

**BILLS INTRODUCED IN THE LEGISLATIVE ASSEMBLY OF THE STATE OF
TAMIL NADU**

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 31st October, 2012 is published together with Statement of Objects and Reasons for general information:-

L.A. Bill No. 34 of 2012

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 Sixty-third Year of the Republic of India as follows:-

Short title and commencement.

1. (1) This Act may be called the Tamil Nadu Transparency in Tenders (Second Amendment) Act, 2012.

(2) It shall come into force on such date as the State Government may, by notification, appoint.

Amendment of section 2.

2. In section 2 of the Tamil Nadu Transparency in Tenders Act, 1998 (hereinafter referred to as the Principal Act),-

Tamil Nadu
Act 43 of
1998.

(i) after clause (c), the following clause shall be inserted, namely:-

“(cc) ‘Lowest Tender’ means the tender which, on evaluation, is found to be most beneficial to the procuring entity in financially quantifiable terms.”;

(ii) in clause (i), the proviso shall be omitted.

Amendment of Section 10.

3. In Section 10 of the principal Act,—

(i) for the expression “he”, in four places where it occurs, the expression “the said authority” shall be substituted.

(ii) to sub-section (6), the following proviso shall be added, namely:-

“Provided that if the tenderer is unable to supply the entire quantity required, the Tender Accepting Authority may follow the fixed rate contract procedure as may be prescribed.”

Amendment of section 12.

4. In section 12 of the principal Act, in sub-section (1) for the expression “he”, the expression “the said authority” shall be substituted.

Amendment of section 16.

5. In section 16 of the principal Act,—

(i) for clause (c), the following clause shall be substituted, namely:-

“(c) from departments of the Government, Public Sector Undertakings, Statutory Board and such other institutions as may be notified by the Government, only in respect of goods manufactured or services provided by them:

Provided that such procurement shall not exceed forty per cent of the total requirement in that procurement and shall be at a price not exceeding the price of the lowest tender in respect of the remaining sixty per cent.”

(ii) for clause (dd) and the proviso thereunder, the following clause and provisos shall be substituted, namely:-

“(dd) from domestic small-scale industrial units, only in respect of goods manufactured by them:

Provided that such procurement shall not exceed twenty-five per cent of the total requirement in that procurement and shall be at a price not exceeding the price of the lowest tender in respect of the remaining seventy five per cent:

Provided further that in the case of a single procurement involving clauses (c) and (dd), such procurement shall not exceed forty per cent of the total requirement in that procurement;”

(iii) for clause (f), the following clause shall be substituted, namely:—

“(f) by spot purchase of agricultural commodities, agricultural produce and livestock from primary producers; by spot purchase of cotton by Spinning Mills; by spot purchase of animals for the Government Programmes or schemes or for the Government Departments from *shanties*; of sugarcane purchase from farmers by the State Public Sector Undertakings or Co-operative Sugar Mills; of paddy by the Direct Purchase Centres of the Tamil Nadu Civil Supplies Corporation; of clothing by the Government Departments or the State Public Sector Undertakings from the Tamil Nadu Handloom Weavers' Co-operative Society; and by similar organization and of similar goods and services, as may be notified by the Government;”.

(iv) after clause (g), the following clause shall be added, namely:—

“(h) by the Co-operative Federations from their Federating units or Primary Co-operative Societies, of goods manufactured or services provided by them;”

O. PANNEERSELVAM,
Minister for Finance.

STATEMENT OF OBJECTS AND REASONS.

The Tamil Nadu Transparency in Tenders Act, 1998 (Tamil Nadu Act 43 of 1998) provides for transparency in the public procurement and regulates the procedure in inviting and accepting tenders. In the process of implementation of the said Act, during the past years, certain practical problems were faced and the need for certain improvements were also felt. Further, recently the Tamil Nadu Infrastructure Development Act, 2012 (Tamil Nadu Act 22 of 2012) was enacted to provide for an enabling and facilitative environment in the State for financing, design construction, maintenance and operation of infrastructure projects also through private sector participation. In order to overcome the problems faced and to implement the Tamil Nadu Transparency in Tenders Act, 1998 (Tamil Nadu Act 43 of 1998) effectively in the, light of the said Tamil Nadu Act 22 of 2012, the Government have decided to amend the said Tamil Nadu Act 43 of 1998, suitably.

2. The Bill seeks to give effect to the above decision.

O. PANNEERSELVAM,
Minister for Finance.

A.M.P. JAMALUDEEN,
Secretary.