

e-GP System Assessment Report

Karnataka Integrated and Sustainable Water Resources Management Investment Program

November 30, 2013

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Executive Summary

The assessment of e-Procurement system of the State Government of Karnataka is done for the Karnataka Integrated and Sustainable Water Resources Management Investment Program, which is co-funded by the Asian Development Bank (ADB). This program is being implemented by the Water Resources Department (WRD), the State Government of Karnataka. The Irrigation component and the Urban Water Supply and Sanitation (UWSS) components in this Program are implemented by Karnataka Neeravari Nigam Limited (KNNL) and Karnataka Urban Infrastructure Development and Finance Corporation (KUIDFC), respectively. The unified e-Procurement platform of the State Government of Karnataka (GoK) went live in November 2007 and is now used as a shared infrastructure by 200+ procurement entities and has handled in excess of 100,000 tenders. Center for e-Governance (CEG) is designated as the nodal agency for managing implementation of e-Procurement in GoK.

The e-Tendering requirements of the ADB are prepared by consolidating the MDB's e-Tendering guideline, ADB's Project Administration Instruction guidelines and Section 2.12 (b) of ADB's Procurement guideline. CEG provided its compliance to the requirements, which the Consultant studied and after that visited CEG premises for a visual demonstration of the e-Procurement system. This demonstration was provided in a test server used by the e-Procurement team for training activities. The Consultant could assess and judge the system only from visual demonstration of the functionalities and only to the extent functionalities could be demonstrated within the short time he was on-site. The primary objective of the assessment exercise is to verify compliance of e-GP system to the ADB's e-Tendering requirements. Besides that, the Consultant studied the e-Procurement system in detail to understand the process to configure KNNL's and KUIDFC's operations within this system. Also, the consultant advises KNNL and KUIDFC to use the system in a certain way, so as to satisfactorily address the e-Tendering requirements of the ADB. Further, the Consultant critically evaluated the system to identify areas which could possibly go wrong. As a precautionary measure, incorporation of certain clauses in the Standard Bid Document (SBD) is recommended. Few of the clauses proposed are specific to GoK's e-Procurement system.

As per Section 9.2 of MDB's e-Tendering assessment requirement, *"there shall be no outstanding audit issues that represent material risk to the integrity or security of any project."* A key fundamental assumption of this assessment is that integrity and security related issues will have been audited (i.e. by verification of key activities in the file / database level, where the data is stored) in detail by a 3rd party agency. A report by the audit agency and / or a declaration from the assessee stating that there aren't audit issues will be taken as valid *prima facie*.

A first draft of the report was submitted to CEG and ADB for their review, wherein certain clarifications / confirmations were sought. This report was suitably updated in response to the review comments and the clarifications provided.

The Consultant found the State Government of Karnataka's e-Procurement system reliable and secure – based on the information shared for the assessment – and the same may exclusively be used for handling National Competitive Bidding (NCB) tenders by KNNL and KUIDFC. The system can be used for International Competitive Bidding (ICB) tenders as well as it has the multi-currency feature built-in. However, it is recommended that ADB, KNNL and KUIDFC evaluate the effort required by foreign bidders for procurement of Digital Signature certificates (DSC) and details of multi-currency implementation in the software – as detailed in this report – and take an informed decision on whether to use GoK's e-Procurement platform for International Competitive Bidding (ICB).

1 Introduction

The Karnataka Integrated and Sustainable Water Resources Management Investment Program is designed to enhance availability of water resources in selected river basins in Karnataka. This program is being implemented by the Water Resources Department (WRD), the State Government of Karnataka. The Irrigation component and the Urban Water Supply and Sanitation (UWSS) components in this Program are implemented by Karnataka Neeravari Nigam Limited (KNNL) and Karnataka Urban Infrastructure Development and Finance Corporation (KUIDFC), respectively.

