

**GOVERNMENT OF ODISHA
FINANCE DEPARTMENT**

No. 30464 /F.,

Dated. 06.09.2019

FIN-COD-MV-0001-2017

OFFICE MEMORANDUM

Sub: Hiring of Private vehicles for official use by State Government Offices-Revision of hiring charges and related guidelines

Hiring of private Vehicles for performing Government duties are being encouraged for entitled Officers of Administrative Departments at all levels to save avoidable financial investment and maintenance & repair expenditure. The norms of hiring of private vehicles were fixed in Finance Department OM No. 34085/F Dated 29.09.2012 and subsequently revised in Finance Department OM No. 27037/F Dated 08.10.2015.

2. In this context, it has become imperative for inclusion of the new model of vehicles for use as hired vehicles, since many of the approved vehicles are no longer under manufacture. Proposals are being received for re-fixation of hiring charges as the cost of labour has since increased and higher priced vehicles with fuel efficient engines have been introduced by manufacturers. Considering these aspects and based on the parameters of ease of maintenance, service facility in nearby vicinity, fuel economy, eco-friendliness etc. new model vehicles are included and maximum hiring charges in respect of different kinds of hired vehicles are re-fixed with mileage as tabled below:

Sl. No.	Category of offices	Type of vehicles permissible to be hired	Maximum hire charges per month excluding taxes (*)	Minimum Average Mileage in kms per litre
1.	Blocks/Tahasils and other field offices	TUV300/Bolero/Sumo Gold/ Ertiga	Rs.31,000/-	10
2.	District/Range level Offices	Tiago/ Bolt/ Celerio (Petrol)	Rs.20,000/-	17
3	Collectors /Superintendent of Police /and other equivalent Officers (For their own use)	Scorpio/Creta/Mahindra Marazzo	Rs. 37,000/-	10
4	Heads of Department /Secretariat (Pool vehicles)	Tiago/ Bolt/ Celerio	Rs. 20,000/-	17

5	Additional Secretaries /Heads of Department(For their own use)	Zest/Tigor/Swift Dzire/ Xcent/ Etios (Petrol)	Rs.26,000/-	17
6	Special Secretaries /Secretaries /Principal Secretaries and other equivalent officers (For their own use)	Ciaz/Honda City (Petrol)	Rs.30,000/-	12
7	Officers of the Apex Scale	Innova/ Hexa/Xuv 500	Rs 42,000/-	9
8	Hon'ble Ministers/Other Dignitaries	Innova/ Hexa/Xuv 500	Rs 42,000/-	9
9	Colleges/Universities/Training Institutes/and other equivalent institutions	Private Mini Bus (30-32 seater)	Rs 85,000/-	6

3. **Conditions for Hiring of Vehicles :**

- i. Government Offices are required to follow transparent bidding process through inviting competitive bids from the Service Providers for hiring of vehicles through the Standard Bidding Document prescribed in para-5 of the FDOM No. 34085/F Dated 29.9.2012 and arrive at a lesser cost than the maximum hiring charges prescribed. **In view of pollution being high through use of Diesel vehicles, it is preferable to hire BS-IV compliant Petrol Vehicles.**
- ii. The hiring charges do not include fuel cost (petrol/diesel) which is to be paid separately basing on actual consumption and lubricants as per existing Government norms
- iii. The vehicles hired shall be in good condition and shall not be older than three years. Vehicles older than five years should be replaced by new vehicles by the service provider.
- iv. It will be ensured through Service Providers of hired vehicles that the vehicles are kept under optimum running condition and avoid accidents attributable to lack of maintenance/upkeep. **The hired vehicles cannot be used for any private/commercial purpose beyond office hours or during holidays.**
- v. The model Service Provider Agreement is attached at **Annexure-A.**
- vi. Hiring shall be subject to the following ceilings of usage :

