

Government of Kerala
Abstract

Stores Purchase Department-Purchase of Computers by Government Departments, Public Sector Undertakings etc.-Direct Purchase from KELTRON-Orders issued.

Stores Purchase (A) Department

G.O(P)No.1/2006/SPD

Thiruvananthapuram dated.2.2.2006.

Read:- 1) G.O(MS)No.3/99/SPD dated.29.3.1999
2) G.O(P)No.11/2000/SPD dated 21.10.2000
3) G.O(P)No.14/2000/SPD dated 11.12.2000
4) G.O(P)No.448/2005/Fin dated 13.10.2005
5) Letter No.G.M(ITP&M /092/05-06 dated 20.10.05 from the
Managing Director, Keltron, Thiruvananthapuram.

ORDER

In the Government Order read as first paper above Government have ordered that all Heads of Departments, Organizations and Public Sector Undertakings can place their orders on a direct purchase basis from KELTRON, for their requirement of 486 and Pentium based computer system produced by KELTRON, in relaxation of para 57(a) (ii) of the Stores Purchase Manual. It was also ordered therein that the purchasing Department/Officer should follow the procedures prescribed in para 57(a)(i) of the Stores Purchase Manual in this purchase and see that proper agreement is executed for proper annual maintenance contract. This order applies only to "486 and Pentium based computer systems" and that too items which are manufactured/assembled by KELTRON. (Thus, KELTRON cannot supply branded items to Government Departments without a tender procedure). However, these conditions are widely being flouted. KELTRON is being given contracts for even branded items without any tender procedures at all. There is no basis, in such cases, for the prices quoted by KELTRON. This needs to be controlled.

2. In the Government Order read as second paper above, the direct purchase of computers from KELTRON by Government Departments/Public Sector Undertakings/Organizations etc were made optional on the ground that restricting the purchase of computers from KELTRON alone would adversely affect the development of manufacturing/assembling activity of other units.

3. In the Government Order read as 3 rd paper above, it has been ordered that KELTRON is eligible for price preference of 10% as against firms manufacturing outside the State and 5% as against firms manufacturing within the State.

4. In the Government Order as 4th paper above the price preference allowed to Public Sector Undertakings and SSI units have been made uniform at the rate of 5%. Also, this concession will be terminated after one year from the date of the order.

5. It has come to the notice of Government that KELTRON is selling computers other than those manufactured/assembled by them and other accessories to Government Departments/Public Sector Undertakings etc. without a tender process under the concessions allowed as per the Government orders read as (1) to (3) above. This is not permissible. However, quite often it will be difficult to expect Government Departments/PSUs to buy only the P.C. from KELTRON and invite open tenders for other

accessories like UPS, Printer, etc. KELTRON's views were therefore called for as to whether they could be allowed to supply items not manufactured/produced by them up to a maximum of 10 % of the value of the order, the balance 90 % being items manufactured/produced by them. The Managing Director, KELTRON has informed that they are the only one company offering software as well as hardware solutions and they have got an ISO certified manufacturing facility for computers and servers at Aroor. Purchase of computer systems, peripherals, UPS and other accessories from various suppliers would lead to problems connected with non-compatibility for system integration and he has requested Government to issue orders allowing Government Department, PSUs, Local Bodies, Autonomous Institutions etc. for sourcing their requirement of Hardware, Software, Peripherals, Services etc.(irrespective of whether these are manufactured by KELTRON or not) on a direct purchase basis from KELTRON without resorting to tender procedure, in relaxation of the provisions in the Stores Purchase Manual. The above request of KELTRON cannot be considered.

6. After examining all issues Government are pleased to order that in any order placed with KELTRON for the supply of Personal Computers(including servers) and related accessories, by a Government Department, PSU, Autonomous Body, Local Body without following the tender procedure, KELTRON can supply items not manufactured/assembled/produced by them upto a maximum of 50% of the value of the order. In cases where more than 50% by value of the order constitutes branded items and items not manufactured/ produced by KELTRON open tender system will have to be followed.

7. The Government Order read as (1)above will stand modified to the above extent.

8. In future whenever a Department approaches KELTRON for placing orders of computer related hardware and software, KELTRON shall furnish to them a copy of this Government Order. The responsibility for this shall be with KELTRON

By Order of the Governor

K. José Cyriac,
Principal Secretary to Government.

To

The Managing Director, KELTRON, Thiruvananthapuram.
The Principal Secretary, Industries Department(This has reference to
the concurrence of Industries Department vide U.O.Note
No.27138/D3/05/ID dated.30.12.2005.

All Heads of Departments.

All District Collectors.


All Public Sector Undertakings/Autonomous Bodies etc.

All LSG Institutions.

All Departments(All Sections)in the Secretariat.

Stock File/Office Copy.

Forwarded /By Order



Section Officer.