



The Karnataka Transparency in Public Procurements Act, 1999

Act 29 of 2000

Keyword(s):

Construction Works, Goods, Procurement Entry, Public Procurement, Services, Specified Good or Services, Tender, Tender Accepting Authority, Tender Bulletin, Tender Bulletin officer, Tender Document

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THE KARNATAKA TRANSPARENCY IN PUBLIC PROCUREMENTS ACT, 1999

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STATEMENT OF OBJECTS AND REASONS

Act 29 of 2000.- In the recent past irregularities in the processing of tenders occurred in the various Government Departments, Public Sector Undertakings, Statutory

Boards, etc., due to inadequate publicity of tenders, restricted supply of tender documents and resulting in lack of transparency in evaluation and acceptance of tenders.

In the Budget speech of the year 1997-98, it has also been announced that in order to prevent recurrence of such irregularities, it has been decided to bring about a legislation to provide for transparency in the tender processes and to regulate the procedure in inviting, processing and accepting tenders.

Hence the Bill.

(Obtained from L.C. Bill No. 12 of 1999.)

Amending Act 21 of 2001.- Clause (e) of section 4 of the Karnataka Transparency in Public Procurements Act, 1999 excludes applicability of Chapter II of the Act to the Government Departments in respect of procurement of goods or services of the value not exceeding rupees five lakhs and to the local authorities in case of implementing mini water supply and construction of school rooms of the value not exceeding rupees two lakhs and in any other case where the value does not exceed rupees one lakh.

Keeping in view the escalation in prices, it was felt necessary to have a uniform limit in respect of Government Departments as well as procurement of goods and services in the case of public sector undertakings, etc.

Therefore it is considered necessary to amend the Act to exclude the applicability of Chapter II of the Act,-

(i) in respect of procurement made by the Government Departments, State Government Undertaking or any Board, Body or Corporation established by or under any law and owned or controlled by the Government, Zilla Panchayats, City Municipal Corporations, City Municipal Councils, Hyderabad Karnataka Area Development Board, Malnad Area Development Board and Bayaluseeme Development Board for construction work of all types of values not exceeding rupees five lakhs and in case of goods and services other than construction work, of the value not exceeding rupees one lakh.

(ii) Where the procurement of goods or service is by Grama Panchayat, Taluk Panchayat, Town Municipal Councils, Town Panchayats or Urban Development Authorities for the purpose of implementing mini waters supply scheme or construction of school rooms of the value not exceeding rupees two lakhs and in other cases, of the value not exceeding rupees one lakh.

Hence the Bill.

(Obtained from LA Bill No. 20 of 2001 (File No. SAMVYASHAE 33 SHASHANA 2001)

Amending Act 4 of 2003:-

Clause (d) of section 4 of the Karnataka Transparency in Public Procurements Act, 1999 (Karnataka Act 29 of 2000) provides for exemption from the applicability of the Act for a period of two years from the date of commencement of the Act, in respect of the Government Departments, Public Sector Undertakings, Boards, Corporations and such other Institutions specified by the Government. It is considered necessary to extend the period of exemption from the existing period of two years to three years.

Hence the Bill

(Obtained from LA Bill No.3 of 2003 (File No. SAMVYASHAE 05 SHASANA 2003)

KARNATAKA ACT NO. 29 OF 2000

(First Published in the Karnataka Gazette Extraordinary on the thirteenth day of December, 2000)

THE KARNATAKA TRANSPARENCY IN PUBLIC PROCUREMENTS ACT, 1999.

(Received the assent of the Governor on the tenth day of December, 2000)

(As amended by Act 21 of 2001 and 4 of 2003)

An Act to provide for ensuring transparency in public procurement of goods and services by streamlining the procedure in inviting, processing and acceptance of tenders by Procurement Entities, and for matters related thereto.

WHEREAS it is expedient in public interest to render the process of procurement of goods and services by Procurement Entities transparent by streamlining the procedure in inviting, processing and acceptance of tenders.

BE it enacted by the Karnataka State Legislature in the fiftieth year of the Republic of India as follows:-

CHAPTER I

1. Short title and commencement.- (1) This Act may be called the Karnataka Transparency in Public Procurements Act, 1999.

(2) It shall be deemed to have come into force with effect from the fourth day of October, 2000.