The Asian Development Bank (ADB) is co-funding this Program as given below:

- (i) USD 150 Million for Irrigation Component
- (ii) USD 150 Million for the UWSS Component

The Government contribution for each of the 2 components is USD 75 Million. Thus, USD 450 million worth investments will be made under this Program. This program is scheduled to be implemented during 2014 – 2021.

Both KNNL and KUIDFC are already using the e-Procurement platform implemented in the State Government of Karnataka (GoK) for their routine procurement activities. Center for e-Governance (CEG) is designated as the nodal agency for implementation of e-Procurement in GoK. The GoK selected a Private Partner through a tendering process to provide e-Procurement as a service in Public-Private-Partnership (PPP) model. The Karnataka Transparency in Public Procurement (KTPP) Act was duly modified in 2007 to enable implementation of a single unified e-Procurement platform by all government procurement entities in the State of Karnataka. The e-Procurement platform of the GoK went live in November 2007, wherein a Government entity was notified under provisions of the KTPP Act to use the e-Procurement platform. Since then, more departments including KNNL and KUIDFC joined the platform and use it to process pre-tendering and tendering activities.

The assessment of GoK's e-Procurement system is done to verify compliance to the e-Tendering guidelines laid down by the Multi-lateral Development Banks (MDB) and e-Procurement related conditions in Project Administration Instructions of the ADB.

The following key details are provided in this report:

- (i) An overview of the procurement procedure adopted in KNNL and KUIDFC
- (ii) Methodology adopted for assessment of the e-Procurement system
- (iii) Overview of GoK's e-Procurement system
- (iv) Reliability and Security in GoK's e-Procurement system
- (v) Suggestions for using GoK's e-Procurement system
- (vi) e-Procurement related Standard Bid Documents (SBD) clauses
- (vii) Known risks
- (viii) List of clarifications / confirmations sought about GoK's e-Procurement system

2 Procurement in KNNL and KUIDFC

2.1 KNNL

Procurement of works, goods and services is envisaged under this Program as given below:

- (i) Civil Works tender in Gondi
- (ii) Procurement of Goods for installation of Telemetry
- (iii) Procurement of Project Support Consultants

Financial delegation of powers in KNNL for Technical sanction and approval of Draft Tender Schedule (DTS) is given below:

- (i) Executive Engineer (EE) = < USD 0.1 Million (Approx. INR 60 Lakhs)
- (ii) Superintendent Engineer (SE) = USD 0.1 –0.5 Million (INR 60 Lakhs – 3 Crores)
- (iii) Chief Engineer (CE) = USD 0.5 – 1 Million USD (3 Crores – 6 Crores)
- (iv) Technical Sub Committee (TSC) = > 1 Million USD (> INR 6 Crores); Managing Director, KNNL is a member of TSC

Both Gondi Civil works procurement and Telemetry procurement will be higher than 1 Million USD, hence TSC will provide Technical sanction and DTS approval.

The Gondi civil works tender will be published by the Executive Engineer, Bhadravati, under whose jurisdiction the work will be executed. Work estimate for the Gondi civil works tender will be prepared mostly from the Schedule of Rates (SoR) of the Water Resources Department.

The tenders for Telemetry and Project support consultants will be published by the Managing Director, KNNL.

Bidders shall submit their bids in two envelopes viz. Technical and Financial. The results of tender evaluation for both Gondi civil works and Telemetry tenders will be submitted to the TSC for approval. A separate committee will be constituted for approval of the Services tender.

KNNL is already using the GoK's e-Procurement platform. Key officials in the department are already trained in using the e-Procurement platform and own Digital Signature and Digital Encryption certificates required.

A few works contracts will be assigned directly to Water Users Cooperative Societies (WUCS). About 125 WUCS will be involved in this project, of which some WUCS can get more than one contract. The contract(s) assigned to WUCS will not be tendered as value of a contract under WUCS procurement will not ordinarily exceed 5 Lakhs.

2.2 KUIDFC

Procurement of 8 works tenders is envisaged under this program, of which 3 tenders will be large sized (i.e. prospective International Competitive Bidding (ICB) tenders). Expression of Interest (EoI) route is adopted for procurement of consultancy services. KUIDFC has already published two EoI's for procurement of consultancy services. Such consultancy procurement will be National Competitive Bidding (NCB) tenders.

