



## KERALA STATE ELECTRICITY BOARD LIMITED

(Incorporated Under the Companies Act, 1956)

Corporate Identity No.U40100KL2011SGCO27424

Registered Office: Vydyuthi Bhavanam, Pattom,

Thiruvananthapuram- 695004, Kerala, India,

Ph:+91-471-2446853, E-mail: [cescm@kseb.in](mailto:cescm@kseb.in), website:[www.kseb.in](http://www.kseb.in)

### Abstract

Public Procurement Policy for self reliance Preference to State Public Sector Undertakings – Modification – Adopting Order dated 20/12/2021 issued by Government of Kerala – Orders issued.

#### **Corporate Office (Supply Chain Management)**

B.O.[FTD] No.366/2022 (SCM/TA/GI./2022-23) Dated, Thiruvananthapuram 28/04/2022

- Read:-
- 1) G.O.(Rt)No.5382/2020/Fin. Dated Thiruvananthapuram, 18/09/2020.
  - 2) B.O.[FTD] No.640/2020 (SCM/TA/GI./2020-21) Dated, Thiruvananthapuram 16/10/2020.
  - 3) Order dated 30/12/2020 of Kerala State Electricity Regulatory Commission in OP 46/2020 filed by M/s.Kerala Electrical and Allied Engineering Company Limited.
  - 4) Note No.SCM/TA/GI/2020-21/5806 dated 13/01/2021 of the Chief Engineer (SCM).
  - 5) Letter No.14/B2/2021/PD dated 16/06/2021 of the Secretary, Power Department.
  - 6) G.O.(Rt)No.8284/2021/Fin. Dated 20/12/2021
  - 7) Note No.SCM/TA/GI./2022-23/2203(A) dated 19/04/2022 of the Chief Engineer (SCM) submitted to the Full Time Directors (Agenda Item No.72/4/22).

### ORDER

As per Government Order read 1 above, the new policy for the State will consist of the following Price and Purchase preferences to products procured from local MSMEs/State PSUs and shall come into force superseding all previous orders issued on procurement from MSMEs within the State.

- (a) **Price Preference:-** *All State PSUs & Local MSMEs in the state shall get a Price Preference upto 15% in all procurement of State Government Departments, Organizations, Local Self Government Institutions and Public Undertakings. This means that wherever State PSUs/ local MSMEs quote a rate which is within a 15% price range of the L1 bidder, the State PSU/ local MSME, either singly or jointly, as the case may be, would be entitled to get up to 50% of the order quantity at the lowest rate quoted among them. If there are multiple State PSU/ local MSME vendors in this category, they will be given equal proportions of this 50% order.*

- (b) **Purchase Preference:-** *In any tender, if no local participating State PSUs & local MSMEs quotes within the price band of L1+15%, they shall still be entitled to an opportunity to supply up to 50% of the total order by bringing down their price to L1 price. In such a scenario, the State PSU and local MSME, accepting such an invite, either singly or jointly, as the case may be, shall be allowed to supply up to 50% of the order quantity, if there is only one such bidder; or in equal proportions out of the 50%, if there are multiple bidders in this category.*

*Necessary amendments to the Stores Purchase Manual if any, will be issued separately by the Stores Purchase Department.*

Accordingly, KSEBL as per B.O. read as 2<sup>nd</sup> above resolved to adopt the G.O.(Rt)No.5382/2020/Fin. Dated Thiruvananthapuram, 18/09/2020 with a condition that, price preference would be given only after concurrence obtained from KSERC and authorized the Deputy Chief Engineer (Commercial & Planning) with Full Powers of Chief Engineer to obtain concurrence from KSERC for the above.

Meanwhile Kerala State Electricity Regulatory Commission (KSERC) as per order read as 3<sup>rd</sup> above, issued the following direction.

*"KSEB Ltd shall implement the Government of Kerala Order No.G.O.(Rt) No.5382/2020/Fin dated 18/09/2020 strictly complying with the provisions of Price Preference and Purchase Preference mentioned therein".*

As per the direction of the Chairman & Managing Director on the Full Time Directors note read as 4<sup>th</sup> above, Price Preference & Purchase Preference Clauses have been incorporated in the tenders invited from 08/02/2021 onwards from the Office of the Chief Engineer (SCM).

In reply to the clarification sought earlier by the Chairman and Managing Director, KSEBL on the Government Order dated 18/09/2020, the Secretary to Government, Power (B) Department as per letter read as 5<sup>th</sup> above clarified that "if the L1 bidder is a State PSU/MSME, either singly or jointly, as the case may be, it would be entitled to get the entire order quantity".

As per Government Order read as 6<sup>th</sup> above, it is mentioned as follows.

*"Both in case of price preference and purchase preference, of the 50% order quantity which may be given to MSMEs/PSUs, atleast half be reserved for State PSUs. That is; of the total order, atleast 25% shall be allocated to State PSUs subject to the conditions mentioned in the Government Order. These price and purchase preferences are applicable to Made in Kerala products only. Furthermore, these price preferences and purchase preferences are applicable only to MSMEs registered as per the Central Government notifications".*

*The Government Order read as 1<sup>st</sup> above stands modified to this extent. Necessary amendments to the Stores Purchase Manual if any, will be issued separately by the Stores Purchase Department.*

The matter was placed before the Full Time Directors as per note read as 7<sup>th</sup> above.

Having examined the matter in detail, the Full Time Directors in the meeting held on 21/04/2022, resolved to adopt the G.O.(Rt)No.8284/2021/Fin. Dated 20/12/2021 in KSEB Limited and to incorporate the conditions mentioned therein in future tenders for procurement of Goods in KSEB Limited.

Orders are issued accordingly.

**BY ORDER OF THE FULL TIME DIRECTORS**

Sd/

**(Lekha.G)**

**Company Secretary (in charge)**

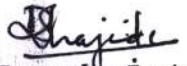
To

The Chief Engineer (SCM)

Copy to:-

- 1) All Chief Engineers/ Financial Adviser/ Chief Internal Auditor/ The Legal Advisor & Disciplinary Enquiry Officer.
- 2) The Deputy Chief Engineer (IT), KSEB Limited.
- 3) TA to Chairman & Managing Director & Director (HRM) in charge/ Director (Distribution & IT)/ Director (Planning & Safety, SCM)/ Director (Transmission & System Operation)/ Director (REES, Soura, Sports & Welfare)/ Director (Generation-Civil)/Director (Generation-Electrical)
- 4) PA to Director (Finance)/Senior C.A. to Secretary(Administration)
- 5) Company Secretary.
- 6) The Library, KSEB Limited/Stock file.

Forwarded/ By Order



Assistant Executive Engineer