

Rules for Reverse Auction

1. Particulars

Sl No.	Particulars	Details
1.	AUCTION TO BE CONDUCTED BY (SERVICE PROVIDER)	E Procurement technologies limited Wall street II, opposite to orient club, Ahmedabad – 380006 Phone: +91-79-40270502/589/592/569
2.	WEBSITE ADDRESS FOR REVERSE AUCTION DATE OF AUCTION	Will be intimated at a later date to the shortlisted bidders

3. Online Reverse Auction

Bank desires to make use of Online Reverse Auction for various procurement processes at its Offices to get the most competitive price from the participating technically qualified Bidders. Reverse Auction event will be carried out among the Qualified Bidders, for providing opportunity to the Bidders to quote the price dynamically for the procurement for which RFP is floated.

4. PROCESS OF REVERSE AUCTION:

- 3.1.** Bank will engage the services of a Service provider for conducting Online Reverse Auction on behalf of the Bank.
- 3.2.** For the proposed reverse auction, technically qualified Bidders having a valid digital certificate alone shall be eligible to participate.
- 3.3.** Rules like event date and time, start price, bid decrement, extensions etc., will be communicated for compliance to the Bidder.
- 3.4.** For creating necessary obligations and rights, the Service Provider will also enter into an agreement with each Bidder for this purpose.
- 3.5.** The Service Provider will provide all necessary training and assistance before commencement of online bidding on Internet. Service Provider / auctioneer is responsible for conducting training to all technically qualified Bidders participating in the reverse auction and bidding process. Bidder may contact the Service Provider in this regard.
- 3.6.** Wherever it is considered necessary and asked by the Bidders or as decided by the auctioneer or by Bank, a mock auction may also be conducted for the benefit of all concerned.
- 3.7.** Each Bidder shall participate in the training/ mock auction at his / their own cost. Bidder / Authorised representatives of the Bidders named in the authorization letter given by the Bidder shall be given with a unique user name, password by the Service Provider / auctioneer. Each Bidder / Authorised representatives shall change the password after receipt of initial password from Service Provider.
- 3.8.** Reverse auction will be conducted on a scheduled date & time and the same shall be communicated in advance.
- 3.9.** Bidders have to submit the compliance form in the prescribed format, if any, provided by Service Provider before start of Reverse Auction. Without this the Bidder will not be

eligible to participate in the event.

- 3.10.** Start price for the Reverse Auction will be notified by the Bank. This start price can be either of the following
- 3.10.1.** Lowest quote amongst the bidders
 - 3.10.2.** Quote determined by the Bank through a mechanism of price discovery/industry prevalent rates
- 3.11.** All the bids made from the login ID given to Bidder will be deemed to have been made by the Bidder to whom login ID and password were assigned by the Service Provider / auctioneer.
- 3.12.** Any bid once made through registered Login ID / password by the Bidder cannot be cancelled. The Bidder, in other words, is bound to supply the items as per the RFP at the bid price offered during the Reverse Auction.
- 3.13.** Every successive bid by the Bidder being decremented bidding shall replace the earlier bid automatically and the final bid as per the time and login ID shall prevail over the earlier bids.
- 3.14.** The Bank shall conduct the reverse auction as per the Standard English reverse auction, that is, no two bids can have identical price from two different Bidders. In other words, there shall never be a "Tie" in bids.
- 3.15.** At the end of Reverse Auction event, the lowest Bidder value will be known on the network.
- 3.16.** The lowest Bidder has to submit the duly signed filled-in prescribed format along with break-up as provided on case-to-case basis to the Bank within 48 hours of auction without fail as per **Appendix I (1)** – Price bid confirmation post reverse auction.
- 3.17.** Any variation between the online Bid value and the signed document will be liable for rejection of the Bid, forfeiture of the Bid Security etc., and the Bidder may be disqualified to conduct business with the Bank in future.
- 3.18.** The Reverse Auction will be treated as closed only when the bidding process gets closed in all respects for the item listed in the tender.
- 3.19.** The Service Provider at the end of each Reverse Auction shall provide the Bank with all details of the bids and reports of Reverse Auction.
- 3.20.** Bank's decision on award of Contract shall be final and binding on all the Bidders.