- a. Vehicles used by Officers of the grade of Heads of Department and above up to maximum of **2500 kms** in a month.
 - b. Vehicles used by other Officers and for pool duty up to maximum of **2000 kms** in a month.
 - c. **In case of variation exceeding 20% of distance run, the concurrence of Administrative Department shall be taken.**
- vii.** Government Offices may also hire the vehicle through GeM portal within the norms fixed by Finance Department i.e. on the type of vehicles permissible for Offices to be hired and the minimum average mileage. The sl. no 3 in table at para-2 on Maximum hire charges per month will not apply for the vehicle to be hired on GeM. The hiring charges of vehicles on GeM will be inclusive of fuel cost, lubricants, spare parts, maintenance, and salary of the driver, payment of insurance/Road tax etc., required for operation of vehicle.
- viii.** Log books shall be maintained for the hired vehicles as in the case of Government vehicles. Kilometer reading and POL drawn shall be necessarily recorded in relevant columns and verified regularly by an authorized officer before making payment.
- ix.** GST registration and GeM registration are compulsory for any Service Provider to provide hired vehicles to Government Offices through GeM or through open bidding.
- x.** The recurring expenditure involved in hiring of vehicles shall be met from the Budget sanctioned for respective Offices under the object head of "Motor Vehicles".
- xi.** The hiring may be discontinued immediately, when the vehicles are no longer required for offices.
- xii.** Sanction for hiring of vehicles for one time sporadic requirement on case to case basis shall be accorded by concerned Administrative Department.

4. Ceilings of Usage of Government Vehicles in State Government Offices

The Ceilings of consumption of Petrol/Diesel per month for the vehicles used by different categories of Officers and Ministers was prescribed in FDOM No. 10954/F Dated 14.03.2001. **As an economy measure and rationalization of expenditure, the kilometer**

ceilings of usage as fixed in para-3(vi) (subject to deviation for tours) and minimum average mileages as fixed in case of hired vehicles at column-5 in Table of para-2 will be applicable for equivalent model of Government Vehicles.

5. All other instructions on hiring of private vehicles for Government offices issued in FDOM NO.34085/F dated 29.9.2012 and Finance Department OM No. 27037/F Dated 8.10.2015 remain unchanged.

6. The revised norms shall be made applicable for the hired vehicles, after the completion of the contract period of the existing vehicles.

These instructions shall be effective from the date of issue of this Office Memorandum.

Yours faithfully,

**Sd/-
Principal Secretary to Government**

Annexure-A

Service Provider Agreement

1. This Agreement is made on this _____ day of _____ (Month) _____ (Year) on the orders of Governor of Odisha by and between the "Principal" **Name of the Office, address** ((which expression shall unless be excluded by or repugnant to the context be deemed to include its successors and assigns) and "Service Provider" **Name , having its registered office (detailed address) herein after called "agency"** which expression shall unless excluded by or repugnant to the context be deemed to include its successors and assigns; herein after described as 2nd Party.

2. Whereas the Principal is desirous of engaging the Agency to provide vehicle on hiring basis and the Agency is agreed to provide the vehicle as its service provider with the terms and condition mentioned hereinafter.

2.1 Whereas the Agency is the owner of a make and model of motor vehicle of the following description : Registration number _____; Model _____; Chassis number _____; Engine number _____; Color _____; Year of Manufacture _____.

2.2 Whereas the Service Provider having PAN No _____ and GST No _____ which are valid on this date.

3. RENTAL

The motor vehicle is hereby hired for one year at the rate of _____ per month (excluding GST) payable monthly and the mileage of the vehicle, which will be governed as per the Finance Department O.M No _____ Dated _____. The contract will be renewed subject to satisfaction of the Principal.

4. The Service Provider Obligations:

4.1 Service provider agrees to terms and conditions of the contract and shall ensure full compliance to them.

4.2 Agency agrees to provide quality services as per SLAs mentioned in the contract.

4.3 Agency to ensure that vehicle deployed shall arrive at designated location on time. In an event of delay in arrival beyond 15 minutes, user shall have right to hire other taxi services (which may or may not be of similar hired car category). The fare charges shall be charged to service provider.

4.4 Agency to ensure that all maintenance work related to assigned vehicle shall be carried out in off duty hours.

4.5 In the event of break-down, servicing & repairs of the assigned vehicle the service provider at his own cost shall make alternate arrangement by providing similar or higher class of vehicle(s) for which agreement is entered into. Failure to do so will evoke penalty or possible termination of contract.

4.6 The Agency shall not be allowed to sub-let the Contract.

4.7 The Agency shall only provide vehicles which have the comprehensive insurance.

4.8 Police verifications for deployed driver shall be ensured by the Agency

4.9 Agency shall update the log book at least once in every 72 hours. Failure to do so shall be penalized as per this contract. At the time of termination of contract, the service provider shall hand over the log book (s) to the Principal.

Vehicles:

4.10 The vehicle should have commercial license. The vehicle should not be more than three years old from the date of the Service request. **Vehicles older than five years should be replaced by the service provider.** During replacement of the vehicle or driver, as the case may be, the pass/id card issued, if any, shall be surrendered.

4.11 The Agency will deploy the vehicle, which is well maintained, cleaned thoroughly both internally and externally. Vehicle shall be equipped with medical kit. The vehicle should have a mobile charger and ambient freshener.

4.12 The Agency shall ensure that all electrical connections including lights (both brake and front), horn, turn indicators, and other vehicle systems shall be periodically checked and maintained by Service Provider to avoid any inconvenience to user department.

4.13 Agency shall ensure that the vehicle should be parked at the place as advised by the Principal and should be available, when not in duty. If the vehicle needs to be away for some reasons like refuelling, petty repairing etc., it should be with the knowledge of the Controlling Officer of the Principal. Moving away without the knowledge of the Controlling Officer of the Principal will be considered as non-available and will be liable for penalty.

Driver deployed:

The Agency shall be responsible for the acts and deeds of drivers of the vehicles that include following:

4.14 Drivers that possess a valid commercial driving license shall be deployed by the agency.

4.16 Driver should be properly dressed in neat and clean attire, if required driver should wear uniform of specific color as per requirement of the Principal. The Agency shall provide at his own cost proper uniform and badges as per STATE MOTOR VEHICLES RULES (amended up to date) and photo identity cards to the drivers.

4.17 The driver of the vehicle deployed for user department duties maintain polite & courteous behaviour towards department users as well as to other departmental staff. Following may be construed as "Misbehaviour" and shall attract penalties as per provisions of the contract. Repeated instances may result in termination of services

- i) Denial of duty during contract period, or during hours as noticed by user departments;
- ii) Use of abusive language;

4.18 The driver in no case shall report to duty in an inebriated state or consume alcohol while on duty. In such an event user department shall have full rights to terminate the contract with immediate effect.

4.19 Driver must be provided a working mobile phone and contact number be provided to user department.

4.20 In an event that for any reasons the driver changes his contact number during the tenure of the contract then Agency will immediately notify the user department of the above change.

4.21 The driver shall be reachable at all times during duty hours.

4.22 Gossiping with the guests and using mobile phone during driving is not allowed. In case of urgency, driver should park the vehicle with permission from the user and talk in the mobile to the minimum duration.

4.23 As soon as the driver is advised to attend any guest by the administration, the driver should call /SMSs the guest giving his mobile and vehicle details. Charges of calls /SMSs will be on agency's account.

4.24 Vehicle and driver should not be changed frequently. Any such changes should be informed by the agency to the authority well in advance for permission.

Statutory Rules compliance & Taxes :

4.25 The hiring charges do not include fuel cost (petrol/diesel) which is to be paid separately basing on actual consumption and lubricants as per existing Government norms. All the expenditure of the vehicle towards repair maintenance, replacement of spare parts, lubricating oil of engine, Gear Box & differential coolant, Tyres & Tubes, Battery etc. and salary of the driver, payment of insurance/Road tax etc. required for operation of vehicle in a state will be borne by the Agency.

4.26 The Agency shall take comprehensive insurance cover with third party unlimited liability risk of the vehicles detailed for the user department requirement. User shall not be liable for any damages whatsoever to public property and /or any third person due to any accident arising out of and in the course of deployment of service provider's vehicle.

4.27 The Agency shall be solely responsible for any claims by any third party and/or employees of user department traveling in the vehicle for any injuries caused by the driver of the vehicle whether by accident or otherwise.

4.28 The user department will in no way be responsible for violation of traffic rules and /or infringement of any other law for the time being in force, either by the driver of the vehicle or by the service provider. The driver as well as Agency shall comply with relevant rules and regulations of Motor Vehicles Act and Rules applicable at present or in future during the tenure of the contract and as may be enforced from time to time for which user departments would not be held liable/responsible in any manner what so-ever. Onus of compliance of all the applicable Laws/Acts/Rules including those under Motor Vehicle Acts/Rules shall rest with the Agency only and user/user departments will not be liable in any manner.

4.29 The Agency shall be responsible for ensuring compliance with the provisions related to Labour Law and specially Minimum Wages Act, Payment of Wages Act, PF, ESI Act, Payment of Bonus Act, Contract Labour [R&A] Act, Workmen Compensation Act etc. as applicable from time to time. The employees of the Agency shall not be deemed to be employees of the user department and hence the compliance of the applicable acts laws will be the sole responsibility of the Agency.

4.30 The Agency shall be personally responsible for any theft, misconduct and /or disobedience on the part of drivers so provided by him.

4.31 During the contract period, if the vehicle is seized or detained or requisitioned by Police/Motor Vehicle Authority or any other authorities for whatsoever reasons that will be at the service provider's risk. Also, alternate vehicle of similar or higher category will be provided by Agency without any extra charges.

4.32 The vehicles deployed for duty for the user department shall at no point of time carry any person other than personnel authorized by user department.

4.33 The vehicle cannot be put to any private/commercial use beyond the duty hours or on holidays. Unauthorized use of the vehicle by the driver/service provider will lead to unilateral termination of the contract with immediate effect. The Agency has to ensure the safety of passenger by avoiding negligent driving by their drivers such as over speeding, rash driving, and driving vehicle without brakes/defective brakes.

4.34 The mileage count will start from the location of pickup and no extra kilometres from the garage to the pickup point will be provided. The mileage count will also terminate at the dropping point and not up to the garage.

5 The obligations of Principal :

5.1 Principal shall make the payment towards hiring charges of the vehicle at the end of every month by credit into the bank account of the Agency through ECS/RTGS within 15 days from the date of receipt of bills complete in all respect. User department shall pay the vendor all amounts on an invoice that are not the subject of a bonafide dispute within 15 days after department's receipt of a valid invoice that complies in all material respects in terms of this Agreement;

5.2 The payment shall be subject to any deductions such as penalties, statutory deduction etc.

5.3 Principal shall accept the log book entries updated by Driver. Failure to take action on log book entries updated by Driver shall result in auto acceptance of reading provided by service provider.

5.4 The Principal shall be responsible for costs relating to fuel, toll gate charges, parking charges and oil topping up between services and other statutory levies, if any, paid during the journey would be billed on actual and shall be paid by Principal.

5.5 All distances shall be calculated from the reporting point. No payment shall be made for journey from garage to reporting point.

6. Terminations :

6.1 The Principal shall have the right to terminate this Agreement, upon it giving 3 (three) month notice in writing.

6.2 The Agency shall have the option to terminate this Agreement upon giving 3 (three) month notice in writing and upon refund of any rental fees paid in advance, over and above the notice period.

6.3 Final payment after termination of the contract shall be released on submission of the log book(s) of the vehicle, car pass and pass/id card issued to the driver, if any.

7. Force majeure :

Neither party to this Agreement shall be liable for failure to perform any of its obligations hereunder if prevented from doing so by reason of force majeure.

8. Entire agreement :

This Agreement together with the schedules and annexes hereto constitutes the entire agreement and understanding between the Parties and supersedes all previous agreements, understandings and/or representations between the Parties.

9. Waiver of remedies :

No forbearance, delay of indulgence by either Party in enforcing the provisions of this Agreement shall prejudice or restrict the rights of either Party nor shall any waiver of its rights operate as a waiver of any subsequent breach and no right, power or remedy herein conferred upon or reserved for the Party is exclusive of any other, power or remedy available to the Party and each such right, power or remedy shall be cumulative.

10. Assignment & change in ownership/management :

10.1 The Agency shall not assign or transfer its obligations and or rights under this Agreement to any third party, whether an associated entity or not, whether in whole or in part without the prior written consent of the Principal

10.2 The Agency shall immediately notify Principal of any change of ownership or management of the Agency's business.

11. Headings:

The headings to the clauses of this Agreement are for the ease of reference only and shall not affect the interpretation or construction of the Agreement.

12. Resolution of disputes:

In the event of any dispute or difference relating to the interpretation and/or application of the provisions of this Agreement, such dispute or difference shall be resolved through mutual consultation by the Secretary of the concerned Administrative Department on behalf of Government of Odisha and the Authorized signatory of the Service Provider.

13. Applicability of laws:

The Agreement shall be governed by the Indian Laws for the time being in force.

WITNESS WHEREOF the parties hereto have subscribed their respective hand this _____ day of _____ first above written.

FOR AND ON BEHALF OF Governor of Odisha

(AUTHORISED SIGNATORY)

Principal

WITNESS:

- 1.
- 2.

FOR AND ON BEHALF OF Service Provider/Agency

(AUTHORISED SIGNATORY)

WITNESS:

- 1.
- 2.

In the presence of

Name:

Address:

Signature: _____