



GOVERNMENT OF KERALA

No: IT Cell-2/137/2021-ITD
ELECTRONICS & INFORMATION TECHNOLOGY (IT CELL) DEPARTMENT
Thiruvananthapuram,
Dated:09/09/2021

CIRCULAR

Sub:- E & IT Department – Procurement of Startup products / services – Further instructions issued

- Ref:-
1. GO(Rt) No.2/2017/SPD dated 16.01.2017.
 2. GO (Ms) No. 19/2017/ITD dated 16.01.2017.
 3. GO (Rt) No. 36/2018/SPD dated 17.09.2018.
 4. G.O.(Ms) No. 24/2018/ITD dated 29.09.2018.
 5. G.O.(Ms) No.35/2018/ITD dated 18.12.2018.
 6. Letter No. KSUM/328/2021 dated 29.07.2021 from the Secretary & Registrar, Kerala Startup Mission.

As per Government order read as 1st paper above Departments were permitted to procure Mobile App costing up to Rs 5 lakhs from Startups. The procurement was limited to a maximum of two Mobile Apps per Department per year from a Startup. As per Government order read as 2nd paper above, Government have issued detailed Guidelines for the procurement of products from Startups. As per Government order read as 3rd paper above, Government have enhanced the limit of purchase up to Rs 20 Lakhs and the Departments were permitted to procure all software products and services from Startups in addition to the Mobile Apps. The Startups were also given exemptions in Earnest Money Deposit (EMD), Prior Experience and Turnover requirements, Bid Security, Cost of Tender Forms, and Security Deposit etc. As per Government order 4th above, direction has been given to the Startups to register with the Stores Purchase Department for getting the above benefits. As per Government order 5th above, Departments were permitted to procure Startup products / services through limited tender up to a ceiling of Rs. 1 crore.

Kerala has been ranked as the Top Performer State by the Department for Promotion of Industry and Internal Trade (DPIIT) for the two consecutive years 2018 and 2019. Ranking will be made based on the Startup Ranking Framework 2020 in this

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year also.

It is noted that the Departments are not engaging with start-ups for procurement of products / services even after Government Order in this regard. It is important to ensure that Departments use this provision to get innovative and high-quality solutions from Startups.

In the above circumstances, all Government Departments are advised/directed to take immediate steps to procure products / services from the Startups which are relevant to the Departments concerned as part of policy of the Government to promote procurement of solutions from Startups.

The Director, Kerala State IT Mission shall develop a platform to facilitate the procurement of solutions from Startups.

Bishwanath Sinha
Principal Secretary

To:

The Additional Chief Secretaries / Principal Secretaries / Secretaries of All
Departments
All Heads of Departments / Institutions.
The Web & New Media, Information & Public Relations Department.
Stock File / Office copy

Forwarded / By order,
Signed by Sajeev K
Date: 15-09-2021 07
Reason Approved