4. Rules and Terms & Conditions of Reverse Auction:

Online Reverse Auctions are carried out under the framework of a set of rules. Following are the 'Rules and Terms & Conditions' of Online Reverse Auction.

4.1. Definition :

"Bank" means Kerala Gramin Bank

"Service Provider" means the third party agency / company who have been selected by the Bank for conducting Reverse Auction.

"Bidder" means the party or his authorised representative who has participated in the

RFP / Tender Process, Technically qualified, having valid Digital Certificate, and willing to comply with all the instructions and terms and conditions of RFP.

“L1” means the Bidder who has quoted lowest price in the Reverse Auction process.

“L2” means the Bidder who has quoted second lowest price in the Reverse Auction process and so on.

4.2. Eligibility of Bidders to participate in Reverse Auction:

- 4.2.1.** Bidders who are qualified in terms of the relative Terms & Conditions of the RFP and accept the Rules and Terms & conditions of Reversion Auction and submit the undertaking as per the prescribed format in **Appendix I(2)** – Reverse auction compliance statement can only participate in Reverse Auction related to the procurement for which RFP is floated.
- 4.2.2.** Bidders not submitting the above undertaking or submitting the same with deviations / amendments thereto will be disqualified from further evaluation / participation in the process of relevant procurement.
- 4.2.3.** Bidders should ensure that they have valid digital certificate well in advance to participate in the Reverse Auction. Bank and / or Service Provider will not be responsible in case Bidder could not participate in Reverse Auction due to non- availability of valid digital certificate.
- 4.2.4.** Bidders participating in Reverse Auction shall submit the following duly signed by the same Competent Authority who signs the offer documents in response to the RFP floated by the Bank.
- 4.2.5.** Undertaking letter for acceptance of Rules for Online Reverse Auction and Letter of Authority authorizing the name/s of official/s to take part in Reverse Auction as per the format **Appendix I (2)** – Reverse Auction compliance statement
- 4.2.6.** Agreement between Service Provider and Bidder. This format will be given by the service provider prior to announcement of Reverse Auction.

4.3. Training

- 4.3.1.** The Service Provider shall impart training on the Reverse Auction to representatives of all eligible Bidders for participation in Reverse Auction.
- 4.3.2.** All rules & procedure related to Reverse Auction will be explained during the training.
- 4.3.3.** The Bank/Service Provider may also conduct a “Mock Reverse Auction” to familiarize the Bidder/s with Reverse Auction process.
- 4.3.4.** Date, Time, Venue etc. of training will be advised at appropriate time.
- 4.3.5.** Eligible Bidder / his authorized nominee have to attend the training as per the schedule and at the specified venue at his / Bidder’s own cost.
- 4.3.6.** No request from the Bidders for change in training schedule and/or venue will be entertained.
- 4.3.7.** However, Bank reserves the right to postpone / change / cancel the training schedule for whatsoever reasons without assigning any reasons there for, even after its communication to eligible Bidders.

4.3.8. Any Bidder not participating in the training process will do so at his own risk and it shall not be open for him to make any complaint / grievance later.

4.4. Reverse Auction Schedule:

4.4.1. The date & time of commencement of Reverse Auction and its duration of time shall be communicated to the eligible Bidders prior to the Reverse Auction date.

4.4.2. Bank reserves the right to postpone / change / cancel the Reverse Auction event even after its communication to Bidders without assigning any reasons thereof.

4.4.3. The time period of Reverse Auction & Maximum number of its extensions & time are subject to change and will be advised to eligible Bidders before the start of the Reverse Auction event.

4.4.4. During English Reverse (no ties) Auction, if no bid is received within the specified time, the Bank, at its discretion, may decide to revise Start price / scrap the Reverse Auction process / proceed with conventional mode of tendering.

4.4.5. Bank / Service Provider will in no way be responsible for any failing of systems / communications etc. In such a case FAX/EMAIL can be sent to Service Provider giving sufficient time for service provider to upload in their systems. Bank's decision will be final in this matter. No correspondence shall be entertained in this matter.

