

GOVERNMENT OF ANDHRA PRADESH  
ABSTRACT

APFC Volume – I – Rules and instructions governing the Purchase of Stores – Rule III 7  
under Article 125 APFC Volume – I – Amendment – Orders – Issued.

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FINANCE (TFR.I) DEPARTMENT

G.O.Ms.No. 489

Dated:8.12.2008  
Read the following:

**ORDER:**

The rules and instructions governing the purchase of stores and calling of Tenders are envisaged in Article 125 of APFC Vol-I. The estimated value of the orders for Open Tenders / Limited Tenders / Single Tender is very much low when compared to the present rates and it is not sufficient to cater to needs of Tender Procedure.

Government have examined the issue in detail and after careful examination of the matter the following amendment is issued to existing provisions under Article 125 of APFC Volume – I

**AMENDMENT**

**For**

**Article 125 Instruction 8**

Rule III does not preclude the use of limited or single tenders. The “Open Tender” system i.e., invitation to tender by public advertisement should however, be used as a general rule and must be adopted, subject to the exceptions mentioned in Instruction 13 under this rule, whenever the estimated value of the order to be placed is Rs.5000 or over. When the “ Open Tender” system is used the purchasing Officer should arrange for the necessary public advertisement and may at his discretion, insert advertisements in the Andhra Pradesh Gazette, the Indian Trade Journal, published by the Director- General of Commercial Intelligence and Statistics, Calcutta, and one or more of the principal newspapers published in India.

**Read**

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**Note:** Any splitting of work to remain within the limit will be viewed seriously and action taken. Even for tendering above Rs.5.00 lakhs only a small advertisement can go in the newspaper and further details can be part of website whose address can be mentioned in the news paper. Lengthy advertisements in newspapers may be avoided

**Article 125 Instruction 9**

The “Limited Tender” system should ordinarily be adopted whenever the estimated value of the order to be given is less than Rs.5,000/-.

The “Limited Tender” System should ordinarily be adopted whenever the estimated value of the order to be given is less than **Rs.5.00 lakhs.**

Article 125 Instruction 11

The “Single Tender” system may be adopted in the case of a small order, or when the articles required are of appropriated character and competition is not considered necessary. For this purpose a small order means an order the value of which does not exceed Rs1000/- or, if more than one kind of article is ordered at one time, an order the total value of which does not exceed Rs.2000/-.

The “Single Tender” system may be adopted in the case of a small order, or when the articles required are of a proprietary character and competition is not considered necessary. For this purpose a small order means an order the value of which does not exceed **Rs10,000/-** or, if more than one kind of article is ordered at one time, an order the total value of which does not exceed **Rs.20,000/-**

Article 125 Instruction 13

The Limited Tender” system may be adopted instead of the “Open Tender” system even when the estimated value of the order to be given is in excess of the limits Rs.5000/-

The Limited Tender” system may be adopted instead of the “Open Tender” system even when the estimated value of the order to be given is in excess of the limits **Rs.5.00 lakhs**

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

I.Y.R.KRISHNA RAO  
PRINCIPAL SECRETARY TO GOVERNMENT

To  
All Departments Secretariat.  
All Heads of Departments.  
All District Collectors.  
The Director General, Anti Corruption Bureau, Hyderabad.  
The Secretary, A.P. Public Service Commission, Hyderabad.  
The Vigilance Commissioner, A.P. Vigilance Commission, A.P. Secretariat, Hyderabad.  
The Registrar, A.P. Administrative Tribunal, Hyderabad.  
The Commissioner, I. & P.R., Hyderabad.  
The Principal Accountant General (Audit.I), A.P. Hyderabad.  
The Accountant General (Audit.II), A.P. Hyderabad.  
The Accountant General (A&E), A.P. Hyderabad.  
The Law (E) Department.  
All the Officers / Sections of Finance Department.  
SF/SC's.

//FORWARDED::BY ORDER//

SECTION OFFICER.

In the said Article, in Art 125 after Instruction 8 the following shall be inserted namely:

“Open tender system for purchases more than Rs.5.00 lakhs. Any splitting of work within the limit will be viewed seriously and action taken. Even for tendering above Rs.5.00 lakhs only a small advertisement can go in the newspaper and further details can be part of website whose address can be mentioned in the news paper. Lengthy advertisements in newspapers may be avoided”.

For Section 9 the following shall be substituted namely:

“The decision taken on the value of order for Open Tender system, may be also adopted for the Limited Tender system”

For Section 11 the following shall be substituted namely:-

“Single Article Rs.10,000/- and more than one article Rs.20,000/-“

For Section 13 the following shall be substituted namely:-

“The Limited Tender” system may be adopted instead of the “Open Tender” system even when the estimated value of the order to be given is in excess of the limits Rs.5.00 lakhs”.