The administrative sanction for all the tenders will be provided by the Steering / Empowered Committee chaired by the Chief Secretary or the Additional Chief Secretary. Chief Engineer is the designated authority to provide Technical Sanction for all the tenders.

Work estimate for the tenders will be prepared primarily based on Karnataka Urban Water Supply and Drainage Board (KUWSDB) and Public Works Department (PWD) SoR's. The preparation of work estimates is done by the Project Implementation Unit (PIU). This project will have 3-4 PIU's in Davanegere, Harihar, Ranibennur and Byadagi.

The team deployed for the project is from KUIDFC is as given below:

- Assistant Executive Engineer (5)
- Executive Engineer (2)
- Chief Engineer (1)
- Managing Director (1)

The Chief Engineer heads the Regional office in Hubli and the Managing Director sits out of the Head office in Bangalore. Results of evaluation of the technical proposals received in response to the tenders are submitted to a Technical committee for approval. Chief Engineer will be a member of this Committee.

KUIDFC is already using the e-Procurement platform for World Bank assisted projects.

3 Assessment Methodology

The e-Tendering requirements of the ADB are prepared by consolidating the following reference documents:

- a) MDB's e-Tendering guideline
- b) Section 2.12 (b) of ADB's Procurement guideline and
- c) ADB's Project Administration Instruction guidelines

This consolidated requirement was shared with both KNNL and KUIDFC seeking their response to the same. As most of the requirements are technical in nature, both the departments forwarded the questionnaire to CEG for inputs.

A representative from CEG provided response to the consolidated requirements on the 12th of July 2013. The Consultant reviewed the response provided by CEG and visited on-site in the 3rd week of July to discuss the response in detail and view demonstration of the system. This demonstration was provided in a test server used by the e-Procurement team for training activities. Subsequently, the CEG team shared selected screenshots sought by the Consultant on the 27th of July.

The Consultant could assess and judge the system only from visual demonstration of the functionalities and only to the extent functionalities could be demonstrated within the short time he was on-site. The primary objective of the assessment exercise is to verify compliance of e-GP system to the ADB's e-Tendering requirements. Besides that, the Consultant studied the e-Procurement system in detail to understand the process to configure KNNL's and KUIDFC's operations within this system. Also, the consultant advises KNNL and KUIDFC to use the system in a certain way, so as to satisfactorily address the e-Tendering requirements of the ADB. Further, the Consultant critically evaluated the system to identify areas which could possibly go wrong. As a precautionary measure, incorporation of certain clauses in the Standard Bid Document (SBD) is recommended. Few of the clauses proposed are specific to GoK's e-Procurement system.

As per Section 9.2 of MDB's e-Tendering assessment requirement, *"there shall be no outstanding audit issues that represent material risk to the integrity or security of any project."* A key fundamental assumption of this assessment is that integrity and security related issues will have been audited (i.e. by verification of key activities in the file / database level, where the data is stored) in detail by a 3rd party agency. A report by the audit agency and / or a declaration from the assessee stating that there aren't audit issues will be taken as valid *prima facie*. The consultant studied the system to the extent possible – to verify compliance to e-Tendering assessment requirements – during this short on-site visit and observations of the Consultant from this assessment are explained herein this report.

The post tendering modules viz. Contract and Catalogue management and e-Auction module were not evaluated as scope of the assessment is limited to e-Tendering.

The Consultant submitted the first draft of this report on the 6th of September to ADB and subsequently to CEG for their review. ADB provided its review comments on the 22nd of September which were responded to and this report was suitably modified in response to the comments. ADB had sought further clarifications on the Bid Data Sheet (BDS) and Invitation for Bids (IFB) to be used for a tender published in the e-Procurement platform vide e-mail dated 12th of November 2013. The Consultant responded to the clarifications and also provided assistance in revising the BDS and IFB incorporating

the e-Procurement specific Standard Bid Document (SBD) clauses specified later in this report. The revised BDS and IFB were submitted on the 16th of November 2013.

