KARNATAKA ACT NO. 6 OF 2019
(First Published in the Karnataka Gazette Extra-ordinary on the 24th day of January 2019)

THE KARNATAKA TRANSPARENCY IN PUBLIC PROCUREMENTS
(AMENDMENT) ACT, 2018
(Received the assent of the Governor on the 21st day of January 2019)

An Act further to amend the Karnataka Transparency in Public Procurements Act, 1999.

Whereas it is expedient further to amend the Karnataka Transparency in Public Procurements Act, 1999 (Karnataka Act 29 of 2000) for the purposes hereinafter appearing;

Be it enacted by the Karnataka State Legislature in the Sixty ninth year of the Republic of India as follows:-

1. Short title and commencement.- (1) This Act may be called the Karnataka Transparency in Public Procurements (Amendment) Act, 2018.

(2) It shall come into force at once.

2. Amendment of long title and preamble.- In the Karnataka Transparency in Public Procurements Act, 1999 (Karnataka Act 29 of 2000) (hereinafter referred to as the principal Act), in the long title and preamble, after the words “processing and acceptance of tenders”, the words “and includes Contract execution Management” shall be inserted.

3. Amendment of section 2.- In section 2 of the principal Act,-

(i) for clause (aa), the following shall be substituted, namely:-

“(aa) ‘Contract execution management’ means activities that are undertaken by the Procurement Entity for construction works, Goods and Services after issue of final letter of acceptance to the selected bidder, which include but are not restricted to creation of milestones and activities, creation of delivery schedules, measurement, inspection, processing of bills, creation of variation orders and payment.”

(ii) for clause (aaa), the following shall be substituted, namely:-

“(ab) ‘Electronic reverse auction’ means an online real-time procurement technique utilized by the procuring entity to select the
successful bid, which involves submission by technically qualified bidders of 
successively lowered bids during a prescribed period of time and the 
automatic evaluation of bids."

(iii) after clause (c), the following shall be inserted, namely:

"(ca) 'Karnataka Public Procurement Portal' means a procurement 
platform of electronic media comprising of procurement process set up and 
managed by the State Government through integrated enabled procurement 
tools incorporated by customization."

(iv) for clause (h), the following shall be substituted, namely:

"(h) 'tender' means the formal offer made for supply of goods or 
services or construction works and includes tenders done through Electronic 
Reverse Auctions' in response to an invitation for tender published in the 
Karnataka Public Procurement Portal."

(v) clauses (j) and (k) shall be omitted.

(vi) for clause (l), the following shall be substituted, namely:

"(l) "tender Document" means the set of document including in 
electronic form detailing the schedule of works, calendar of events, 
requirement of goods and services, technical specifications, procurement 
criteria and such other particulars, as may be prescribed for evaluation and 
comparison of tenders;"

4. Amendment of section 4.- In section 4 of the principal Act,-

(i) clause (d), shall be omitted.

(ii) in clause (e),

(a) in sub-clause (i), after the words "construction works", the 
words "and consultancy services" shall be inserted.

(b) in sub-clause (ii), after the words "services other than", the 
words "the consultancy services and" shall be inserted.

5. Insertion of new sections 6A, 6B and 6C.- After section 6 of the 
principal Act, the following shall be inserted, namely:-

"6A. Procurement through electronic reverse auction.- The procedure to 
be followed and the category of procurements which shall be subject to Electronic 
Reverse Auctions shall be as may be prescribed.

6B. Procurement through Government e-Market place (Gem).- Where 
the goods or services are procured through on line at Government e-Market place
(Gem) created by Government of India which is an end to end procurement system for commonly used goods and services for Government buyers subject to such norms as may be prescribed and from the date as may be notified by the Government.

6C. Preferences to Micro and Small Enterprises: To encourage Micro and Small Enterprises, preferences may be given them in such manner subject to such conditions as may be prescribed by the Government.

