

Reverse Auction event for: Package: Construction of residential C Type, B type quarter, B3 Quarter Extension and Control Room ACDB Room extension composite building at 400/220 kV Sub Station, Pavagada

Business Rules for e-Reverse Auction

POWERGRID proposes to conduct e-Reverse Auction as per ITB Clause 29 for: **Package: "Construction of residential C Type, B type quarter, B3 Quarter Extension and Control Room ACDB Room extension composite building at 400/220 kV Sub Station, Pavagada"**

1. POWERGRID have its own PRANIT e-tender Portal for e-RA. Please go through the guidelines given below and submit their acceptance to the same in Attachment.
2. e-Reverse Auction (RA) will be conducted by the ASP from POWERGRID office, on pre-specified date and time (which shall be intimated to all the successful bidders through e-Reverse Auction Notice), while the bidders shall quote from their own offices/ place of their choice. Internet connectivity shall be ensured by the respective agencies themselves.
3. POWERGRID shall arrange to demonstrate/ train (if not trained earlier) bidder's nominated person(s), without any cost. They will also explain all the Rules related to e-Reverse Auction/ Business Rules Document to be adopted along with bid manual. Bidders are required to give their compliance to it before start of bid process to POWERGRID/ASP. Further, shortlisted Bidders at their own discretion may ask for additional training to use the e-RA platform well in advance before start of the e-RA event by contacting the helpdesk at any suitable working time. All such additional trainings shall also be free of cost.
4. **The start bid price (SBP) for e-Reverse Auction shall be the bidder's corrected price for the subject package which has been indicated in the PORTAL along with e-Reverse Auction Notice.**
5. **Procedure of e-Reverse Auctioning:**
 - i. **The minimum decrement, which a bidder can offer during e-RA, shall be intimated to all the successful bidders along with e-Reverse Auction Notice.**
 - ii. In the "Dynamic Bidding" **tie bid** is not allowed on L1 price, i.e. if any higher price ranked vendor places bid equal to L1 price their bid will be rejected. The bidder is required to click on "Rejected" to know the reason of bid rejection. In that case, the bidder will have to instantly reduce their price to submit lower quoted price otherwise the price will be considered as higher bid or rejected bid. (System does not support tie bids in this type of auction)
 - iii. The bid prices received under e-RA shall be evaluated on the basis of evaluation method specified in the bidding document and the final evaluated prices thus obtained shall be used for comparison of bids.
 - iv. **In case bidders do not participate in Reverse Auction, their original price bid as opened, if valid, shall be considered for evaluation.**
 - v. In case the bidder submits more than one successive bid, the lowest bid will be considered as final offer of the bidder to sell/ execute the work.
6. **Successful bidder (after e-RA) shall furnish price confirmation to POWERGRID, duly signed and stamped (without any new condition other than those already**

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agreed before start of Reverse Auction) within an hour of conclusion of e-Reverse Auction.

In the above confirmation, the bidder shall furnish the break-up of final price quoted in Reverse Auction under individual head of the template [i.e. CIF/Ex-works Price, Port handling & Custom clearance, Local Transportation, In-transit Insurance, loading and unloading, Installation Charges, Type Test Charges, Training Charges, Customs Duty, GST for supply of Goods and Installation Services etc., as applicable] in line with price schedule (already available with them).

Unless other-wise stated in the above break-up, decrease in the price of individual head of the template shall be considered proportionately on all individual line items of the respective head of the price schedules.

In case, there is any variation between the final price quoted in Reverse Auction and the signed document received after Auction, the first i.e, Closing Price in Auction will be taken as final offered price by the bidder.

Bidders will not be permitted to increase unit rate of any item submitted in their original bid.

7. Auction shall be for a period of 120 minutes. Bidders shall be able to view the following on their screens along with the necessary fields during the auction.
 - a. Rank of the respective bidder
 - b. Bid Placed by the respective bidder.
 - c. Price of L1 bidder

The L1 price would be visible to all the bidders who have placed valid bids. However, identity of the L1 bidder or any other bidder would not be disclosed during entire e-Reverse Auction process. In case any other bidder choses to bid a lower price, such bidders shall be required to breach the prevailing L1 price by bidding a price lower than the prevailing L1 price by at least the amount of decrement mentioned in the business rules.

The bidding would continue with an auto extension of 20 minutes time if any bidder bids a price lower than that of the prevailing L1 bidder by at least the amount of the specified decrement within the 20 minutes of the e-Reverse Auction, to be the L1 bidder till the time there is no change in the prevailing L1 price within final 20 minutes.