The response provided by CEG to the clarifications sought on the 28th of November was included in the final version of this report dated 30th November 2013.

4 About GoK's e-Procurement System

Center for e-Governance – a Government owned Society – is designated as the Nodal agency for implementation of unified e-Procurement platform in the State Government of Karnataka. The e-Procurement system – www.eproc.karnataka.gov.in – is designed such that one single instance of the software is used as a shared infrastructure by all State government owned procurement entities. Broadly, the system is conceptually divided into the following functional modules:

- (i) Supplier Registration
- (ii) e-Tendering
- (iii) Indent Management / Estimate management
- (iv) e-Auctions
- (v) Contract Management and
- (vi) Catalogue Management

The first 4 modules listed above are widely used by procurement entities in the State, whereas the Contract and Catalogue Management modules are implemented only on a pilot basis.

The system is fully Public Key Infrastructure (PKI) enabled, wherein users – viz. government users and contractors – are required to digitally sign and approve key actions taken. A robust workflow engine is built within the System, which can be configured to address the following key procurement workflows as per department specific requirements:

- (i) Estimate approval
- (ii) Draft Tender Schedule (DTS) approval
- (iii) Corrigendum / Addendum approval and
- (iv) Bid evaluation approval

The System is implemented in Private-Public-Partnership (PPP) model, wherein Hewlett Packard India Sales India Private Limited (HP) is selected as the Private Partner. HP provides e-Procurement as a service and earns its revenue by charging transaction fees from suppliers as given below:

- (i) Supplier Registration
 - a. Fixed registration fee to be paid by suppliers during registration: Rs. 500
 - b. Annual maintenance fees: Rs. 100
- (ii) Bid Submission
 - a. Tenders where Estimated Contract Value (ECV) is published and all Works tenders
 - i. 0.025% of ECV with cap values as given below:
 - 1. Minimum transaction fee = Rs. 500 per paid
 - 2. Cap for contract value upto Rs. 10 Lakhs = Rs. 1250
 - 3. Cap for contract value between 10 – 50 Lakhs = Rs. 1250
 - 4. Cap for contract value 50 Lakhs – 1 Crore = Rs. 2500
 - 5. Cap for contract value between 1 Crore – 10 Crores = Rs. 5000
 - 6. Cap for contract value more than 10 Crores = Rs. 7500
 - ii. Fixed fee of Rs. 550 per bid for Non-ECV tenders (i.e. tenders where estimated cost value is not published)
 - b. Tenders where ECV is not published and all Works tenders
 - i. Fixed fee of Rs. 550 per bid
- (iii) Certain transaction fees is charged from suppliers for usage of Contract and Catalogue management modules

Bidders can view and download the entire set of tender documents for free of charge. However, bidders shall necessarily pay bid submission fee as pre-requisite to participate in the tenders and have their bids

considered for evaluation. A full-fledged e-Payment solution is implemented to enable e-Payment of the transaction fees and Earnest Money Deposit (Bid Security). Bidders can make payment using any of the following online / offline payment options:

- (i) Credit Card (Visa / Mastercard)
- (ii) Debit Card (Visa / Mastercard)
- (iii) Net Banking (bouquet of 36 Banks provided on an aggregator model); refer Annexure for the relevant screenshot
- (iv) Over the Counter (OTC) in 168 designated bank branches spread across India
- (v) From all National Electronic Fund Transfer / Real Time Gross Settlement enabled Bank branches in India

The transaction fees payable to the Banking service provider for using Credit card / Debit card / Net Banking / OTC / NEFT / RTGS shall be borne by the bidder (i.e. in addition to the transaction fees payable for using the e-Procurement platform).

Transaction fee and Bid Security payments are deposited in the Bank accounts of e-Procurement cell, Center for e-Governance. The transaction fees specified above is determined by a tendering process. ECV and non-ECV segregation is done to classify the various tender types and accordingly transaction fees as defined above are determined.

Key information about usage of the System since it went live in November 2007 is given below:

- (i) Number of registered suppliers: 35,000 (approx.)
- (ii) Number of government users: 12,000 (approx.)
- (iii) Number of government agencies using the platform: 240
- (iv) Number of tenders floated by KNNL till date: 12,000 (approx.)
- (v) Number of tenders floated by KUIDFC till date: 22
- (vi) Number of tenders processed in the system till date: 120,000 (approx.)
- (vii) Estimated value of tenders published in the system: USD 30 Billion (approx. INR 170,000 Crores)

This statistics is provided to show the quantum of tenders processed using the system (i.e.) as a measure of system maturity.

The e-Procurement system of the GoK can be accessed over the Internet using popular web browsers such as Internet Explorer, Chrome and Firefox. However, users are recommended to use Internet Explorer 6.0 & above.

4.1 Government Organization Creation

A Government organization seeking to use the GoK's e-Procurement platform is required to send an official communication to Center for e-Governance (CEG) detailing its request. In response, CEG will send a team to study the organization structure, delegation of powers and workflows and accordingly create the organization in its system. Subsequent to that, user ID's are created, Digital Signature Certificate and Digital Encryption Certificate are organized for the designated users, organization hierarchy is created and workflows are mapped through configurations in the e-Procurement platform. Thus, the Government organization is created, subsequent to which the organization can publish and process tenders in the platform.

Both KNNL and KUIDFC are already created in the e-Procurement system. Refer Annexure for relevant screenshots.

4.2 Government User ID Creation and Management

The GoK's e-Procurement system is role and access based, wherein the function a user is authorized to perform is managed by assignment of certain roles and associated attributes. A couple of key roles defined in the system are:

- (i) Estimate approver
 - a. Admin sanction
 - b. Technical sanction
- (ii) Tender Inviting Authority (TIA) and
- (iii) Tender Acceptance Authority (TAA)

The system will enable a user to perform a role provide he/she is assigned the requisite role and attribute. For example, a Superintendent Engineer in KNNL can provide Technical Sanction for an estimate provided the "Estimate Approver" role is assigned and value of the estimate (i.e. attribute) is lesser than INR 3 Crores.

User ID for Government users are created and managed primarily from the e-Procurement cell in CEG, wherein a designated System Administrator engaged by CEG creates the ID and assigns the requisite roles and attributes. The User ID is created for a designation / position and user (i.e. person) is tagged to the User ID. The roles and attributes in essence are mapped to a designation in the System. Transfer of officers is managed by changing user name and by attaching the new officer's Digital Signature Certificate (DSC) and as applicable Digital Encryption Certificate. CEG provides assistance to users in Government organizations in obtaining Class-II DSC's from NIC-CA.

A user's manager is mapped during ID creation. A user typically has one manager and can have one or more sub-ordinates. Thus, the organization hierarchy is built within the system. Workflows in-built in the application are operated primarily based on the organization hierarchy and the role information associated with User ID.

The system auto-generates password during user ID creation or when user transfer is implemented and sends the same to e-mail address of the user. The user would then login using the system generated password and change the password after logging into the system.

A user can authenticate his/her identity using the DSC attached to the User ID and seek to reset the password using the "Forgot password" option. A user can seek to know the Login ID by specifying the primary e-mail address associated with the login ID.

4.3 Supplier User ID Creation and Management

Suppliers seeking to submit bids online have to get registered in the e-Procurement platform. As per the procedure laid down, the supplier or supplier representative shall authenticate his/her identity vide a Class-III DSC issued by any Certification Authority (CA) recognized by the Controller of Certification Authority (CCA), Government of India. Further, the supplier shall upload a scanned copy of "Power of

Attorney” or “Affidavit” stating that he/she is authorized to represent the legal entity registered in the e-Procurement platform. A supplier can get registered as one of the many applicant types as given below:

- (i) Company
- (ii) Sole Proprietor
- (iii) Partnership
- (iv) Foreign firm
- (v) Others

Suppliers registered as a legal entity in India shall upload a scanned copy of Permanent Account Number (PAN) card issued by the Income Tax Department. The system will validate and confirm that the PAN is not already registered in the system. It is understood that a designated official in e-Procurement cell validates the correctness of PAN number vis-à-vis scanned copy of the PAN card. Thus, identity of a supplier is authenticated during supplier registration.

