



**FINANCE [Salaries] DEPARTMENT**

**G.O.Ms.No.206, Dated 4<sup>th</sup> July 2017.**

*(Heyvilambi, Aani-20, Thiruvalluvar Aandu 2048)*

**ABSTRACT**

**Tamil Nadu Financial Code (TNFC)** – Purchase of Stores under Article 125 of the Tamil Nadu Financial Code, Volume-I – Monetary ceilings – Revision of – Amendments – Issued.

**ORDER:**

The purchase of stores by all Government Departments/ Statutory Boards/ Corporations/ Local Bodies, etc. in the State of Tamil Nadu is governed by Article 125, Tamil Nadu Financial Code, Volume-I. Consequent on enactment of Tamil Nadu Transparency in Tenders Act, 1998, the rules and instructions prescribed under Article 125, Tamil Nadu Financial Code, Volume-I are restricted to low value procurement of goods and services. (The present threshold limit for low value procurement is Rs.10 lakh)

2. In Article 125, Tamil Nadu Financial Code, Volume-I, it is provided for procurement of stores by above said public entities, by various methods as detailed below:-

<b>Sl. No.</b>	<b>Value of Stores to be Procured</b>	<b>Mode of Procurement and Codal provision under TNFC Volume-I.</b>
(1)	Upto Rs.100 on each occasion.	Direct purchase without tender / quotation. (Note under Rule III of Article 125).
(2)	Upto Rs.500 on each occasion.	Direct purchase without tender / quotation if it is not possible to follow tender / quotation procedures. (Note under Rule III of Article 125).
(3)	Above Rs.500 and below Rs.10,000.	Single Tender procedures when the articles required are of a proprietary character and competition is not considered necessary. (Instruction No.11, under Rule III of Article 125).
(4)	Above Rs.10,000 and below Rs.10 lakh.	Limited Tender procedures.(Instruction No.9 under Rule III of Article 125)(G.O.Ms.No.392, Finance (Salaries) department, dated 18.08.2009).

3. The Government, after careful consideration of the necessity to revise the financial limit for public procurement, issue amendments to Article 125 of Tamil Nadu Financial Code, Volume-I, as detailed below:

- (i) For Note under Rule III of Article 125 the following Note shall be substituted, namely:-

NOTE- Purchase of articles or group of articles, costing upto Rs.5000/- on each occasion, may be made without inviting tenders/quotations on the basis of a certificate to be recorded by the competent authority in the following format:

*"I am personally satisfied that these goods purchased are of the requisite quality and specification and have been purchased from a reliable supplier at a reasonable price."*

- (ii) For Instruction 9 under Rule III of Article 125, the following Instruction shall be substituted, namely:-

"9. The "limited tender" system should be ordinarily be adopted whenever the estimated value of the order to be given is more than Rs.5,000 and below Rs.10 lakh."

**(BY ORDER OF THE GOVERNOR)**

**K.SHANMUGAM  
ADDITIONAL CHIEF SECRETARY TO GOVERNMENT**

**To**

All Secretaries to Government.  
The Secretary, Legislative Assembly, Secretariat, Chennai-9.  
The Comptroller, Governor's Household, Raj Bhavan, Chennai-32.  
The Governor's Secretariat, Raj Bhavan, Guindy, Chennai-32.  
All Heads of Department.  
All Collectors / All District Judges / All Chief Judicial Magistrates.  
All Departments of Secretariat.  
The Principal Accountant General(A&E), Chennai-18  
The Accountant General (Audit-1), Chennai-35.  
The Accountant General (Audit-II), Chennai-6.  
The Accountant General (CAB), Chennai-9.  
The Principal Secretary/Commissioner of Treasuries and Accounts, Chennai-15.  
All Pay and Accounts Officers/All Treasury Officers.  
The Chairman, Tamil Nadu Public Service Commission, Chennai-3.  
The Registrar, High Court, Chennai-104.  
The Registrars of all Universities.  
All State Owned Corporations and Statutory Boards.  
The Commissioner, Corporations of Chennai /Madurai /Coimbatore /  
Tiruchirappalli/ Salem / Tirunelveli/Erode/Tiruppur/Vellore/Thoothukudi.

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**SECTION OFFICER**