

GOVERNMENT OF ANDHRA PRADESH

ABSTRACT

IT,E&C Department - eProcurement – Revised Guidelines for operating eProcurement Corpus fund and transaction fee to be administered by APTS Limited – Orders – Issued.

INFORMATION TECHNOLOGY, ELECTRONICS & COMMUNICATIONS
(eProcurement) DEPARTMENT

G.O.MS.No. 17

Dated: 31-10-2017

Read the following:

1. G.O.Ms.No.20, IT,E&C Dept., Dt.06.07.2004.
2. G.O.Ms.No. 4, IT,E&C Dept., Dt.17.02.2005.
3. G.O.Ms.No. 23, IT,E&C (eProc) Dept., Dt. 03.08.2005.
4. G.O. Ms. No.10, IT,E&C (eProc) Dept., Dt.23.07.2010.
5. G.O. Ms. No.11, IT,E&C (eProc) Dept., Dt.23.07.2010.
6. APTS Board of Directors Resolution, dated 12.01.2017.
7. Steering committee minutes of the meeting, dated 21.3.2017.

ORDER:

Government has taken up eProcurement as a major eGovernance initiative to maintain the transparency in procurement of works, goods and services etc. The project is taken up under PPP model when launched in 2004. Vide G.O. 1st read above, orders were issued mandating all the Departments/PSUs/ Local bodies to use eProcurement only for all works with an estimated cost of Rs.10.00 lakhs & above and for goods and services with an estimated cost of Rs. 5.00 lakhs & above.

2. To make the Project self-sustainable, two types of charges are being levied as given below:

- a. **eCorpus fund:** Vide G.O. 2nd read above, user departments authorized to collect 0.04% of Estimated Contract Value (ECV) with a cap of Rs.10,000/- (Rupees Ten Thousand only) for all works with ECV up to Rs.50.00 Crores and a cap of Rs.25,000/- (Rupees Twenty Five Thousand only) for all works with ECV above Rs.50.00 Crores from the successful bidders towards eCorpus fund before entering into agreement / issue of purchase order(s). Vide G.O. 3rd read above, detailed guidelines were issued on using eProcurement Corpus fund. Broadly, the concerned department collecting the fund may use 50% of the fund for IT activities and balance 50% may be used by IT,E&C Dept., for IT needs of eProcurement.
- b. **Transaction fee:** Vide G.O. 4th read above, the participating bidders shall pay a transaction fee @ 0.03% of ECV with a cap of Rs.10,000/- (Rupees Ten Thousand only) for all works with ECV up to Rs.50.00 Crores and a cap of Rs.25,000/- (Rupees Twenty Five Thousand only) for all works with ECV above Rs.50.00 Crores at the time of bid submission electronically.

3. Andhra Pradesh Technology Services Limited (APTS) is acting as the fund manager for eCorpus fund and Transaction fee vide G.O. 2nd & 5th read above. Government has not paid any service charges to APTS since inception of project for managing these accounts.

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4. Vide G.O. 3rd read above, the guidelines were issued during the year of 2005 for usage of eProcurement Corpus funds and the Steering Committee in its meeting held on 21.03.2017 has examined the proposal of APTS on this issue and made recommendations vide reference 7th read above.

5. Government after careful examination, hereby issued the following guidelines for utilization of eProcurement Corpus fund and Transaction fee by amendment/insertion to the orders issued vide G.O. 3rd read above based on recommendations of Steering committee:

- a. APTS will be paid service charges @ 5% of eProcurement Corpus fund and eProcurement Transaction fee accrued as on 31.03.2017 towards services rendered by APTS. After 01.04.2017, the service charges @ 5% of eProcurement Corpus fund and eProcurement Transaction fee will be paid to APTS on monthly basis.
- b. Out of balance 95% of eProcurement Corpus fund, 47.50% shall be the share of respective user departments, which floated the tender and 47.50% shall be the share of IT,E&C Department.
- c. The IT,E&C Department's share of 47.50% of eProcurement Corpus fund and balance 95% of eProcurement Transaction fee shall be managed by APTS in a separate account. These funds will be used for the Innovative Projects taken up through APTS with the prior approval of IT,E&C Department and eProcurement portal maintenance, support, up gradation etc., as defined in G.O 3rd read above.

6. This order shall come into force with immediate effect.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADEH)

DINESH KUMAR
CHIEF SECRETARY TO GOVERNMENT

To
All the Departments of Secretariat
All the Heads of Departments.
All the Public Sector Units/Boards/Local Bodies.
The Managing Director, APTS.

Copy to:

The OSD to Hon'ble Minister, IT,E&C Department
The PS to Chief Secretary to Government of Andhra Pradesh.
The PS to Prl. Secretary to Government, IT,E&C Department.
SF/SCs

// FORWARDED::BY ORDER //

SECTION OFFICER