



**GOVERNMENT OF KERALA**

**Abstract**

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

**FINANCE (INDUSTRIES & PUBLIC WORKS - B) DEPARTMENT**  
**G.O.(P) No. 142/2017/Fin. Dated, Thiruvananthapuram, 09/11/2017**

Read:- 1) GO(P) No. 95/2017/Fin dated, 25.07.2017  
2) GO(P) No.122/2017/Fin dated, 18/09/2017  
3) Representation submitted by M/s TDLCCS, District Nirmithi Kendra Thiruvananthapuram, Pathanamthitta and KEL (before the Hon'ble Minister (Finance))

**ORDER**

As per G.O. read 1<sup>st</sup> paper above Government have issued the list of accredited agencies with detailed guidelines for the execution of Public Works through accredited agencies other than PWD.

- 2) As per G.O. read 2<sup>nd</sup> above Government modified the G.O read 1<sup>st</sup> to the extent that all labour contract Co-Operative Societies having men on their roll and machinery in their own stock are eligible to execute public works as Non PMC.
- 3) Government received representations from agencies as per 3<sup>rd</sup> paper read above to include them in the list of accredited agencies and also to modify the area of accreditation. Government have examined the matter in detail and are pleased to include Thrissur District Labour Contract Co-operative Society Ltd, Nirmithi Kendra Thiruvananthapuram and Pathanamthitta also in the list of accredited agencies and to modify the area of accreditation of KEL Ltd.



4) Government are also pleased to order that the Non PMC agencies shall have no bar in getting engaged as PMCs since Non PMC status is given as an additional advantage considering their capacity in man power and machinery.

5) Annexure to the GO read as 1<sup>st</sup> above is modified as follows

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
Thrissur District Labour Contract Co-operative Society	7.5	75	General Works without bidding process as Non PMC
District Nirmithi Kendra Thiruvananthapuram	4.5	15	Cost effective works without bidding process within the district of their sphere of activity as Non PMC.
District Nirmithi Kendra, Pathanamthitta	4.5	15	Cost effective works without bidding process within the district of their sphere of activity as Non PMC
KEL	25	225	Electro Mechanical works and Civil works as PMC

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](http://www.finance.kerala.gov.in)  
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Section Officer





**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 1<sup>st</sup> 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 2<sup>nd</sup> 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 3<sup>rd</sup> 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 4<sup>th</sup> to 6<sup>th</sup> 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 7<sup>th</sup> 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 9<sup>th</sup> 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 7<sup>th</sup> and 8<sup>th</sup> 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 Principal Accountant General (A&E) Kerala, Thiruvananthapuram  
The Principal Accountant General (G&SSA) Kerala,  
Thiruvananthapuram  
The Principal Accountant General (E&RSA) Kerala,  
Thiruvananthapuram  
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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  
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