
- 12). For each scheme, there must be photographs before execution, during execution and after completion of works. These photographs may be displayed at the respective Sansads and in the GP office for public awareness of the work done for at least a period of 3 months with details of the works done.
- 13). Single tender should not be floated for multiple works under this project.

- 14). Security deposit as performance guarantee of 8% shall be obtained in the form of D/D or Bank guarantee or as prescribed in existing rules, and should be released after 6 months in case of civil structural works and 3 months in all other cases.
- 15). Any bid emanating from cartelization of bidders should be cancelled and re-tender /fresh tender must be invited.
- 16). Bidder(s) should be asked to submit rate analysis for items where the quoted rates are either too high or low than the engineer's estimate. Such bids may also be considered as null and void if there is a reason to believe that the bidders have formed a cartel and rates have been manipulated, unbalanced or unreasonable.
- 17). Pre-bid conference/meeting (if proposed) with the bidders at least seven days before the date of dropping should be done in case of projects with work value of `2,00,000/- (Rupees two lakh) and environment and social safeguards issues may also be explained in the meeting.
- 18). The stipulations regarding manner and days of tender publication as envisaged under amended Rule (2)(i)(b)-(e) of this Department Notification no.832/PN/O/1/3R-5/0(Pt-1V) dated 5<sup>th</sup> April,2010 shall be strictly followed.
- 19). Wide publicity of tender notices should be ensured and receipt of notices by various offices and paper cuttings of newspaper advertisement should be kept in records for audit and transparency.
- 20). Separate file should be maintained for each scheme and all records pertaining plan proposals, approvals, tender notice, drawing, estimates, measurement-sheets and payment vouchers etc. should be preserved and made available for audit. Payment vouchers and details of payment should be entered in the GPMS promptly for each financial transactions under Receipt or Expenditures, as application.
- 21). All the bids must be accompanied with current P.T., Sales Tax/VAT, Trade licence, latest I.T. return and requisite credentials (100% in case of structural works and 50% in other works of similar nature work during last three years) among other requisites.
- 22). Multiple bids (more than one bid by same bidder) and variable rates (two rates of same item by same bidder in a tender) shall be rejected outright.
- 23). The NIT must encompass in details the scope of work, location of work, estimated value of the work and expected days for completion of the work among other things.

It may be noted that other existing statutory accounting/ financial guidelines emanating from the Finance Department/Panchayats & Rural Development Department of the Government of West Bengal shall continue to remain in force in addition to these Policy guidelines. In case of conflict/overlapping, the World Bank guidelines will prevail.

The order issues with the approval of the Principal Secretary, Panchayats & Rural Development Department. Govt. of West Bengal. This order being applicable to ISGPP GPs and Block Grant shall take **immediate effect** & will remain in force until further order.

All concerned are being informed.

*Soumya Purkait*

(Soumya Purkait)  
Project Manager, ISGPP, SRD Programme Director and  
OSD & Ex-Officio Deputy Secretary  
Panchayats & Rural Development Department

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Dated: 15.02.2012

Copy forwarded for information & necessary action to:-

- 1) The Joint Secretary, Policy Cell, P&RD Department.
- 2) The District Magistrate & Executive Officer, ..... Zilla Parishad.
- 3) The Additional Executive Officer, ..... Zilla Parishad.
- 4) The District Panchayats & Rural Development Officer, .....
- 5) The Procurement Manager, ISGPP & Administrative Officer, SRD Cell.
- 6) The P.S. to MIC, P&RD Department.
- 7) The Finance Manager, ISGPP Cell.
- 8) The PA to Principal Secretary, P&RD Department.
- 9) The District Coordinator, DCU for ISGPP.
- 10) The Pradhan ..... Gram Panchayat.
- 11) Shri/Smt. ....
- 12) The Guard File.

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