Any bid received at the our server end subsequent to closure of the e-RA shall be summarily rejected and shall not be considered as a valid bid under whatsoever circumstances. For this purpose, the ASP server log shall prevail.

However, POWERGRID reserves the right to defer and/or resume e-RA if server is down (i.e. inaccessible/inoperative) for a prolonged period of time.

8. During Auction, if no bid is received within the specified time, POWERGRID, at its discretion, may decide to close the reverse auction process/ proceed with conventional mode of tendering [Evaluation of Part-II (Price bid) submitted by bidders earlier].

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9. Bids once made by the bidder cannot be cancelled/ withdrawn. **If any bidder backs out and not make the supplies/ execute the work as per the offered price, POWERGRID shall take appropriate necessary action as per the provisions of Bidding Document.**
10. **Bidder is also advised to log into the e-RA platform at least once before start of the e-RA event and keep its user credentials safe and secure. POWERGRID shall not extend or post pone the e-RA event if bidder is unable to login as it forgot user credentials.**
11. Consequent upon completion of e-Reverse Auction, POWERGRID's decision on award of contract shall be final and binding on all the bidders.
12. POWERGRID shall be at liberty to call the L1 bidder for further process/ negotiation/ cancel, recall and issue a corrigendum to the e-reverse auction process/ re-tender at any time, without assigning any reason thereof.
13. POWERGRID shall not have any liability to bidders for any interruption or delay in access to the site irrespective of the cause.
14. POWERGRID can decide to reschedule or cancel any Auction; the bidders shall be informed accordingly.
15. The bidder shall not involve himself or any of his representatives in price manipulation of any kind directly or indirectly by communicating with other bidders.
16. The bidder shall not divulge either his bid or any other exclusive details of POWERGRID to any other party.
17. **Other terms and conditions shall be as per the bidding documents and bidder's techno-commercial offer.**
18. All bidders are required to submit Process Compliance Form in the prescribed format and acceptance to the terms/ conditions/ modalities given above to Service Provider before start of Reverse Auction, without which they will not be eligible to participate in e-Reverse Auction.

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Process Compliance Form

(Compliance to the process related to the e-RA Terms & Conditions and the Business Rules governing the e-RA)

Bidder's Name and Address (Lead Partner): To:
Senior General Manager [C&M]HOD,
Power Grid Corporation of India Ltd.,
Name: Southern Region Transmission System-II,
Address: Near RTO Test Driving Track,
Singanayakanahalli,
Yelahanka Hobli,
Bangalore - 560 064.

Dear Sir,

This has reference to the Terms & Conditions for the e-Reverse Auction mentioned in the Business Rules for **Package: Construction of residential C Type, B type quarter, B3 Quarter Extension and Control Room ACDB Room extension composite building at 400/220 kV Sub Station, Pavagada.**

We confirm that:

- 1) The undersigned is authorized representative of the Bidder.
- 2) We have studied the e-Reverse Auction Terms & Conditions and the Business Rules governing the e-Reverse Auction as mentioned in your letter and confirm our agreement to them.
- 3) We understand that POWERGRID shall arrange to demonstrate/train (if not trained earlier) bidders' nominated person(s), without any cost. They will also explain all the Rules related to e-Reverse Auction/Business Rules Document to be adopted along with bid manual. We have further noticed that we at own discretion may ask for additional training to use the e-RA platform well in advance before start of the e-RA event by contacting the ASP at any suitable time. All such additional trainings shall be free of cost.
- 4) **We further re-confirm that within an hour of conclusion of e-Reverse Auction, we will submit confirmation of our final offered price in e-Reverse Auction including the break-up under individual head of the template [i.e. CIF/Ex-works Price, Port handling & custom clearance, Local Transportation, In-transit Insurance, loading and unloading, Installation charges, Type Test Charges, Training Charges, Customs Duty, GST for supply of Goods and Installation Services etc., as applicable]. Further, unless other-wise stated in the above break-up, decrease in the price of individual head of the template shall be considered proportionately on all individual line items of the respective head of the price schedules. In case, there is any variation between our final price quoted in Reverse Auction and the signed document submitted by us after Auction, the first i.e. Closing Price in Auction, shall be taken as final offered price by us. We also confirm that we will not increase unit rate of any item submitted in our original bid.**

We hereby confirm that we will honor the Bids placed by us during the auction process.
With regards

Date:

Printed Name:

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Place:

Designation: