

PROCEEDINGS OF THE MEETING OF TENDER SCRUTINY COMMITTEE
FOR THE SUPPLY OF 43 GRADE OP/PP CEMENT TO KRIDL PROJECTS
HELD ON 21/09/2013 & 23/09/2013

S r i y u t h s :-

H.P. Prakash, Managing Director, KRIDL, Bangalore
N. Ramakrishna, SE O/o. Chief Engineer, PRED, Bangalore,
ShreeKrishna N.B, Internal Financial Advisor, RDPR Dept.
R. Rangarajan, General Manager Works (North)
M. Srinivas, General Manager Works (South)
H.M.Mukundappa, General Manager (Finance)
A. Nagabhushan, Joint Director, KRIDL, BBMP
Y.N.Sheshadri, Deputy Director, Works, KRIDL, Bangalore
B.V. Roopashri, Deputy Director, Accounts, KRIDL, Bangalore

Managing Director KRIDL welcomed the members of Tender Scrutiny Committee, representative of firms, General Manager (North) briefed details of E-Portal and evaluation of tender to the members. KRIDL invited E-tender for supply of cement to KRIDL projects vide notification No..KRIDL/Wks/Cement/Tender/2013-14, Dt: 14/05/2013. Tender were invited from the manufacturers, technical and financial bids of the tender were opened on the stipulated date and it was observed that the quoted rates for supply of cement to KRIDL projects were on higher side. Hence, tender was **re-invited** vide notification No. KRIDL/Wks/Cement/Tender/2013-14,Dt:05/07/2013,from manufacturers with turn over of Rs.100 cr. Per annum in any two years of last three financial years, quantity of cement put to tender is 80,000 MT. and Amount put to tenders Rs.40.00 Cr. Tender notification was published in daily news papers Samyuktha Karnataka, The Hindu and in Indian trade journal, published from Kolkatta

Technical bids for supply of Cement to KRIDL Projects were opened on stipulated date i.e., 27/07/2013, on verification of the technical bids and financial bids of the eligible firms were opened on 13/08/2013 and details for rates quoted against quantity are compared to previous approved rate, S.R.rate etc.

Sl No.	Name of firms
1	M/s ACC ltd, Bangalore
2	M/s Anjani Portaland cement, Hydrabad
3	M/s Zuari Cement Ltd., Bangalore
4	M/s NCL industries Ltd. Krishna Dist. A.P.
5	M/s Ultra tech Cement Ltd., Bangalore
6	M/s Kesoram Industries Ltd., (Vasava Dhatta) Bangalore
7	M/s Dalimia Cement, Bharath Ltd., Bangalore
8	M/s. Chettinad Cement, Chennai
9	M/s.Madras Cement , Chennai
10	M/s.JSW Cement, Hydrabad

Details of Comparison of L1 rates, S.R. rate and previous approved rates is listed below.

Sl. No.	Particulars	OPcement			PPcement			Total - Average Rate		
		Qty. /Bags	Rate /Bag	Amount Rs.	Qty. /Bags	Rate /Bag	Amount Rs.	Total Qty./Bags	Rate /Bag	Amount Rs.
1	2	3	4	5	6	7	8	9	10	11
1	Quoted L1 avrge	800000	316	240474000	800000	301	227505200	1600000	311	497979200
2	Previous Approved Rate avrge	800000	281	225089000	800000	266.00	213342800	1600000	274	438431800
3	S.R. Rate 13-14 avrge	800000	322	258212400	800000	312.00	249600000	1600000	317	507812400
4	Highest L1 rate quoted (Mangalore)		347.00			337.00				
5	Lowest L1 Rate quoted (Gulbarga)		287.00			277.00				
6	Bangalore L1 Rate		324.00			314.00				

In the tender, all the 10 firms have quoted their rates in the schedule for all 73 destination, M.s. JSW cement has quoted the rates only for ordinary Portland Cement (OP) (not quoted for PP Cement in the financial bid) It is observed that quoted rates are higher by Rs.37.33/bag than previous approved rates (Average) in compared to L1 rates by the firms.

Managing Director KRIDL Bangalore expressed that M/s.KRIDL concludes rate contract for a period of 6 months and requested to re-work the rates based on destination with respect to logistics etc., in the interest of Government works and requested to revise the rates.

Sri. S.V.Patil of M/s. Ultratech expressed that cement production is energy based and about 70% of coal has to be imported, the prices of raw materials coal, petrol/diesel charges and railway freight have increased resulting in increase of price of cement. Sri Subhas of M/s Vasavadatta Cement also expressed that due to increase in cost of production and raw material, cement prices have gone up in the market.

Sri.S.V.Patil (M/s.Ultratech) requested for one year rate contract based on weighted average cost based on price Index. It was informed that there is provision in the tender clause for price adjustment (Clause 25 of tender) and to renew the currency of the approved rates for a further period on mutually agreeable basis (Clause 29 of tender)

General Manager(North) brought to the notice of member that price adjustment clause is provisioned in the tender. ShreeKrishna N.B IFA, RD & PR expressed that KRIDL executes works on basis of PWD SR rates hence cement rate shall be less than the schedule of rates and rates shall be revised in the interest of organization. Managing Director KRIDL, Bangalore after detailed deliberation requested the representatives of the firms to reduce the rates quoted in the tender and request to submit revised rates.

Committee conducted negotiations with representatives of firms individually (each firm separately) for reduction in rates. Representatives of firms expressed that rates quoted are reasonable and requested time for reworking out the cost considering logistics. Sri. Ramakrishna, Superintending Engineer representative on behalf C.E PRED expressed that opportunity be given to firms to work out revised rates. The companies were reluctant to accept the offer immediately and required some time to obtain permission from higher ups. Accordingly meeting adjourned to 23-09-2013 at 11.00 AM for further discussions.

CONTINUATION OF MEETING ON 23-09-2013

MEMBERS PRESENT

S r i y u t h s :-

H.P. Prakash, Managing Director, KRIDL, Bangalore
Jaganatha Reddy, Chief Engineer, PRED, Bangalore,
ShreeKrishna N.B, Internal Financial Advisor, RDPR Dept.
R. Rangarajan, General Manager Works (North)
M. Srinivas, General Manager Works (South)
H.M.Mukundappa, General Manager (Finance)

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Managing Director, KRIDL welcomed all the Members of Tender Scrutiny Committee, Representative of Firms and requested to submit offer revised price of cement to KRIDL projects. Accordingly members of the firms expressed that they have revised rates considering hike in raw materials and logistics. On comparing S.R. rates, it is seen that the revised prices quoted are below the S.R.

Tender Scrutiny Committee examined revised rates offered by the firms and approved the lowest rate and amount submitted by the firms based on negotiations. Accordingly the rates offered by the respective L1 firms is approved and tabulated below.

Revised L1 rates and amount based as negotiation quoted by the firms were tabulated below:-

Sl No.	Name of firms	Qty of OP/PP Cement in bags	Total Amount in Rs.
1	M/s ACC ltd, Bangalore	243380	69126433.00
2	M/s Anjani Portaland cement, Hydrabad	176280	50051420.00
3	M/s Zuari Cement Ltd., Bangalore –	163691	47735988.00
4	M/s NCL industries Ltd. Krishna Dist. A.P.	108658	30346082.00
5	M/s Ultra tech Cement Ltd., Bangalore	229743	65619404.00
6	M/s Kesoram Industries Ltd., (Vasav Dhatta) Bangalore	188922	53494139.00

7	M/s Dalimia Cement, Bharath Ltd., Bangalore	73501	21480923.00
8	M/s. Chettinad Cement, Chennai	194756	55208029.00
9	M/s. Madras Cement, Chennai	134021	39353692.00
10	M/s. JSW Cement, Hyderabad	87048	25705090.00
Total		1600000	458121200.00


(Rupees Forty five crores eighty one lakhs twenty one thousand two hundred only)

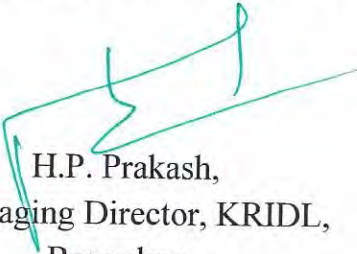
- The average supply rate of cement per bag as per present tender
 - OPC Rs.292.00
 - PPC Rs.280.00
 - OPC & PPC Average Rs.286.00


- The average rate of cement per bag as per previous tender approved rate Rs.274.00

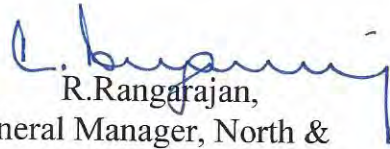
- Average CSR. rate Rs.317.00

The Tender Scrutiny committee examined the revised rates offered by the firms and resolved to approve the lowest rate and amount for supply of Cement to KRIDL Projects.


Jaganatha Reddy,
Chief Engineer,
PRED, Bangalore,


H.P. Prakash,
Managing Director, KRIDL,
Bangalore


Shree Krishna N. Bugatyagol
Internal Financial Advisor,
RDPR Dept.


R. Rangarajan,
General Manager, North &
Member Secy,