Explanation.- For the purpose of this section, Micro and Small enterprises shall have the same meaning as defined in the Micro, Small and Medium enterprises Development Act, 2006 (Central Act 27 of 2006)

6. Amendment of section 7: For section 7 of the principal Act, the following shall be substituted, namely:

"7. The Karnataka Public Procurement Portal.-(1) The State Government shall set up and maintain a State Public Procurement Portal accessible to the public for posting and exhibiting matters relating to public procurement.

(2) Every procurement under this Act shall be carried out through the Karnataka Public Procurement Portal.

(3) Each procuring entity shall cause the procurement related information to be exhibited as required under this Act or the rules made there under on the portal referred to in sub-section (1).

(4) Each procuring entity shall carry out Contract execution Management in the Karnataka Public Procurement Portal with effect from such date and in such departments as may be notified by the Government."

7. Omission of section 8: Section 8 of the principal Act, shall be omitted.

8. Amendment of section 12: In section 12 of the principal Act, in sub-section (1),

(i) clause (b) shall be omitted;

(ii) for clause (c), the following shall be substituted, namely:

"(c) to cause publication of notice inviting tenders in the prescribed manner on the Karnataka Public Procurement Portal;"

(iii) for clause (d), the following shall be substituted, namely:

"(d) to make available Tender Documents to every intending tenderer on the Karnataka Public Procurement Portal;"
(e) The details of tenders received in response to the notice inviting tender shall be compiled and made available to the Authority or officer authorized to open the tenders on the Karnataka Public Procurement Portal.

9. Amendment of section 13.- In section 13 of the principal Act, for the words "the tender bulletin officer", the words "on the Karnataka Public Procurement Portal" shall be substituted.

10. Amendment of section 14.- In section 14 of the principal Act, in sub-section (2), for the words "Tender Bulletin", the words "the Karnataka Public Procurement Portal" shall be substituted.

11. Insertion of section 14A.- After section 14 of the principal Act, the following shall be inserted, namely:-

"14A. Debarment of tenderers.- (1) The procurement entity may debar tenderers, for a period not exceeding three years, from participation in its tenders, following such procedure as may be prescribed on the ground that tenderer is engaged in corrupt or fraudulent practices in competing or executing the contract including misleading the procuring entity at any stage of procurement activity with a fraudulent intention:

Provided that, no tenderer shall be debarred without giving opportunity of being heard.

(2) The State Government may debar tenderers for a period not exceeding three years, from participating in any procurement activity within the State, following such procedure as may be prescribed, on grounds of, but not restricted to, criminal offence, corruption, integrity, honesty and work ethics:

Provided that, no tenderer shall be debarred without giving opportunity of being heard.

(3) The State Government shall publish the list of so debarred tenderers under sub-section (2) from participating in any procurement activity on the Karnataka Public Procurement portal.

(4) The tenderer so debarred under sub-section (2) shall not be entitled to apply to participate in tenders called by any procurement entity under this Act during the period so debarred.

12. Amendment of section 16.- In section 16 of the principal Act, in sub-section (1), for the word "thirty" in two places where they occur, the word "fifteen" shall be substituted.
13. Omission of section 18A.- Section 18A of the principal Act, shall be omitted.

The above translation of ಸಂಬಂಧದಲ್ಲಿ ಸ್ಥಾನೈಯ ಸ್ಥಾನಾಂಕಿಕರು, ವಿನ್ಯಾಸನದಲ್ಲಿ (ಹಿನ್ಸುವೆ) ಸ್ಥಾನಾಂಕ, 2018 (2019ರ ಸಂಬಂಧದಲ್ಲಿ ಸ್ಥಾನಾಂಕ ಸ್ಥಾನ: 6) be published in the official Gazette under clause (3) of Article 348 of the Constitution of India.

VAJUBHAVALA
GOVERNOR OF KARNATAKA

By Order and in the name of the Governor of Karnataka,

(K. DWARAKANATH BABU)
Secretary to Government
Department of Parliamentary Affairs