



**Finance (Procurement
Cell) Department
Secretariat, Chennai-9**

Letter No.e-2239/Procurement Cell/2025, dated: 13.10.2025

From

Thiru Prashant M. Wadnere, IAS.,
Secretary to Government (Expenditure).

To

All Secretaries to Government, Secretariat, Chennai- 9.
The Secretary, Legislative Assembly Secretariat, Chennai-9.
All Heads of Departments.
All Collectors.
The Registrar General, Madras High Court and Madurai Bench
of Madras High Court.
The Chairman, Tamil Nadu Public Service Commission, Chennai-3.
The Registrars of all Universities.
All State Owned Corporations and Statutory Boards.
The Commissioner, Greater Chennai Corporation.
The Commissioner, All Corporations.
All Local Bodies.

Sir/Madam,

Sub: Finance (Procurement Cell) Department – Tamil Nadu
Transparency in Tenders Act, 1998 and Rules 2000 –
Purchase preference to enterprises belonging to SCs and
STs – Reiterated.

To enhance the participation of the Scheduled Castes or Scheduled Tribes entrepreneurs in the Public Procurement System, the Government has enabled mandatory purchase preference for enterprises owned by the Scheduled Castes or Scheduled Tribes under Tamil Nadu Transparency in Tenders Act 1998 & Rules 2000 (Section 2(aa), Section 2 (aaa), Section 10 (2) proviso, Rule 30 (C)).

2. The mandatory purchase preference covers all procurement of goods or services which fulfill the following conditions;

- (A) it is possible for the procuring entity to divide the award of tenders to more than one supplier or service provider,
- (B) the lowest tenderer is not an enterprise owned by persons belonging to the Scheduled Castes or Scheduled Tribes;
- (C) the tender has received bid from Enterprise owned by Scheduled Castes or Scheduled Tribes
 - a. which is a domestic enterprise i.e.
 - i) which is located in the State,
 - ii) which manufactures or produces goods or provides or renders services within the State and

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- iii) which fulfills the criteria to qualify as a micro or small enterprise as may be notified by the Central Government under Section 7(1) of the Micro, Small and Medium Enterprises Development Act, 2006.
- b. which is a firm or limited liability partnership, having its registered office and place of business in the State, where not less than three-fourths of the partners belongs to the Scheduled Castes or Scheduled Tribes: or
- c. which is a company having its registered office and place of business in the State where
 - i) more than fifty per cent of the ordinary shareholdings pertain to persons belonging to the Scheduled Castes or Scheduled Tribes, and
 - ii) the control of the company, as defined in section 2 (27) of the Companies Act, 2013 (Central Act 18 of 2013) vests with persons belonging to the Scheduled Castes or Scheduled Tribes
- (D) such bidder as defined in (C) above is willing to match the price of the lowest tenderer.

3. In all tenders, where it is possible for the procuring entity to divide the award of tenders to more than one supplier or service provider as mentioned in 2(A) above, **the tender document shall include a specific clause** that five percent of the total requirement in the procurement shall be mandatorily awarded to domestic enterprises owned by persons belonging to the Scheduled Castes or Scheduled Tribes in respect of only of the goods manufactured or services rendered by it.

4. However, it is noted that many procurement entities are not aware of the mandatory purchase preference. They have not been including such clause for mandatory purchase preference in the tender document and are not enabling mandatory purchase preference for such enterprises while floating tenders through the tntenders portal (<https://tntenders.gov.in>).

5. Therefore, you are hereby instructed to ensure **strict implementation of the mandatory purchase preference as indicated above** in all the procurement done by your organization and all entities subordinate to your organization, without fail. I further request you to provide a quarterly report regarding compliance for all the tenders floated by your organization.

Yours faithfully



for Secretary to Government (Expenditure)

Copy to:

The Senior Principal Private Secretary to the Principal Secretary
to Government, Finance Department, Chennai-9.

The Private Secretary to the Secretary to Government (Expenditure),
Finance Department, Chennai-9.

All Sections in Finance Department, Chennai-9.

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