



PUNJAB STATE POWER CORPORATION LTD
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Phone No. 091-175-2213047, Fax No. 091-175-2225024,
Corporate Identification Number(CIN): U40109PB2010SGC033813;

To

All Heads of Department,
PSPCL, Patiala.

Memo No.: 1148/1181 /G-19A/PO-C

Dated: 12-05-2021

Sub: Regarding amendment in PSPCL Purchase Regulations, 2017 towards Reverse Auction procedure for enabling/allowing bidder for participation in Reverse Auction-Amendment No.4.

It has been decided by the Competent Authority to amend the Regulation 31 of 'Schedule-E' "REVERSE AUCTIONING (RA)" as under:-

Reg. No.	Existing	Amended
31 of 'Schedule-E' "REVERSE AUCTIONING (RA)"	<p>The following procedure and terms & conditions shall be applicable for Reverse Auction in PSPCL:-</p> <ul style="list-style-type: none">All the Bidders shall be assigned a unique user name and password by e-tendering agency of PSPCL. Bidders are advised to change the password after the receipt of initial password from PSPCL to ensure confidentiality. All bids made from Login IDs assigned to bidders shall be deemed to have been made by bidders/bidders' company/ bidders' authorized representatives.Bidders shall be required to submit their acceptance to the stipulated terms and conditions before participating in the R.A.Online Reverse Auction shall be conducted by PSPCL on pre-specified date and time for duration of 1 Hour. The bidders may quote the bids from their own offices /place of their choice. Internet connectivity is to be	<p>The following procedure and terms & conditions shall be applicable for Reverse Auction in PSPCL:-</p> <ul style="list-style-type: none"><u>In case the no. of bidders are more than 3, the H1 (Highest) bidder shall not be eligible to participate in further process of the tender and his tender shall be rejected.</u>All the Bidders shall be assigned a unique user name and password by e-tendering agency of PSPCL. Bidders are advised to change the password after the receipt of initial password from PSPCL to ensure confidentiality. All bids made from Login IDs assigned to bidders shall be deemed to have been made by bidders/bidders' company/ bidders' authorized representatives.Bidders shall be required to submit their acceptance to the stipulated terms and conditions before participating in the R.A.

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	<p>ensured by bidders themselves.</p> <ul style="list-style-type: none"> • All bidders are required to submit their price bid along with submission of Techno-commercial bid as per schedule. Only those bidders who submit their original bids within the scheduled time and who are considered technically and commercially eligible, shall be eligible to participate in RA process. • The 'Opening Price' i.e. start price for RA shall be decided by PSPCL. Bid Decrement shall be 0.1% of L-1 Bid Price obtained against a particular tender enquiry upon the opening of Price Bid of tender. • Bidders shall be able to view the following on their screen along with the necessary fields during Online Reverse Auction:- <ul style="list-style-type: none"> a) Start Price b) Decrement Value c) Rank of the bidder d) Current Bid value of the Bidder (Total Bid Price) e) Best bid in the Auction (Current L1 price) f) Next Valid Bid (Total Bid Prices to be quoted in order to become L1) g) Minimum Bid Price (Bidder to enter his minimum Bid Price here) • Bidder may become 'L1 Bidder' by offering a price equal to or lower than the 'Next Valid Bid' and this shall continue as an iterative process. • Auction Extension Time: If a valid bid is placed within 5 minutes of End Time of the RA, then Reverse Auction duration shall get automatically extended for another 5 minutes from the existing end time. It may be noted that the auto extension will take place if a valid Bid comes in those last five minutes. If a bid does not get accepted as the lowest Bid, the auto-extension will not take 	<ul style="list-style-type: none"> • Online Reverse Auction shall be conducted by PSPCL on pre-specified date and time for duration of 1 Hour. The bidders may quote the bids from their own offices /place of their choice. Internet connectivity is to be ensured by bidders themselves. • All bidders are required to submit their price bid along with submission of Techno-commercial bid as per schedule. Only those bidders who submit their original bids within the scheduled time and who are considered technically and commercially eligible, shall be eligible to participate in RA process. • The 'Opening Price' i.e. start price for RA shall be decided by PSPCL. Bid Decrement shall be 0.1% of L-1 Bid Price obtained against a particular tender enquiry upon the opening of Price Bid of tender. • Bidders shall be able to view the following on their screen along with the necessary fields during Online Reverse Auction:- <ul style="list-style-type: none"> a) Start Price b) Decrement Value c) Rank of the bidder d) Current Bid value of the Bidder (Total Bid Price) e) Best bid in the Auction (Current L1 price) f) Next Valid Bid (Total Bid Prices to be quoted in order to become L1) g) Minimum Bid Price (Bidder to enter his minimum Bid Price here) • Bidder may become 'L1 Bidder' by offering a price equal to or lower than the 'Next Valid Bid' and this shall continue as an iterative process. • Auction Extension Time: If a valid bid is placed within 5 minutes of End Time of the RA, then Reverse Auction duration shall get automatically extended for another 5 minutes from
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place even if the bid might have come in last five minutes. The above process shall continue till no valid bid is received in last 5 minutes which shall mark the completion of reverse auction. The bidders are advised not to wait till the last moment to enter their bid so as to avoid complications related to 4G internet connectivity, network problems, system crash down, Power failure etc. No request for extension in time period of RA due to any of the above reasons shall be entertained by PSPCL.

