

Under Rule 130 of the Tamil Nadu Legislative Assembly Rules, the following Bill which was introduced in the Legislative Assembly of the State of Tamil Nadu on 18th October, 2022 is published together with Statement of Objects and Reasons for general information:-

**L.A Bill No. 52 of 2022**

***A Bill further to amend the Tamil Nadu Transparency  
in Tenders Act, 1998.***

BE it enacted by the Legislative Assembly of the State of Tamil Nadu in the Seventy-third Year of the Republic of India as follows:-

1. (1) This Act may be called the Tamil Nadu Transparency in Tenders (Amendment) Act, 2022.

Short title and  
commencement.

(2) It shall come into force at once.

2. In section 2 of the Tamil Nadu Transparency in Tenders Act, 1998 (herein after referred to as the principle Act),

Amendment of  
Section 2.

(1) for clause (aa), the following clause shall be substituted, namely:-

“(aa) “domestic enterprise” means any enterprise located in the State, which manufactures or produces goods or provides or renders services within the State and which fulfills the criteria to qualify as a micro or small enterprise as may be notified by the Central Government under clause (1) of section 7 of the Micro, Small and Medium Enterprises Development Act, 2006 (Central Act 27 of 2006).”;

(2) after clause (aa) as so substituted, the following clause shall be inserted, namely:-

“(aaa) “domestic enterprise owned by Scheduled Castes or Scheduled Tribes” means—

(i) any domestic enterprise located in the State, which is owned by any person belonging to a Scheduled Caste or a Scheduled Tribe; or

(ii) any domestic enterprise, 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 belong to the Scheduled Castes or Scheduled Tribes; or

(iii) any domestic enterprise, which is a company having its registered office and place of business in the State where,—

(1) more than fifty per cent. of the ordinary shareholdings pertain to persons belonging to the Scheduled Castes or Scheduled Tribes; and

(2) 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”;

Tamil Nadu Act  
43 of 1998

(3) clause (ee) shall be relettered as clause (eee) and before clause (eee) as so relettered, the following clause shall be inserted, namely:-

“(ee) “Scheduled Castes” and “Scheduled Tribes” shall have the meanings assigned to them respectively under clauses (24) and (25) of Article 366 of the Constitution.”;

(4) after clause (eee), the following clauses shall be inserted, namely:-

“(eeee) “State” means the State of Tamil Nadu.”.

Amendment of  
Section 10

3. In section 10 of the Principal Act, in sub-section (2), after the third proviso, the following proviso shall be added, namely:-

“Provided also that the Tender Accepting Authority shall accept the tender of the domestic enterprises owned by Scheduled Castes or Scheduled Tribes, not being the lowest tender, upon satisfaction of such conditions as may be prescribed, in respect of goods manufactured or produced and services provided or rendered by them, to the extent of five per cent. of the total requirement in that procurement, if such enterprise is willing to match the price of the lowest tender.”.

**STATEMENT OF OBJECTS AND REASONS**

The Tamil Nadu Transparency in Tenders Act, 1998 (Tamil Nadu Act 43 of 1998) was enacted to provide for transparency in the public procurement and to regulate the procedure in inviting and accepting tenders.

2. To encourage and incentivise the participation of Micro and Small enterprises owned by persons belonging the Scheduled Castes and Scheduled Tribes, in public procurement, the Government have decided to amend the said Tamil Nadu Act 43 of 1998, suitably.

3. the Bill seeks to give effect to the above decision.

**DR. PALANIVEL THIAGA RAJAN,**  
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Secretariat,  
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18th October 2022.

K. SRINIVASAN,  
*Secretary.*