Besides Power of Attorney / Affidavit and PAN details, suppliers shall input the following mandatory information to complete the online application form:

- a) Address
- b) Firm registration certificate
- c) Phone
- d) Preferred e-mail ID and alternative e-mail ID
- e) Nature of business; broadly categorized under works, goods and services
- f) Subscribe for tender notifications by e-mail
- g) Bank account information (a scanned copy of Bank account verification document to be uploaded)

Then, supplier shall pay the transaction fee for registering in the e-Procurement platform using one of the online / offline payment options. The application form will reach the designated official in CEG for processing after the payment is successfully reconciled. The application form thus submitted will be reviewed by CEG and approved as per the procedure laid down for supplier registration. Suppliers will be notified about User ID, system generated login password and application status by system generated e-mails.

A Supplier already registered in the System can replace his/her own DSC and nominate another user to represent a legal entity already registered in the e-Procurement platform. Such nomination is effected in the system by tagging DSC of the nominated user. The user thus nominated will have to register afresh in the system as a “Nominated user”, wherein the system will read DSC of the user and ascertain the legal entity to which the user’s DSC is already tagged in the system. Thus, two or more users are tagged to a single legal entity in the System. A validation in-built in the system disallows a legal entity to create more than one bid for a tender. If a user has already initiated the process of bid preparation, the system will disallow another user from the same legal entity to initiate response afresh for the same tender.

Just as it with Government users, suppliers can re-set the password by DSC authentication and can seek to know their User ID by keying in the preferred e-mail ID.

Suppliers registered as legal entities from outside India (i.e. foreign suppliers) are not required to key in PAN number and upload scanned copy of the PAN card. The two fields though present are disabled if

Applicant type is selected as “Foreign Firm”. A Foreign firm however shall own a Class-III DSC issued by a CA authorized by CCA, Government of India.

4.4 Estimate Preparation and Tender Publication

The process flows provided in the System for tender publication by Government officers are given below:

- (i) Works tender
 - a. Prepare work estimate using the many Schedule of Rates (SoR) loaded in the System and send the same for administrative sanction, then technical sanction as per department specific workflows and then for Draft Tender Schedule (DTS) approval
 - b. Prepare work estimate using the many SoR and send the same directly for technical sanction and then for DTS approval
 - c. Prepare work estimate and send it directly for DTS approval
- (ii) In case of Goods tender, an indent is prepared and sent for approval as per department specific workflows. Draft Tender Schedule (DTS) is prepared based on approved indent and sent for approval.
- (iii) Draft Tender Schedule (DTS) is prepared directly and sent for approval in case of services tenders

An official assigned the role of “Tender Inviting Authority” (TIA) prepares the Draft Tender schedule (DTS) by configuring the following key parameters:

- (i) Whether to publish the Estimated Cost Value or not
- (ii) Whether the tender is one envelope or two envelope or three envelope
- (iii) Whether the tender is open for all bidders or restricted to only selected bidders
- (iv) Whether bidders are required to enter their quote item-wise or one single lump sum rate for all items in the tender or if the tender is DBOT / PPP model
- (v) Whether bidders are required to quote in Rupees or in percentage
- (vi) Whether to allow bidders to bid in a foreign currency
- (vii) In case of goods tenders:
 - a. Whether it is mandatory for bidders to bid for all items in the tender
 - b. Grouping of items into one or more groups
 - c. Whether system should allow award of contract to multiple bidders from a single tender

The e-Procurement team has clarified that e-Procurement system has the functionality to auto-extend tender submission date. This feature “...has to be exercised by the Tender Inviting Authority mentioning the number of days of extension at the time of preparation of Tender Schedule in e-Procurement portal.”

