

**PROCEEDINGS OF THE MEETING OF TENDER SCRUTINY COMMITTEE  
FOR THE SUPPLY OF OP/PP/PSC CEMENT TO KRIDL PROJECTS HELD  
ON 06-01-2015**

**S r i y u t h s :-**

H.P. Prakash, Managing Director, KRIDL, Bangalore  
Jaganathareddy, Chief Engineer, PRED, Bangalore  
Laxmikanth ,Representative of Director , E-procurement Dept.  
Ratna Kumar Chief Engineer (Central),  
H.M.Mukundappa, Chief Finance Officer (Finance)  
T.H.Gurumurthy, Superintendent Engineer

Managing Director KRIDL welcomed the members of Tender Scrutiny Committee, representative of the firms, Chief Engineer Central 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/2014-15, Dt: 15/10/2014, KRIDL 2014-15 IND-65, Tender were invited from the 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 100,000 MT. and Amount put to tenders Rs.51.20 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 date 20/11/2014 on verification of the technical bids and financial bids of the eligible firms were opened on 21/11/2014 and details of rates quoted against quantity are compared to previous approved rate, S.R.rate

Details of L1 rates, previous rates & S.R Rates are as shown below:

| Sl. No. | Particulars                        | L1 quoted for OP cement |           |            | L1 quoted for PP cement |           |            | Total Average   |           |            |
|---------|------------------------------------|-------------------------|-----------|------------|-------------------------|-----------|------------|-----------------|-----------|------------|
|         |                                    | 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       | Present Quoted L1 rates/amount     | 1000000                 | 294.28    | 294283250  | 1000000                 | 268.16    | 268162500  | 2000000         | 281.22    | 562445750  |
| 2       | Previous Approved Rate             | 1000000                 | 258.87    | 258876000  | 1000000                 | 254.35    | 254351500  | 2000000         | 256.61    | 513227500  |
| 3       | S.R. Rate 12-13                    | 1000000                 | 345.16    | 345158400  | 1000000                 | 335.00    | 335000000  | 2000000         | 340.07    | 680158400  |
| 4       | Highest L1 rate quoted (Mangalore) |                         | 350.00    |            |                         | 300.00    |            |                 |           |            |
| 5       | Lowest L1 Rate quoted (Bidar)      |                         | 260.00    |            |                         | 245.00    |            |                 |           |            |
| 6       | Bangalore L1 Rate                  |                         | 315.00    |            |                         | 275.00    |            |                 |           |            |

In the tender, all the 12 firms have quoted their rates in the schedule for destination wise for ordinary Portland Cement (OP) and for PP/PSC Cement in the financial bid It is observed that quoted L1 rates are Higher by Rs.25.22/bag than previous approved rates (Average).

Managing Director and Committee member went through the rates quoted by each company and for each destination. The Committee observed that, The L1 rates quoted by companies, for every destination are competitive, very much less than the Market rate and PWD (SR) rate Still committee, felt to have a negotiation with each and every company for reducing the L1 quoted rates.

Committee conducted negotiations with representatives of firms individually.

The committee first called the representative M/s. Chettinad Cement and discussed with them about the reduction of quoted L1 price, Logistic arrangement of the company. Also the committee went through the past performance of the company in detail.

The tender committee requested M/s. Chettinad Cement to reduce the quoted L1 price of OP & PP Cement. M/s. Chettinad Cement told the committee that quoted L1 price of OP & PP cement by M/s.Chettinad co., are very much lesser than the market rate and PWD(SR) rate. Regarding quantity of supply, keeping in view of logistic arrangements and other factors the company agreed to supply only nearly 100000 bags of OPC & 200000 bags of PPC without any problem. The representative of the company requested for allotment of nearly 100000 bags of OPC and nearly 200000 bags of PPC and left the decision about the location to be supplied to the discretion of the committee. To this effect the representative of the company agreed to give the letter.

The committee called the M/s JSW cement and requested them to reduce quoted L1 rate of OPC & PSC. The representative of the company categorically told it is not possible to reduce the quoted L1 rates since the rate quoted by them are very much less than the Market rate and PWD SR rate. In continuation they also expressed that they are ready to supply any amount of additional Quantity of PSC to any destinations at the approved (Matching) L1 rate of that destination.

The committee called the following Cement companies individually and requested them to reduce their quoted L1 rate.

| Sl<br>.No. | Name of Firms                              |
|------------|--|
| 1          | M/s JK Cement Ltd                          |
| 2          | M/s ACC cement                             |
| 3          | M/s NCL Industries Ltd                     |
| 4          | M/s Zuari cement Ltd                       |
| 5          | M/s Madras Ramco Cement Ltd                |
| 6.         | M/s Deccan Cement                          |
| 7          | M/s Kesoram (Vasavadatta) Industries Ltd., |
| 8          | M/s Ultratech cement                       |
| 9          | M/s Dalmia Cement Bharat Ltd.              |
| 10         | M/s Vicat Sagar Cement Pvt Ltd.,           |

During the time of negotiation, each of the above company expressed their inability to reduce the quoted rate as the rates quoted by them are very much less when compared to prevailing market rate and PWD(SR) rate.

The tender committee, decided to allot for the time being nearly 1 lakh bag of OP cement and 2 lakh bag of PSC cement to M/s chettinadu cement and watch the performance of the company Depending upon the performance of the company,

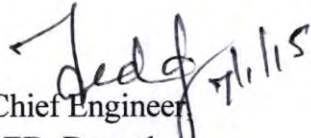
Committee authorized the Managing Director to take decision to allot the remaining quantity either to that company or to other Company at the approved lowest. L1 rates.

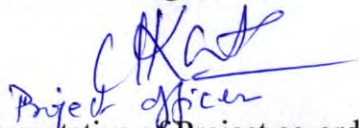
For the time being the Committee, allotted to all the 12 firm the following quantity of Cement as tabulated below:

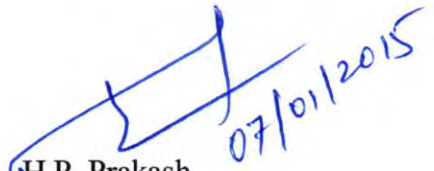
| Sl No. | Name of firms                               | L1 OP Qty in bags | L1 Amount in Rs.  | L1 PP/PSC Qty in bags | L1 Amount in Rs. |
|--------|---|-------------------|-------------------|-----------------------|------------------|
| 1      | M/s JK Cement Ltd ✓                         | 28036             | 9199496           |                       |                  |
| 2      | M/s ACC ✓                                   | 53550             | 17315229          |                       |                  |
| 3      | M/s NCL Industries Ltd ✓                    | 3152              | 991836            |                       |                  |
| 4      | M/s Zuari Cement Ltd ✓                      | 53740             | 17473838          |                       |                  |
| 5      | M/s Madras Ramco Cement Ltd ✓               | 74767             | 24166195          |                       |                  |
| 6      | M/s. Chettinad Cement Corporation Ltd ✓     | 99000             | 25740000          | 208000                | 52065000         |
| 7      | M/s Deccan Cement ✓                         | 12924             | 4070019           |                       |                  |
| 8      | M/s. Kesoram (Vasavadatta) Industries Ltd ✓ | 32322             | 10355274          |                       |                  |
| 9      | M/s Ultratech cement ✓                      | 28065             | 9022378           |                       |                  |
| 10     | M/s. Dalmia Cement Bharat Ltd ✓             | 37853             | 12157273          |                       |                  |
| 11     | M/s.JSW Cement Ltd                          | 63083             | 20379816          | 581625                | 161602500        |
| 12.    | M/s.Vicat Sagar Cement Pvt Ltd ✓            | 19067             | 6116167           |                       |                  |
|        | <b>Total</b>                                | <b>505559</b>     | <b>1569987521</b> | <b>789625</b>         | <b>213667500</b> |

- The average supply rate of cement per bag as per present tender
  - OPC Rs. 294.28
  - PPC /PSC Rs. 268.16
  - OPC & PPC/PSC Average Rs. 281.22
- The average rate of cement per bag as per previous tender approved rate Rs. 256.00
- Average CSR. rate Rs. 340.00

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

  
Chief Engineer  
PRED, Bangalore,

  
Project officer  
Representative of Project co-ordinator  
E-Procurement

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

  
Ratna Kumar  
Chief Engineer, Central  
Member Secy,