

Cement – Procurement of Cement from private manufactures thro' open tenders for Rural Development and Panchayat Raj works during 2009-2010 thro' TANCEM and extension of the contract period with Private manufactures upto 30.6.2009

Rural Development & Panchayat Raj (CGS-I) Department

G.O.(2D) No. 10

Dated: 26.2.2009

Read:

1. G.O.(2D) No.37, Rural Development & Panchayat Raj(CG-1) Department, Dated 6.6.07.
2. G.O.(2D) No.69, Rural Development & Panchayat Raj(CG-1) Department, Dated 29.9.2008.
3. From the Commissioner of Rural Development and Panchayat Raj Letter No. 7868/07/TU.3, Dated 29.1.2009 and 19.2.2009.
4. From the Chairman & Managing Director, TANCEM, D.O. Letter No 85/ CMD/TANCEM/2009, dated 23.2.2009 and 24.2.2009.

ORDER:

In the G.O. first read above, the Government had authorized TANCEM to procure cement from private cement manufacturers through open tender for Rural Development and Panchayat Raj Department's work as TANCEM's own production is not sufficient to meet the needs. In the G.O. second read above the Government had ordered the extension of the validity of contract period beyond mid October 2008 till 31.3.2009, in order to avail the entire offered quantity from the private manufacturers.

2. The Commissioner of Rural Development and Panchayat Raj has informed that the Parliamentary Elections scheduled during May, 2009 are likely to be announced shortly and thus the code of conduct will come into force whereby finalization of all tenders will be held up and it may not be possible for TANCEM to finalise the tenders for fixing the rate contract of cement for the year 2009-10 before 31.3.2009. He has requested that TANCEM may be requested to extend the contract period for the supply of OPC Grade 43 cement through private manufacturers at the same rate of Rs.220/- per bag as fixed for the year 2008-09 upto 30.6.2009.

3. The CRD&PR has further sent a proposal stating that cement is one of the important materials required for implementing various Centrally & State sponsored schemes of Rural Development and Panchayat Raj Department. For the year 2009-2010, the total requirement by all districts for various schemes is estimated at 13.09 lakh MTs. Out of this, TANCEM will be able to supply a part of requirement i.e. 6.50 lakh MTs. only. Therefore the balance of 6.59 lakh MTs., approximately 7 lakh MTs. of cement will have to be procured from private manufacturers. Accordingly the Commissioner of Rural Development and Panchayat Raj has requested orders of the Government to purchase 7 lakh MTs. of cement from private manufacturers through TANCEM.

4. The Chairman and Managing Director, TANCEM has agreed to procure cement from private cement manufacturers by floating open tenders for the purchase of 7 lakh MTs. of cement required for Rural Development and Panchayat Raj as per existing terms and conditions for purchase of cement during 2009-2010 and he has requested orders of Government to extend the contract period and to invoke the Clause under Special Terms of the Rate Contract 14(b) and as per provisions of Rule 14(9) of Tamil Nadu Transparency in Tender Rules, 2009 to place an additional quantity with the Tenderers for a quantity not exceeding 25% of the quantity offered originally.

5. The Government have carefully examined the proposal of Commissioner of Rural Development and Panchayat Raj and issue the following orders:

- (i) The contract period with private cement manufacturers for the supply of OPC Grade 43 cement at the same rate of Rs.220/- per bag as fixed for the year 2008-09 is extended upto 30.6.2009.
- (ii) The TANCEM shall invoke the Clause under Special Terms of the Rate Contract 14(b) and as per provisions of Rule 14(9) of Tamil Nadu Transparency in Tender Rules, 2000 to place an additional quantity with the Tenderers for a quantity not exceeding 25% of the quantity offered originally.
- (iii) TANCEM shall procure additional quantity of 7 lakh MTs. of cement required for Rural Development and Panchayat Raj Department during 2009-2010 through open tenders and to fix a 'Rate Contract' for supply of cement by negotiating with the bidders;
- (iv) TANCEM shall levy a service charge of Rs.2/- per bag which shall also be utilised for conducting quality tests as per IS Code 8112-1989 and ordered earlier;

6. This order issues with the concurrence of Finance Department vide its U.O.No.617/FS/P/09, Dated 25.2.2009.

(By order of the Governor)

K.ASHOK VARDHAN SHETTY,
PRINCIPAL SECRETARY TO GOVERNMENT.