2. Definitions.- In this Act, unless the context otherwise requires,-

(a) 'Construction Works' means putting up, demolishing, repairs or renovation of buildings, roads, bridges or other structures including fabrication of steel structures and all other civil works;

(b) 'Goods' means Machinery, Motor Vehicles, Equipment, Furniture, Articles of Stationary, textiles raw materials, drugs, scientific instruments, chemicals, food grains, oil and oil seeds or other commodity required for consumption, use or distribution by a Procurement Entity in discharge of its public duties;

(c) 'Government' means the State Government;

(d) 'Procurement Entity' means any Government Department, a State Government Undertaking, Local Authority or Board, Body or Corporation established by or under any law and owned or controlled by the Government, and any other body or authority owned or controlled by the Government and as may be specified by it.

(e) 'Public Procurement' or 'procurement' means purchase of goods, obtaining of services or undertaking of construction works by the procurement entities;

(f) 'Services' means the action of serving, attending upon, helping or benefiting a Procurement Entity in the course of discharging its public duties and includes construction works;

(g) 'Specified goods or Services' means the goods or services as the case may be specified in a tender and identified in the contract resulting from acceptance of a tender on account of a procurement entity;

(h) 'Tender' means the formal offer made for supply of goods or services in response to an invitation for tender published in a Tender Bulletin;

(i) 'Tender Accepting Authority' means an officer or a Committee appointed to accept tenders and a 'Tender Inviting Authority' means an officer or a Committee appointed to invite tenders, under section 9;

(j) 'Tender Bulletin' means a bulletin published for the State as a whole or for any district or districts within the State containing the details of invitation, processing and acceptance of Tenders;

(k) 'Tender Bulletin Officer' means a State Tender Bulletin Officer or a Tender Bulletin Officer referred to in section 7;

(l) 'Tender Document' means the set of papers 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.

3. Provisions not to apply to certain Projects.- The provisions of this Act in so far as they are inconsistent with the procedure specified in respect of the Projects funded by International Financial Agencies or Projects covered under International Agreements, shall not apply to procurement of goods or services for such project.

4. Exceptions to applicability.- The provisions of Chapter II shall not apply to Procurement of goods and services,-

(a) During the period of natural calamity or emergency declared by the Government ;

(b) Where the goods or services are available from a single source or where a particular supplier or contractor has exclusive rights in respect of the goods or services or construction work and no reasonable alternatives or substitutes exist:

Provided that for the purpose of this clause there shall be a committee of three experts consisting of one technical representative of the procuring entity one technical representative of the Government organisation dealing with similar procurement and one representative from a reputed Academic or Research Institution or Non-Commercial Institution having expertise in such line to examine and declare that the goods or services are available from a single source;

(c) Where the procuring entity having procured goods, services or technology from a supplier or contractor determines that additional supplies must be procured from the same supplier or contractor for reasons of standardization and compatibility with the existing goods, service or technology;

(d) Where the goods or services are procured from certain Departments of Government, public sector undertakings, statutory boards and such other institutions specified by the Government and such goods are manufactured or services are provided by them, for a period not exceeding ¹[three years]¹ from the date of commencement of this Act;

¹ Substituted by Act 4 of 2003 w.e.f. 27.3.2003.

¹[(e) Where the procurement is by the Government Departments, State Government Undertakings, or any Board, Body or Corporation established by or under any law and owned or controlled by the Government or Zilla Panchayats constituted under the Karnataka Panchayat Raj Act, 1993 or City Municipal Corporations established under the Municipal Corporations Act, 1976 or City Municipal Councils established under the Karnataka Municipalities Act, 1964 or the Hyderabad Karnataka Areas Development

Board constituted under the Hyderabad Karnataka Area Development Board Act, 1993 or Malnad Area Development Board constituted under the Malnad Area Development Board Act, 1991 or the Bayaluseeme Development Board constituted under the Bayaluseeme Development Board Act, 1994,-

1. Clause e and ee substituted by Act 21 of 2001 w.e.f. 25.8.2001.

(i) in case of construction works of all types the value of which does not exceed rupees five lakhs;

(ii) in case of goods or services other than construction works the value of which does not exceed rupees one lakh;

(ee) where the procurement of goods or services is by the Grama Panchayats and Taluk Panchayats constituted under the Karnataka Panchayat Raj Act, 1993, Town Municipal Councils or Town Panchayats constituted under the Karnataka Municipalities Act, 1964 or Urban Development Authorities constituted under the Karnataka Urban Development Authorities Act, 1987,-

(i) for the purpose of implementing mini water supply scheme or construction of school rooms and the value of such procurement does not exceed rupees two lakhs; and

(ii) for other purposes and the value of such procurement does not exceed rupees one lakh.]¹

(f) Where the goods or services are procured under rate contracts from the Director General of Supplies and Disposals or from the Stores Purchase Department of the State; and

(g) in respect of specific procurements as may be notified by the Government from time to time.