4.5. Bidding Currency:

4.5.1. Bidding will be conducted in Indian Rupees (INR).

4.6. Start Price:

4.6.1. Bank shall determine the Start Price for Reverse Auction

4.6.2. On its own and / or

4.6.3. Based on the indicative price band information on Grand Total as per our price schedule value received as per **Annexure 14** – Bill of Materials.

4.6.4. The start price of an item in online Reverse Auction is open to all the participating Bidders. Bidders are required to start bidding after announcement of Start Price and decrement amount. Any Bidder can start bidding, in the online Reverse Auction, from the start price itself. Please note that the first online bid that comes in the system during the online Reverse Auction can be equal to the auction's start price, or lesser than the auction's start price by decremented value, or lesser than the auction's start price by multiples of decrement. The subsequent bid that comes in to outbid the L1 rate will have to be lesser than the L1 rate by one decrement value or in multiples of the decrement value.

4.7. Decrement Bid Value:

4.7.1. The bid decrement value will be specified by Bank before the start of

Reverse Auction event. It can be a fixed amount or percentage of Start Price or both whichever is higher or as determined by the Bank.

- 4.7.2. Bidder is required to quote his bid price only at a specified decremented value which may be informed to the technically qualified Bidders during Reverse Auction.
- 4.7.3. Bidder need not quote bid price at immediate next available lower level, but it can be even at 2 / 3 / 4level of next available lower level.
- 4.7.4. Bid decrement value shall be rounded off to nearest 100s or 1000s.

4.8. Web Portal and Access:

- 4.8.1. Reverse Auction will be conducted on a specific web portal meant for this purpose with the help of the Service Provider identified by the Bank.
- 4.8.2. Service Provider will make all necessary arrangement for fair and transparent conduct of Reverse Auction like hosting the web portal, imparting training to eligible Bidders etc. and finally conduct of Reverse Auction.
- 4.8.3. Bidders will be participating in Reverse Auction event from their own office / place of their choice. Internet connectivity and other paraphernalia requirements shall have to be ensured by Bidder themselves.
- 4.8.4. In the event of failure of their internet connectivity (due to any reason whatsoever it may be)
 - 4.8.4.1. It is the Bidders responsibility/ decision to send fax/email communication immediately to Service Provider furnishing the bid price, they want to bid online, with a request to upload the faxed/email bid price online so that the service provider will upload that price online on behalf of the Bidder.
 - 4.8.4.2. It shall be noted clearly that the concerned Bidder communicating this price to Service Provider has to solely ensure that the fax/email message is received by Service Provider in a readable / legible form and also the Bidder should simultaneously check up with Service Provider over phone about the clear receipt of the bid price faxed/emailed and the Service Provider has entered the same in the system.
 - 4.8.4.3. It shall also be clearly understood that the Bidder shall be at liberty to send such fax/email communications of prices to be uploaded by Service Provider only before the closure of Reverse Auction time and under no circumstances it shall be allowed beyond the closure of Reverse Auction event time. No fax/email will be entertained during the last extension in the extended period.
 - 4.8.4.4. Such Bidders have to ensure that the Service Provider is given reasonable time by the Bidders, to upload such faxed/emailed bid prices online and if such required time is not available at the disposal of Service Provider at the time of receipt of the fax/email message from the Bidders, Service Provider will not be uploading the bid prices. It is to be noted that neither the

Bank nor the Service Provider will be responsible for these unforeseen circumstances.

4.8.5. In order to ward-off such contingent situation:

4.8.5.1. Bidders are advised to make all the necessary arrangements / alternatives such as back -up power supply, whatever required so that they are able to circumvent such situation and still be able to participate in the Reverse Auction successfully.

4.8.5.2. Bidders are requested not to wait till the last moment to quote their bids to avoid any such complex situations.

4.8.5.3. Failure of power at the premises of Bidders during the Reverse Auction cannot be the cause for not participating in the Reverse Auction.

4.8.5.4. On account of this the time for the auction cannot be extended and Bank is not responsible for such eventualities.

