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## GOVERNMENT OF KERALA ABSTRACT

Transport Department – Implementation of SMART Card based Driving Licenses and Registration Certificates – Compliance of the judgment of Hon'ble High Court and Entrusting the work to M/s KELTRON - Sanctioned - Orders issued.

## TRANSPORT (B) DEPARTMENT

G.O(MS) No.15/2016/Tran Dated, Thiruvananthapuram, 10/02/2016.

Read: (1) G.O(Ms) No. 14/2004/Tran dated 27/03/2004

- (2)G.O(Rt) No. 331/2005/Tran dated 22/09/2005.
- (3) G.O(Ms)No.09/2006/Tran dated 20/01/2006
- (4)G.O(Ms) No.06/2007/Tran dated 19/02/2007
- (5) G.O(Ms)No.35/2007/Tran dated 07/09/2007
- (6)Common judgment dated 22/11/2011 in WP(c)No.31909/2007 filed by Leap Techno systems, Tirur and WP(c)No.36231/2007 filed by Zodiac.Com solutions Pvt Ltd, New Delhi.
- (7)G.O(Rt)No.01/2014/Tran dated 01/01/2014.
- (8)Lr.No.P/MKTG dated 24/11/2014 from the Dy.General Manager, ITI ltd
- (9)Lr.No.MD/12/2015-16/114 dated 16/07/2015 from the MD, KELTRON
- (10) Minutes of the High level meeting held by the CM on 06/11/2015
- (11) Minutes of the Technical Committee meeting held on 31/12/2015

## **ORDER**

As per the Government order read as 1<sup>st</sup> paper above, Government accorded sanction for the issuance of Registration Certificates on Smart Optical Cards and Driving License on Smart Cards and to implement the same throughout the state of KERALA on BOO(Build Own Operate) basis for a period of 5 years.

2. As per the Government Order read as 3<sup>rd</sup> paper above Government entrusted the implementation of Smart Card based Driving Licenses

and Smart Optical card based Registration Certificates with M/s ITI Ltd, Bangalore. Later Government decided to review the issue and referred the matter to the Selection Committee constituted vide Government order read as 2<sup>nd</sup> paper above. The Selection Committee examined the matter in detail and pointed out certain draw backs of the proposal of M/s ITI Ltd. Thereby, as per the Government order read as 4<sup>th</sup> paper above the bid submitted by M/s I.T.I. Limited, Bangalore was cancelled and Government decided to prepare new bid and float new tender.

- 3. As per the judgment dated 26/03/2007 in WP(c)No. 8749/2007 filed by M/s Leap Techno Systems, Tirur and M/s Zodiac. com solutions, New Delhi, the Hon'ble High Court quashed the Government order read as 4<sup>th</sup> paper above and ordered to reconsider the bid of M/s ITI Ltd, Bangalore. Thereby the matter was again reconsidered by the Selection Committee. On the basis of the recommendations of the Selection Committee, Government issued orders as per the Government order read as 5<sup>th</sup> paper above cancelling the Government order issued in awarding the tender to M/S ITI Ltd as per reference 3<sup>rd</sup> cited, with immediate effect and decided to prepare and float new tender.
- 4. Against the decision of Government, the partners in consortium with M/s ITI Ltd viz. M/s Leap Techno Systems, Tirur filed WP(C) No.31909/2007 and M/s Zodiac.Com Solutions, New Delhi filed WP(c) No. 36231/2007 before the Hon'ble High Court. The Hon'ble High Court as per the common judgment read as 6th paper above ordered that the decision of the Government cancelling the tender awarded to M/s ITI Ltd cannot be justified on any

ground and therefore quashed the Government order read as 5<sup>th</sup> paper above. The extract of the judgment is as follows:

"However, fact remains that the tender was awarded in 2005 and technology must have improved considerably and it is unwise to compel the Government to stick to the obsolete technology of 2005 and the Government should be permitted to have the liberty to take advantage of the advanced technology that is presently available. Therefore the court has clarified that despite of quashing G.O(Ms) No.35/2007/Tran dated 07/09/2007 (Ext.P12), it would still be open to the Government to negotiate with the consortium consisting of M/S ITI Ltd and others, both on the technology and the rates that are to be adopted"