(h) in respect of spot purchase of cotton by Spinning Mills, purchase of oil seeds by the Karnataka Agro-Industries Corporation or the Karnataka Co-operative Oil Seeds Grower's Federation, purchase of sugarcane by Sugar Mills, direct purchase of paddy by the Agricultural Produce Market Committees and the Karnataka Food and Civil Supplies Corporation, purchase of cloth by the Karnataka Handloom Development Corporation, purchase of silk by the Karnataka Silk Industries Corporation, purchase of milk by the Karnataka Milk Producers Co-operative Federation, purchase of palm oil by the Karnataka Food and Civil Supplies Corporation and the Karnataka Co-operative Oil Seeds Grower's Federation, purchase of cloth by the Government Departments and public sector undertaking from the Karnataka Handloom Development Corporation and purchase by such other organizations or purchase of any other material as may be notified by the Government from time to time.

CHAPTER II

REGULATION OF PROCUREMENT

5. Procurement other than by Tender Prohibited.- On and from the date of commencement of this Act no Procurement Entity shall procure goods or services except by inviting Tenders for supply.

6. Procurement Entities to follow Procedure.- No tender shall be invited, processed or accepted by a Procurement Entity after the commencement of this Act except in accordance with the procedure laid down in this Act or the rules made thereunder.

7. Tender Bulletin Officers.- (1) The Government may by notification appoint an officer not below the rank of a Deputy Secretary to Government of the concerned department to be the State Tender Bulletin Officer for the State in respect of that Department where the procurement of that department covers more than one district.

(2) Deputy Commissioner of the District shall be the District Bulletin Officer.

8. Publication of Tender Bulletin.- (1) The State Tender Bulletin Officer, or as the case may be, the District Tender Bulletin Officer shall on receipt of intimation relating to notice of invitation of tender from tender inviting authority or information relating to details of acceptance of tender under section 13 or rejection of tender under section 14 from the tender Accepting Authority, publish within the prescribed time, the State Tender Bulletin or as the case may be District Tender Bulletin.

(2) The Tender Bulletin shall be made available for sale in the office of the Tender Bulletin Officer and in such other places as the Tender Bulletin Officer deems fit to make available.

9. Tender Inviting Authority and Tender Accepting Authority.- (1) The Procurement Entity may, by order, appoint, -

(i) one or more of officers or a Committee of Officers to be the Tender Inviting Authority for any specified area, specified procurement or specified class of goods or services, and

(ii) one or more of officers or a Committee of Officers to be the Tender Accepting Authority for any specified area or Specified Procurement, specified class of goods and services:

Provided that where a multi-member Committee is already appointed for any Procurement Entity for discharging the function of accepting tenders, such Committee shall be deemed to be a Tender Accepting Authority appointed under this Act.

10. Tender Scrutiny Committee.- The Tender Accepting Authority may constitute a Tender Scrutiny Committee consisting of such persons as it deems fit to scrutinise tenders above five crores in the case of the Public Works, Irrigation and Minor Irrigation Departments of the Government and above rupees one crore in other cases.

11. Opening of Tenders.- (1) The Procurement entity may authorise either the Tender Inviting Authority or the Tender Accepting Authority or any other Officer to open the Tenders and draw up a list of Tenderers responding to the notice inviting tender, in each case.

(2) The Authority, or as the case may be the officer referred to in sub-section (1) shall open the tender, draw up a list of tenderers in the prescribed manner and unless it is also the Tender Accepting Authority, forward the tenders along with the list of tenderers, to the Tender Accepting Authority.

12. Duties of Tender Inviting Authority.- (1) It shall be the duty of every Tender Inviting Authority,-

(a) to take out notice inviting tenders at the behest of the Procurement Entity in the prescribed manner;

(b) to communicate the notice inviting tenders by marking a copy thereof to the Tender bulletin Officer concerned immediately after issue of the notice;

(c) to cause publication of notice inviting tenders in the prescribed manner; and

(d) to supply the Schedule of Rates and Tender Documents to every intending tenderer who has applied to get such documents.

(2) The Tender Inviting Authority shall take out notices, communications and publications required to be taken out under this section in such form, in such manner, by such mode and at such time and interval as may be prescribed and different manner and mode of publication may be prescribed for different procurements depending on the value of the procurement.

