

Business Rules and Terms & Conditions of Reverse Auction

Reverse Auction event will be carried out among the Technically Qualified Bidders, for providing opportunity to the Bidders to quote the price dynamically for the procurement for which RFP is floated

A) Definitions:

1. “Bank” means Karnataka Gramin Bank
2. “Service Provider” means the third party agency / company who has been selected by the Bank for conducting Reverse Auction. [M/s e-Procurement Technologies Ltd.]
3. “L1” means the Bidder who has quoted lowest price in the Reverse Auction process.
4. “L2” means the Bidder who has quoted second lowest price in the Reverse Auction process.

B) Eligibility of Bidders to participate in Reverse Auction:

1. Bidders who are technically qualified in terms of the relative Terms & Conditions of the RFP and accept the Business Rules, Terms & conditions of Reverse Auction and submit the undertakings as per **Appendix-J(1)** , can only participate in Reverse Auction related to the procurement for which RFP is floated. Bidders not submitting the above undertaking or submitting with deviations / amendments there to, will be disqualified from further evaluation / participation in the process of relevant procurement.
2. 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.

C) Training:

1. Selected vendors shall coordinate with our Bank/Our Service Provider [M/s e-Procurement Technologies Ltd.] for getting necessary details and reverse auction demos before commencement of live reverse auction process. Else, bidder not getting the required clarification / demos will do so at his own risk. The service provider for Reverse Auction and their contact details shall be shared with the selected bidders.

D) Reverse Auction Schedule:

1. The date & time of start of Reverse Auction and its duration of time will be informed to the eligible Bidders well in advance before the Reverse Auction date.
2. Bank reserves the right to postpone / change / cancel the Reverse Auction event even after its communication to Bidders without assigning any reasons there for.

E) Bidding Currency:

Bidding will be conducted in Indian Rupees (INR).

F) Start Price (CAP Price):

Bank will determine the Start Price (CAP Price) for Reverse Auction -

1. On its own and / or
2. Evaluating the price band information called for separately from each eligible Bidder at appropriate time and / or
3. based on the price bids received and if opened, Bank may determine the start price (CAP Price) on the basis of the lower quote received.

G) Decremental Bid Value:

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 (CAP Price) or both.
2. Bidder is required to quote his bid price only at a decremental value.
3. Bidder need not quote bid price at immediate next available lower level, but it can be even at 2/3/4 level of next available lower level .

H) Conduct of Reverse Auction event :

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. [M/s e-Procurement Technologies Ltd.]
2. Service Provider will make all necessary arrangement for fair and transparent conduct of Reverse Auction like hosting the web portal, imparting training/demo to eligible Bidders etc., and finally conduct of Reverse Auction.
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. 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.
5. 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 eligible Bidder, before the start of Reverse Auction event. Without this Bidder will not be eligible to participate in the event. The format of the agreement is as per the **APPENDIX-J (3)**.
6. Bidders name will be masked in the Reverse Auction process and will be given random dummy names by the Service Provider.
7. Bidder / his authorized representatives will be given unique Login ID & Password by Service Provider. Bidder/his authorized representative will change the Password after the receipt of initial Password from Service Provider to ensure confidentiality. All bids made from the Login ID given to the Bidders will be deemed to have been made by the concerned Bidder/his company.
8. Reverse auction will be conducted as per English Reverse Auction with no tie where more than one Bidder cannot have identical bid price.
9. Any bid once made by the Bidder through registered Login ID & Password, the same cannot be cancelled. The Bidder is bound to supplies as per the RFP at the bid price of Reverse Auction.
10. Reverse Auction will normally, be for a period of ½ hour (i.e. 30 Minutes). If a Bidder places a bid price in last 10 minutes of closing of the Reverse auction, the auction period shall get extended automatically for another 10 minutes. No. of extension will be unlimited. In case there is no bid price in the last 10 minutes of closing of Reverse Auction, the auction shall get closed automatically without any extension.
(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.)
11. 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.

12. During Reverse Auction, if no bid price is received within the specified time, Bank, at its discretion, may decide to revise Start Price (CAP Price) / Decremental Value / scrap the reverse auction process / proceed with conventional mode of tendering.

I) Reverse Auction Process:

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.
2. Upon receipt of above information from Service Provider, Bank will evaluate the same and will decide upon the winner i.e. Successful Bidder.
3. Successful Bidder has to fax the duly signed filled-in prescribed format **Appendix-J (2)** as provided on case-to-case basis to Bank within 24 hours of Reverse Auction without fail. The Original signed **Appendix-J (2)** should be couriered so as to reach us within 48 hours of Reverse Auction without fail.
4. Any variation between the on-line Reverse Auction bid price and signed document will be considered as sabotaging the tender process and will invite disqualification of Bidder/vender to conduct business with Bank as per prevailing procedure.
5. Successful 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 3 working days without fail.
6. Successful Bidder is bound to supply at their final bid price of Reverse Auction. In case of back out or not 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
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.

J) Bidder's Obligation:

1. Bidder will not involve himself or any of his representatives in Price manipulation of any kind directly or indirectly with other suppliers / Bidders
2. Bidder will not divulge either his Bid details or any other details of Bank to any other party without written permission from the Bank.

K) Change in Business Rules, Terms & Conditions of Reverse Auction:

1. Bank reserves the right to modify / withdraw any of the Business rules, Terms & conditions of Reverse Auction at any point of time.
2. Modifications of Business rules, Terms & conditions of Reverse Auction will be made available on website immediately.
3. Modifications made during the running of Reverse Auction event will be advised to participating Bidders immediately.