4.8.5.5. Bank and / or Service Provider will not have any liability to Bidders for any interruption or delay in access to site of Reverse Auction irrespective of the cause.

4.8.6. For making the process of Reverse Auction and its result legally binding on the participating Bidders, Service Provider will enter into an agreement with each Bidder, before the start of Reverse Auction event. Without this, Bidder will not be eligible to participate in the event.

4.8.7. Neither Bank nor service provider / auctioneer can be held responsible for consequential damages such as no power supply, system problem, inability to use the system, loss of electronic information, power interruptions, UPS failure, etc. Bank's decision will be final in this regard. Bank will not entertain any correspondence in this regard.

4.9. TRANSPARENCY IN BIDS:

All Bidders will be able to view during the auction time the current lowest price in portal. Bidder shall be able to view not only the lowest bid but also the last bid made by him at any point of time during the auction time.

4.10. MASKING OF NAMES:

4.10.1. Bidder will be able to view the following on their screen along with the necessary fields in Reverse Auction : i) Opening Price ii) Leading / Lowest Bid Price in Auction (only total price) iii) Last Bid Price placed by the respective Bidder.

4.10.2. Names of Bidders / Bidder shall be anonymously masked in the Reverse Auction process and Bidders will be given suitable dummy names.

4.10.3. After completion of Reverse Auction, the Service Provider / auctioneer shall submit a report to the Bank with all details of bid and the original names of the Bidders as also the L1 Bidder with his / their original names.

4.11. Finalization of the Bidder:

4.11.1. At the end of Reverse Auction event Service Provider will provide the Bank all

necessary details of the bid prices and reports of Reverse Auction.

4.11.2. Upon receipt of above information from Service Provider, Bank will evaluate the same and will decide upon the winner i.e. Selected Bidder. Bank's decision on award of Contract shall be final and binding on all the Bidders.

4.11.3. Selected Bidder has to fax/email the duly signed filled-in prescribed format as provided on case-to-case basis to Bank within 24 hours of Reverse Auction without fail. The original signed **Appendix I (1)** – Reverse Auction price bid confirmation should reach the Bank within 48 hours of Reverse Auction without fail along with the break-up figures as per price schedule as per **Annexure – 14** – Bill of materials.

4.11.4. Any variation between the on-line Reverse Auction bid price and signed document will be considered as sabotaging the RFP process and will invite disqualification of Bidder/vender to conduct business with Bank as per prevailing procedure.

4.11.5. Selected Bidder has to give break-up of his last/lowest bid price as per Bill of Material at the end of Reverse auction event within 24 working hours without fail.

4.11.6. Selected Bidder is bound to supply at their final bid price of Reverse Auction. In case of back out or failure to supply as per the rates quoted, Bank will take appropriate action against such Bidder and / or forfeit the Bid Security amount, debar him from participating in future.

4.11.7. In case Bank decides not to go for Reverse Auction related to the procurement for which RFP is floated and price bids if any already submitted and available with Bank shall be opened as per Bank's standard practice using the closed sealed commercial bids.

4.12. Bidder's Obligation:

4.12.1. Bidder shall not form a cartel and involve themselves in Price manipulation of any kind directly or indirectly with other Bidder / Bidders at any point of time. If any such practice comes to the notice, Bank shall disqualify the Bidder / Bidders concerned from the Reverse Auction process.

4.12.2. Bidder shall not divulge his Bid details to unauthorized parties.

4.13. Change in Rules and Terms & Conditions of Reverse Auction:

4.13.1. Any change in the Rules as may become emergent and based on the experience gained shall be made only by a Committee consisting of Senior Executives of Bank.

4.13.2. Bank reserves the right to modify / withdraw any of the Rules and Terms & Conditions of Reverse Auction at any point of time.

4.13.3. Modifications of Rules and Terms & Conditions of Reverse Auction will be made available on website/email immediately.

4.13.4. Modifications made during the running of Reverse Auction event will be informed to participating Bidders immediately.

4.14. Errors and Omissions:

4.14.1. On any issue or area of material concern respecting Reverse Auction not specifically dealt with in these Rules, the decision of the Bank shall be final and binding on all concerned.