(3) The Tender Inviting Authority shall collect all the details received in response to the notice inviting tender, within the time stipulated and unless it is itself authorised to open the tender shall compile and forward all the tenders received to the Authority or Officer authorised to open the tenders.

13. Acceptance of Tender.- The Tender Accepting Authority shall, after following such procedure as may be prescribed pass order accepting the tender and shall communicate the information relating to acceptance of tender together with a comparative analysis and reasons for accepting of tender to the procurement entity and the Tender Bulletin Officer:

Provided that where the Tender Accepting Authority consists of single officer who is due to retire within the next six months, from the date fixed for the acceptance for tender, he shall not act to accept the tender without obtaining prior approval of the Procurement Entity:

Provided further that subject to such general or special order as may be issued by the Government from time to time, the Tender Accepting Authority may before passing order accepting a tender negotiate with lowest tenderer.

14. General rejection of tenders.- (1) The Tender Accepting Authority may at any time before passing an order of acceptance under section 13 reject all the tenders on the ground of changes in the scope of procurement, failure of anticipated financial resource, accidents, calamities or any other ground as may be prescribed which would render the procurement unnecessary or impossible and report the same to the Procurement Entity.

(2) The Procurement Entity shall thereafter communicate the fact of the rejection under this section to all the Tenderers and also cause the same to be published in the Tender Bulletin.

15. Power to give directions.- It shall be competent for the Government to give appropriate directions to the Procurement Entity or the Authorities under this Act in order to secure and maintain transparency at any stage of the process of procurement, and it shall be duty of the Procurement Entity or such authority to comply with the directions.

16. Appeal.- (1) Any tenderer aggrieved by an order passed by the Tender Accepting Authority other than the Government under section 13 may appeal to the prescribed authority within thirty days from the date of receipt of the order:

Provided that the prescribed authority may, in its discretion allow further time not exceeding thirty days for preferring any such appeal, if it is satisfied that the appellant had sufficient cause for not preferring the appeal in time.

(2) The prescribed authority may after giving opportunity of being heard to both the parties pass such order thereon as it deems fit and such order shall be final.

(3) The prescribed authority shall as far as possible dispose of the appeal within thirty days from the date of filing thereof.

17. Power to obtain information.- Notwithstanding anything contained in this Act or in any other law for the time being in force, the Government may with a view to ensuring transparency call for and obtain, from any Authority under this Act, any information relating to any matter in the process of procurement.

18. Power to call for records.- The Government may at any time, with a view to ensuring transparency in the procurement process call upon any authority under this Act,-

- (i) to produce records relating to invitation, processing and acceptance of tenders ;
- (ii) to furnish the tender document, estimates/statements/accounts or statistics relating to such tenders; and
- (iii) to furnish report on any specific point incidental to the procurement.

CHAPTER III

MISCELLANEOUS

19. Officers deemed to be Public Servants.- Every Officer acting under or in pursuance of the provisions of this Act or under a rule, order or notification made thereunder, shall be deemed to be a public servant within this meaning of section 21 of the Indian Penal Code, 1860 (Central Act XLV of 1860).

20. Immunity for action taken in good faith.- No suit or other legal proceeding shall lie against the Government or any officer or authority empowered to exercise powers or perform the functions under the Act in respect of anything which is in good faith done or intended to be done under this Act.

21. Bar of Jurisdiction of Courts.- Save as otherwise provided in this Act no order passed or proceedings taken by any officer or authority under this Act shall be called in question in any court, and no injunction shall be granted by any court in respect of any action taken or to be taken by such officer or authority in exercise of powers conferred on him or it, by or under this Act.

22. Act to override other laws.- The provisions of this Act shall have effect notwithstanding anything inconsistent therewith contained in any other law for the time being in force or any custom or usage, agreement, decree or order of a Court or a Tribunal or other Authority.

23. Penalty.- Whoever contravenes the provisions of this Act or the rules made thereunder shall be punishable with imprisonment for a term which may extend to three years and with fine which may extend to five thousand rupees.

24. Power to remove difficulties.- If any difficulty arises in giving effect to the provisions of this Act, the Government may, by order published in the Gazette make such provisions not inconsistent with the provisions of the Act as appear to them to be necessary or expedient for removing the difficulty:

Provided that no such order shall be made after this expiry of a period of two years from the date of commencement of the Act.