- 5. In compliance to the above directions of the Hon'ble High Court, Government decided to examine the matter in the light of the advanced technology that is presently available for the implementation of Smart Card based Driving Licenses and Smart Optical card based Registration Certificates. For this purpose a Technical Committee with Secretary (Transport) as Chairman, Transport Commissioner as Convener and Additional Chief Secretary, IT Department, Joint Transport Commissioner, State Informatics Officer NIC, Director- Kerala State IT Mission, Director- C-DAC & Director-C-DIT as members was constituted vide Government order read as 7<sup>th</sup> paper above.
- 6. The said committee examined the proposals for implementation of Smart Card based Driving Licenses and Registration Certificates received from M/s ITI Ltd and M/s KELTRON submitted to Government as per the

letters read as 8<sup>th</sup> and 9<sup>th</sup> paper respectively. Various other TSPs also forwarded their proposals to the Committee.

- 7. The Technical Committee, on 31/12/2015, negotiated with the representatives of M/s I.T.I Ltd and decided not to consider the offer of I.T.I consortium since I.T.I itself has indicated that the consortium consisting of M/s Leap Techno systems, Tirur and M/s Zodiac.Com solutions, New Delhi was no longer in existence.
- 8. The Technical Committee came to the conclusion that, the scheme of issuing the Smart Card based Driving License and Registration Certificates has to be introduced in the latest technology available in the field which should address all the technical parameters as well as cost effectiveness and also the technology adopted should meet the requirement on Pan India basis so as to ensure uniformity in the data stored and its retrieval. Moreover, whatever data is encrypted in the proposed Smart Cards minimum deliverables have to be assured.
- 9. Since the specification of the Smart Card has to be fixed prudently to meet all the mandatory requirements, the Technical Committee recommended that a limited tender from among the TSPs may be invited for total solution rather than proceeding with the negotiations with a non-existent consortium especially since the technology to be adopted and the cost of the Smart Card has undergone drastic changes.
- 10. Government have examined the recommendations of the Technical Committee in detail and found that the scheme of issuing the Driving Licenses and Registration Certificates in Smart Card need not be entrusted with a consortium which is non-existent now. Hence Government order accordingly

- 11. Government have also examined the question of implementation of the scheme without any further delays, by entrusting a TSP the task. From among the existing TSPs viz. KELTRON, C-DAC, SIDCO, NICSI and C-DIT, the Motor Vehicles Department is already using KELTRON as its TSP in its computerization works and C-DIT works as the logistics support provider. The Technical Committee found that it was ideal to limit the exposure to one TSP. In the meeting, the Transport Commissioner also suggested that the proposal submitted by KELTRON apparently suits the requirement of the Motor Vehicles Department considering the technology used.
- Committee vide minutes read as 11<sup>th</sup> paper above Government are pleased to accord sanction to award the work of implementation of Smart Card based Driving Licenses and Registration Certificates to be issued by the Motor Vehicles department, to M/s KELTRON subject to the condition that, KELTRON will source the hardware/ technology through a competitive open tender and the Transport Commissioner or an official represented by him shall be included in the tender evaluation committee. KELTRON should also prefer the offer of M/s I.T.I Ltd on Smart Card technology, if any, provided they are commercially competitive to Lowest 1(L1)
- 13. The judgment dated 22/11/2011 in WP(c)No.31909 and 36231 of 2007 is thus, complied herewith.

By Order of the Governor M. SIVASANKAR. IAS SECRETARY TO GOVERNMENT.

To,
The Advocate General, Ernakulum
The Transport Commissioner, Thiruvananthapuram

The Accountant General (A&E/AUDIT/DBCell) Kerala, Thiruvananthapuram

The MD, KELTRON, Thiruvananthapuram

The GM, M/s I.T.I Ltd, Palakkad

The Director, Kerala State IT Mission, Thiruvananthapuram

The Director, C-DAC, Thiruvananthapuram

The Director, C-DIT, Thiruvananthapuram

The State Informatics officer, NIC, Thiruvananthapuram

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The Law Department

The IT Department

The Home Department

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