- If no bid is received within the specified time duration of the online RA, then PSPCL shall reserve the rights to scrap the online RA process and proceed with the L-1 Bid Price received through e-tendering for further processing.
- After completion of online Reverse Auction, the Closing Price (CP) shall be considered as L1 rate for further processing including negotiations (if required). Based on the final price quoted by bidders, the successful bidders shall be required to submit summary of Final Price in prescribed format (Summary of Final Price Reverse auction, Uploaded by PSPCL in Excel Sheet) **within 2 hours** of conclusion of the RA. In case a bidder fails to submit the above Summary, then it may lead to cancellation of bid and call for action against the bidder which may include forfeiture of EMD/PEMD and suspension of business dealings etc.
- **Proxy Bids:-** Proxy bidding feature is a pro-bidder feature to safeguard the bidders' interest in event of internet failure or to avoid last minute rush. The proxy bidding feature allows bidder to place an automated bid in the system directly in an auction and bid without having to enter a new amount each time a competing

the existing end time. It may be noted that the auto extension will take place if a valid Bid comes in those last five minutes. If a bid does not get accepted as the lowest Bid, the auto-extension will not take place even if the bid might have come in last five minutes. The above process shall continue till no valid bid is received in last 5 minutes which shall mark the completion of reverse auction. The bidders are advised not to wait till the last moment to enter their bid so as to avoid complications related to 4G internet connectivity, network problems, system crash down, Power failure etc. No request for extension in time period of RA due to any of the above reasons shall be entertained by PSPCL.

- If no bid is received within the specified time duration of the online RA, then PSPCL shall reserve the rights to scrap the online RA process and proceed with the L-1 Bid Price received through e-tendering for further processing.
- After completion of online Reverse Auction, the Closing Price (CP) shall be considered as L1 rate for further processing including negotiations (if required). Based on the final price quoted by bidders, all the bidders shall be required to submit summary of Final Price in prescribed format (Summary of Final Price-Reverse auction, Uploaded by PSPCL in Excel Sheet) **within 2 working days** of conclusion of the RA. In case a bidder fails to submit the above Summary, then it may lead to cancellation of bid and call for action against the bidder which may include forfeiture of EMD/PEMD and suspension of business dealings etc.
- **Proxy Bids:-** Proxy bidding feature is a pro-bidder feature to safeguard the bidders' interest in event of internet

bidder submits a new offer. The bid amount that a bidder enters is the minimum bid price that the bidder is willing to offer. Here, the software shall automatically bid on behalf of the bidder who has quoted the lowest "Minimum Bid Price", the price which is one decrement less than the next bidder's bid price. This obviates the need for the bidder participating in the bidding process until the minimum bid amount is detrimentally reached by other bidders. When any bidder quotes a price lower than the existing lowest bid amount, the bidder (who had earlier submitted lowest proxy bid) has an option to once again start participating in the bidding process by quoting a price equal to or lower than the next valid bid price. However it may please be noted that if the current bid matches the minimum bid of the lowest bidder submitted earlier, the bid submitted by the lowest bidder will be recognized as the L1 at that instant. During the course of bidding, the bidder shall not be able to delete or increase the proxy bid amount but can always reduce the same depending upon the amount quoted by other bidders. Proxy bids are fed into the system directly by the respective bidders. As such this information is privy only to the respective bidder(s).

- PSPCL shall reserve the rights to cancel/reschedule the RA process/tender at any time, with due intimation to all concerned, without assigning any reason.
- Other terms and conditions shall be as per bidder's Techno-Commercial offers and as per PSPCL's bidding documents and other up to date correspondence (if any).

failure or to avoid last minute rush. The proxy bidding feature allows bidder to place an automated bid in the system directly in an auction and bid without having to enter a new amount each time a competing bidder submits a new offer. The bid amount that a bidder enters is the minimum bid price that the bidder is willing to offer. Here, the software shall automatically bid on behalf of the bidder who has quoted the lowest "Minimum Bid Price", the price which is one decrement less than the next bidder's bid price. This obviates the need for the bidder participating in the bidding process until the minimum bid amount is detrimentally reached by other bidders. When any bidder quotes a price lower than the existing lowest bid amount, the bidder (who had earlier submitted lowest proxy bid) has an option to once again start participating in the bidding process by quoting a price equal to or lower than the next valid bid price. However it may please be noted that if the current bid matches the minimum bid of the lowest bidder submitted earlier, the bid submitted by the lowest bidder will be recognized as the L1 at that instant. During the course of bidding, the bidder shall not be able to delete or increase the proxy bid amount but can always reduce the same depending upon the amount quoted by other bidders. Proxy bids are fed into the system directly by the respective bidders. As such this information is privy only to the respective bidder(s).

NOTE: The procedure/system of "Proxy Bids" will only be followed if the e-tendering software system supports it.

- PSPCL shall reserve the rights to

		<p>cancel/reschedule the RA process/ tender at any time, with due intimation to all concerned, without assigning any reason.</p> <ul style="list-style-type: none">• Other terms and conditions shall be as per bidder's Techno-Commercial offers and as per PSPCL's bidding documents and other up to date correspondence (if any).
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This amendment shall be applicable from the date of issue of these instructions for all tenders to be floated for procurement as per Regulation 2, Scope and application of Purchase Regulations-2017, as amended.

12.05.21
[Signature]
Engineer-in- Chief/MM,
PSPCL, Patiala.