25. Power to make rules.- (1) The Government, may by notification, make such rules as are necessary for carrying out the purposes of this Act.

(2) Every rule made or notification or order issued under this Act shall as soon as possible, after it is made or issued, be placed before each House of the State Legislature while it is in session for a total period of thirty days, which may be comprised in one session or in two or more successive sessions and if before the expiry of the session in which it is laid or the sessions immediately following both Houses agree in making any modifications in the rule, notification or order or both Houses agree that the rule, notification or order shall not be made, the rule or notification or order shall thereafter have effect only in such modified form or be of no effect, as the case may be, so, however that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule or notification or order.

26. Savings.- All rules, regulations, orders, notifications departmental codes, manuals, bye-laws, official Memoranda, circular or any other order made or issued before the commencement of this Act and in force on the date of such commencement providing for or relating to any of the above matters for the furtherance of which this Act is enacted shall continue to be in force and effective as if they are made under the corresponding provisions of this Act, to the extent they are not inconsistent with the provisions of this Act and unless and until superceded by anything done or any action taken or any rule, notification or order, is made under this Act.

27. Repeal and savings.- (1) The Karnataka Transparency in Public Procurements Ordinance, 2000 (Karnataka Ordinance No. 8 of 2000) is hereby repealed.

(2) Notwithstanding such repeal anything done or any action taken under the principal Act as amended by the said Ordinance shall be deemed to have been done or taken under this Act.

* * * *

(The above translation of the ಕರ್ನಾಟಕ ಸಾರ್ವಜನಿಕ ಸಂಗ್ರಹಣೆಗಳಲ್ಲಿ ಪಾರದರ್ಶಕತೆ ಅಧಿನಿಯಮ, 1999 (2000ರ ಕರ್ನಾಟಕ ಅಧಿನಿಯಮ ಸಂಖ್ಯೆ 29) was published in the Official Gazette (Extraordinary) dated 16.2.2001 as No. 352 (Note: No. DPAL 29 Shasana 1999 dated 16.2.2001) under clause (3) of Article 348 of the Constitution of India.)

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KARNATAKA ACT NO.21 OF 2001
THE KARNATAKA TRANSPARENCY IN PUBLIC
PROCUREMENTS (AMENDMENT) ACT, 2001

ARRANGEMENT OF SECTIONS

Sections:

1. Short title and commencement.
2. Amendment of section 4

.STATEMENT OF OBJECT AND REASONS

Clause (e) of section 4 of the Karnataka Transparency in Public Procurements Act, 1999 excludes applicability of Chapter II of the Act to the Government Departments in respect of procurement of goods or services of the value not exceeding rupees five lakhs and to the local authorities in case of implementing mini water supply and construction of school rooms of the value not excluding rupees two lakhs and in any other case where the value does not exceed rupees one lakh.

Keeping in view the escalation in prices, it was felt necessary to have a uniform limit in respect of Government Departments as well as procurement of goods and services in the case of public sector undertakings, etc.

Therefore it is considered necessary to amend the Act to exclude the applicability of Chapter II of the Act,-

- (i) in respect of procurement made by the Government Departments, State Government Undertaking or any Board, Body or Corporation

established by or under any law and owned or controlled by the Government, Zilla Panchayats, City Municipal Corporations, City Municipal Councils, Hyderabad Karnataka Area Development Board, Malnad Area Development Board and Bayaluseeme Development Board for construction work of all types of values not exceeding rupees five lakhs and in case of goods and services other than construction work, of the value not exceeding rupees one lakh.

- (ii) where the procurement of goods or service is by Grama Panchayat, Taluk Panchayat, Town Municipal Councils, Town Panchayats or Urban Development Authorities for the purpose of implementing mini waters supply scheme or construction of school rooms of the value not exceeding rupees two lakhs and in other cases, of the value not exceeding rupees one lakh.

Hence the Bill.

(Vide L.A.Bill No.20 of 2001. File No. ಸಂವಿಧಾನ 33 ಶಾಸನ 2001)

KARNATAKA ACT 21 OF 2001

(First published in the Karnataka Gazette Extra-ordinary on the Twenty Fifth day of August, 2001)

THE KARNATAKA TRANSPARENCY IN PUBLIC PROCUREMENTS (AMENDMENT) ACT, 2001

(Received the assent of the Governor on the Twenty Fourth day of August, 2001)

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

Whereas it is expedient 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 Fifty-second year of the Republic of India as follows:-

1. Short title and commencement.- This Act may be called the Karnataka Transparency in Public Procurements (Amendment) Act, 2001.

(2) It shall come into force at once.

2. Amendment of section 4.- In section 4 of the Karnataka Transparency in Public Procurements Act, 1999 (Karnataka Act 29 of 2000) for clause (e), the following shall be substituted, namely:-

"(e) where the procurement is by the Government Departments, State Government Undertakings, or any Board, Body or Corporation established by or under any law and owned or controlled by the Government or Zilla Panchayats constituted

under the Karnataka Panchayat Raj Act, 1993 or City Municipal Corporations established under the Municipal Corporations Act, 1976 or City Municipal Councils established under the Karnataka Municipalities Act, 1964 or the Hyderabad Karnataka Areas Development Board constituted under the Hyderabad Karnataka Area Development Board Act, 1993 or Malnad Area Development Board constituted under the Malnad Area Development Board Act, 1991 or the Bayaluseeme Development Board constituted under the Bayaluseeme Development Board Act, 1994, -

(i) in case of construction works of all types the value of which does not exceed rupees five lakhs;

(ii) in case of goods or services other than construction works the value of which does not exceed rupees one lakh;

(ee) where the procurement of goods or services is by the Grama Panchayats and Taluk Panchayats constituted under the Karnataka Panchayat Raj Act, 1993, Town Municipal Councils or Town Panchayats constituted under the Karnataka Municipalities Act, 1964 or Urban Development Authorities constituted under the Karnataka Urban Development Authorities Act, 1987, -

(i) for the purpose of implementing mini water supply scheme or construction of school rooms and the value of such procurement does not exceed rupees two lakhs; and

(ii) for other purposes and the value of such procurement does not exceed rupees one lakh".

The above translation of ಕರ್ನಾಟಕ ಸಾರ್ವಜನಿಕ ಸಂಗ್ರಹಣೆಗಳಲ್ಲಿ ಪಾರದರ್ಶಕತೆ (ತಿದ್ದುಪಡಿ) ಅಧಿನಿಯಮ, 2001 (2001ರ ಕರ್ನಾಟಕ ಅಧಿನಿಯಮ ಸಂಖ್ಯೆ 21) be published in the official Gazette under clause (3) of Article 348 of the Constitution of India.

KARNATAKA ACT NO. 4 OF 2003
THE KARNATAKA TRANSPARENCY IN PUBLIC
PROCUREMENTS (AMENDMENT) ACT, 2003

Arrangement of Sections

Sections:

1. Short title and commencement
2. Amendment of section 4

STATEMENT OF OBJECTS AND REASONS

Clause (d) of section 4 of the Karnataka Transparency in Public Procurements Act, 1999 (Karnataka Act 29 of 2000) provides for exemption from the applicability of the Act, for a period of two years from the date of commencement of the Act, in respect of the Government Departments, Public Sector Undertakings, Boards, Corporations and such other Institutions specified by the Government. It is considered necessary to extend the period of exemption from the existing period of two years to three years.

Hence the Bill.

(LA Bill No. 3 of 2003)

(Entry 5 of List-II and entry 12 of List-III of the Seventh Schedule to the Constitution of India)

KARNATAKA ACT NO. 4 OF 2003

(First published in the Karnataka Gazette Extra-ordinary on the twenty seventh day of March, 2003)

**THE KARNATAKA TRANSPARENCY IN PUBLIC
PROCUREMENTS (AMENDMENT) ACT, 2003**

(Received the assent of the Governor on twenty seventh day of March, 2003)

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 Fifty-fourth 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, 2003.

(2) It shall come into force at once.

2. Amendment of section 4.- In section 4 of the Karnataka Transparency in Public Procurements Act, 1999 (Karnataka Act 29 of 2000) in clause (d) for the words "two years" the words "three years" shall be deemed always to have been substituted.

(Published in the Karnataka Gazette Part IV-A Extra Ordinary No. 518 dated 14-5-2003 in Notification No. $\text{É}^{\text{a}}\text{À}\text{â}\text{X}\mu\text{ÖE } 5 \mu\text{ÖÉ}\text{â}\text{â } 2003$)

The above translation of the dâ}ÖËrdâ ÉÖÀâËm¾dâ
ÉâªgâZÝâÇêgâÔâ¶[[~Öpâ{âµâËdâyê (»{â°M~âÚ)
%°¾ìâ°Àâ°, 2003 (2003 pâ dâ}ÖËrdâ %°¾ìâ°Àâ° ÉâªfêX
4) be published in the Official Gazette under clause (3) of
Article 348 of the constitution of India.

T.N.CHATURVEDI
GOVERNOR OF KARNATAKA

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

M.R.HEGDE
Secretary to Government,
Department of Parliamentary Affairs
and Legislation.

KARNATAKA ACT NO. 13 OF 2007
THE KARNATAKA TRANSPARENCY IN PUBLIC PROCUREMENTS
(AMENDMENT) ACT, 2007

Arrangement of Sections

Sections:

1. Short title and commencement
2. Amendment of Section 2
3. Insertion of new Chapter IIA
4. Repeal and Savings

STATEMENT OF OBJECTS AND REASONS

Amending Act 13 of 2007:-It is considered necessary to introduce e-procurement and e-procurement platform to bring in best practices in public procurement. E-procurement helps in demand aggregation, reduced inventory cost, consistent procurement procedures and transparency.

Hence the Bill.

[L.A.Bill No 12 of 2007]

[Entry 35 of List II and entries 7 and 12 of List III of the Seventh Schedule to the Constitution of India.]

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KARNATAKA ACT NO. 13 OF 2007

(First published in the Karnataka Gazette Extra-ordinary on the
second day of May, 2007)

**THE KARNATAKA TRANSPARENCY IN PUBLIC PROCUREMENTS
(AMENDMENT) ACT, 2007**

(Received the assent of the Governor on the twenty seventh day of April, 2007)

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

Whereas it is expedient 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 fifty eighth 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, 2007.

(2) It shall be deemed to have come into force with effect from the 27th day of November, 2006.

2. Amendment of Section 2.- In the Karnataka Transparency in Public Procurements Act, 1999 (Karnataka Act 29 of 2000) (hereinafter referred to as the principal Act) in section 2,-

(i) after clause (a), the following shall be inserted, namely:-

"(aa) 'e-Procurement' means purchase of goods, obtaining of services or undertaking of construction work by the procurement entity through e-Procurement platform;

(aaa) 'e-Procurement Platform' means a procurement platform of electronic media comprising of procurement process set up and managed by the State Government through integrated internet enabled procurement tools incorporated by customisation."

(ii) after clause (1), the following proviso shall be inserted, namely:-

"Provided that for the purpose of e-Procurement, the 'tender papers' means set of documents in electronic form."

3. Insertion of new Chapter IIA.- After Chapter II of the principal Act, the following shall be inserted, namely:-

"Chapter IIA

E-Procurement

18A. E-Procurement.- (1) There shall be a single unified e-procurement platform for all procurement entity which may be notified under sub-section (2).

(2) With effect from such date, as may be specified by the Government, by notification, a procurement entity in respect of a class of procurement if any, as may be notified shall procure its procurements through the e-procurement platform.

(3) Notwithstanding anything contained in this Act, the Government may make rules, for specifying a separate procedure to be followed by procurement entities notified under sub-section (2) for e-procurement through e-procurement platform; and for non-application of other procedure of procurement to e-procurement."

4. Repeal and Savings.- (1) The Karnataka Transparency in Public Procurements (Amendment) Ordinance, 2006 (Karnataka Ordinance 2 of 2006) is hereby repealed.

(2) Notwithstanding such repeal anything done or any action taken under the Principal Act, as amended by the said ordinance shall be deemed to have been done or taken under the Principal Act, as amended by this Act.

The above translation of the ಕರ್ನಾಟಕ ಸಾರ್ವಜನಿಕ ಸಂಗ್ರಹಣೆಗಳಲ್ಲಿ ಪಾರದರ್ಶಕತೆ (ತಿದ್ದುಪಡಿ) ಅಧಿನಿಯಮ, 2007 (2007ರ ಕರ್ನಾಟಕ ಅಧಿನಿಯಮ ಸಂಖ್ಯೆ: 13) be published in the Official Gazette under clause (3) of Article 348 of the Constitution of India.

T.N. CHATURVEDI

GOVERNOR OF KARNATAKA

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

G.K. BOREGOWDA

Secretary to Government,

Department of Parliamentary Affairs and Legislation.

