

GOVERNMENT OF TAMIL NADU

FINANCE (BPE) DEPARTMENT  
FORT ST. GEORGE, CHENNAI.

Letter No. 692/BPE/99

Dated 11th May, 1999.

From

Thiru L. KRISHNAN, I.A.S.,  
Additional Secretary to Government.

To

The Secretaries to Government.  
All Departments of Secretariat.  
All Heads of Departments.  
The Principal Accountant General, (A&E) Chennai.13.  
The Accountant General, (Audit.I) Chennai.35.  
The Accountant General, (Audit.II) Chennai.6.  
All Pay and Accounts Officers.  
All Treasury Officers.  
The Chief Executive Officers of all State Public  
Sector Undertakings/Boards.  
The Chairman/Managing Director/Member Secretary of all  
Statutory Boards.  
The Director of Stationery and Printing, Chennai.2.

Sir,

Sub:—Stores - Purchase of requirements  
of Stores by Government Departments/  
Corporations/Boards/Local Bodies/  
Co-operative Institutions - Purchase  
through Open Tender.

- Ref:--1. G.O.Ms.No.708, Finance (BPE) Department  
dated 22.8.94.  
2. G.O.Ms.No.75, Finance (BPE) Department  
dated 19.2.97.  
3. Government Letter No.835/BPE/97 dated  
31.3.97.  
4. G.O.Ms.No.283, Finance (BPE) Department.  
dated 18.6.98.  
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In the Government Letter third cited, it  
was clarified that, the procuring organisations have to  
exclude Sales Tax but include Excise duty while comparing  
rates in bid evaluation under the open tender system and  
to follow the orders on purchase preference referred to therein  
strictly without any deviation.

(P.T.O.)

2/- The system of purchase and modification of the orders issued in the Government Orders first and second cited have ordered in the Government Order fourth cited, that the system of purchase preference for purchase of stores, servicing and repairs shall continue to be operated as revised below:

- (a) Jails/ Borstal Schools under Prison Department for products made by them.
- (b) Own Units of Khadi and Village Industries Board for items and quantities actually manufactured by them.
- (c) Modern training-cum-production Centre Muttakkadu for the products made by it.

It has been ordered among other things that purchase preference will be given to State Public Sector Undertakings for products and quantities actually manufactured by them up to 50% of the value of goods required by each Department/Public Sector Undertakings/Board etc. at the lowest rate obtained in the Open Tenders invited by them.

3/- Wherever products and services can not be supplied by Institutions listed in para 2 above, Open Tender System have to be followed. In the Government letter third cited, it has been clarified that the procuring departments/organisations have to exclude Sales Tax but include excise duty while comparing rates in bid evaluation under the Open Tender system.. It has been brought to the notice of the Government that the above instructions have not been strictly followed by certain procuring organisations. I am therefore directed to request you to exclude Sales Tax but to include excise duty in bid evaluation under Open tender system and to Strictly follow the instruction issued in the letter third cited without any deviation.

Yours faithfully,

  
for Additional Secretary to Govt.