KARNATAKA ACT NO. 6 OF 2019

THE KARNATAKA TRANSPARENCY IN PUBLIC PROCUREMENTS (AMENDMENT) ACT, 2018

Arrangement of Sections

Sections:

1. [Short title and commencement](#)
2. [Amendment of long title and preamble](#)
3. [Amendment of section 2](#)
4. [Amendment of section 4](#)
5. [Insertion of new sections 6A, 6B and 6C](#)
6. [Amendment of section 7](#)
7. [Omission of section 8](#)
8. [Amendment of section 12](#)
9. [Amendment of section 13](#)
10. [Amendment of section 14](#)
11. [Insertion of section 14A](#)
12. [Amendment of section 16](#)
13. [Omission of section 18A](#)

STATEMENT OF OBJECTS AND REASONS (As appended to at the time of Introduction)

It is considered necessary to amend the Karnataka Transparency in Public Procurements Act, 1999 (Karnataka Act 29 of 2000) to,-

- (i) omit provisions relating to E-Procurement, Tender Bulletin and Tender Bulletin Officer; and to set up and maintain a Karnataka Public Procurement e-Portal accessible to the public;
- (ii) re-define the words 'Tender' and 'Tender Document';
- (iii) omit certain exceptions applicable to goods or services which are procured from certain Departments of Government, Public Sector Undertakings, Statutory Boards under section 4(d);
- (iv) procurement through Government e-market place (GeM);
- (v) provide procurement through Electronic Reverse Auction;
- (vi) inclusion of contract execution management;
- (vii) preferences to micro and small enterprises as per micro, small and medium enterprises development Act, 2006;
- (viii) debarment of tenderers; and

certain consequential and incidental amendments are also made.

Hence the Bill.

[L.A. Bill No. 10 of 2018, File No. Samvyashae 13 Shasana 2017]

[entry 5 and 35 of List II and entry 7 of list III of the Seventh Schedule to the Constitution of India.]

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 ಕರ್ನಾಟಕ ಸಾರ್ವಜನಿಕ ಸಂಗ್ರಹಣೆಗಳಲ್ಲಿ ಪಾರದರ್ಶಕತೆ (ತಿದ್ದುಪಡಿ) ಅಧಿನಿಯಮ, 2018 (2019ರ ಕರ್ನಾಟಕ ಅಧಿನಿಯಮ ಸಂಖ್ಯೆ: 6) be published in the official Gazette under clause (3) of Article 348 of the Constitution of India.

VAJUBHAI VALA
GOVERNOR OF KARNATAKA

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

K.DWARAKANATH BABU
Secretary to Government
Department of Parliamentary Affairs

KARNATAKA ACT NO. 12 OF 2020
THE KARNATAKA TRANSPARENCY IN PUBLICPROCUREMENTS
(AMENDMENT) ACT, 2020

Arrangement of Sections

Sections:

1. [Short title and commencement](#)
2. [Amendment of section 4](#)

STATEMENT OF OBJECTS AND REASONS

Act 12 of 2020.- It is considered necessary to amend the Karnataka Transparency in Public Procurements Act, 1999 (Karnataka Act 29 of 2000) to increase the limit for value of procurement of goods and services for application of provisions of this Act from rupees one lakh to rupees five lakhs.

Hence the Bill.

[L.A. Bill No.06 of 2020, File No. Samvyashae 25 Shasana 2019]

[Entry 57 of List II of the Seventh Schedule to the Constitution of India]

[Published in the Karnataka Gazette Extra-ordinary No. 150 in part-IV dated: 27.04.2020]

KARNATAKA ACT NO. 12 OF 2020

(First Published in the Karnataka Gazette Extra-ordinary on the 27th day of April, 2020)

**THE KARNATAKA TRANSPARENCY IN PUBLIC PROCUREMENTS
(AMENDMENT) ACT, 2020**

(Received the assent of the Governor on the 24th day of April, 2020)

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 seventy first 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, 2020.

(2) It shall come into force at once.

2. Amendment of section 4.- In the Karnataka Transparency in Public Procurements Act, 1999 (Karnataka Act 29 of 2000) in section 4, in clause (e),-

(i) in sub-clause (i) for the words “construction works and consultancy services” the words “goods and services including construction works and consultancy services” shall be substituted; and

(ii) sub-clause (ii) shall be omitted.

The above translation of ಕಲೆ ನಟಕ ಸಾಲೆ ಷುನಿಕ ಸಂಗರಣಿಗಲಲಿ ಪರದಲ ಶಕತೆ (ತರದಪಡಿ) ಅಧಿನಿಯಮ, 2020 (2000ರ ಕಲೆ ನಟಕ ಅಧಿನಿಯಮ 12) be published in the official Gazette under clause (3) of Article 348 of the Constitution of India.

VAJUBHAI VALA
GOVERNOR OF KARNATAKA

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

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