A facility to process Expression of Interest (Eoi) type procurement is available in the System.

The following additional information is captured during tender preparation viz.:

- (i) General conditions of eligibility
- (ii) Technical qualification criteria
- (iii) Upload of Tender documents by Government
- (iv) Bid documents (evidence) required from bidders

- (v) Tender Acceptance Authority (TAA) designated for the tender, whose public key will be used for encryption of commercial quotes submitted by the bidders
- (vi) Appellate Authority designated for the tender is selected
- (vii) Contact information of procurement entity
- (viii) Tender amount details (i.e. Estimate Cost Value (ECV) of tender as applicable, Tender processing fees and EMD) and
- (ix) Tender schedule

Bill of Quantity (BoQ) details will be carried forward from the approved estimate / indent in case of works and goods tenders respectively. In case of service tenders, the item description in commercial bid format will be defined during DTS preparation.

Commercial bid format is auto-generated by the System in a standardized format as per which bidders shall upload commercial quotes. Procurement organization may choose to seek certain additional information (e.g. break-up the quotes provided) as a file attachment in a prescribed format.

The receipt and refund of tender payments (i.e. processing fees and EMD) is handled centrally by the e-Procurement cell, CEG. A two day mandatory gap is introduced between the “Last Date & Time for receipt of tenders” and Date & Time for tender opening, during which time CEG will reconcile the tender payments received in response to the tender.

The Draft Tender Schedule (DTS) thus prepared will be sent for approval as per department specific workflows. After DTS approval, TIA will validate the tender schedule and publish the tender. The tender thus published will be available for public view and documents uploaded in the tender can be viewed and downloaded by all interested parties.

Tender Inviting Authority (TIA) designated for a tender has the authority to create addendum or corrigendum for the tender. Modification of tender dates is done directly in the System vide a corrigendum, wherein TIA will propose the change of dates and the corrigendum will get effected when TAA assigned for the tender accepts the proposed change. TIA can key in free text or include both free text and file attachments in addendum to a tender. Just as it is with corrigendum, addendum is published after it is approved by the TAA. The addendum / corrigendum published can be freely viewed by all interested parties directly from the e-Procurement portal. Addendum / corrigendum published in a tender are identified by distinct icons shown under the “Actions” column in “Search Tenders” page. An e-mail digest is mailed once a day to all registered suppliers (i.e. those who sought to receive this digest) with the list of tenders published and addendum / corrigendum published in the previous working day (e.g. 0430 hours of previous day and 0430 hours of today).

It is clarified that information about tenders published in e-Procurement portal are uploaded in the Central Public Procurement Portal (CPPP), Government of India. Further, system publishes tender notice of restricted tenders for free view by Citizens.

Pre-bid meeting for tenders published in GoK’s e-Procurement is done in offline mode. Online pre-bid conference and chat facilities are not part of the system.

GoK’s e-Procurement system has the multiple-currency bidding feature, which if enabled during tender publication will allow bidders to submit their bids in an (i.e. one single) international currency of their choice in online form. If a bidder seeks to submit bid in more than one currency (i.e. some components

of the bid in Currency A and other components of the same bid in Currency B), such break-up shall be provided in an Excel sheet or another file type uploaded as a file attachment in commercial bid. The Excel sheet or another file type is encrypted using asymmetric key just as the online form data is encrypted. The currency exchange rate for the various currencies used by bidders is entered in e-Procurement system at the time of opening of tenders.

Refer to Annexure for relevant screenshots

4.5 Bid Submission

Any interested party can view and download bid documents and corrigendum published in the portal without registering in the System. However, registration in the system is a pre-requisite for bid submission by contractors.

Bidder has a provision to search, identify and participate in tenders published by any of the approx. 240 government organizations using the e-Procurement platform. The key sections to be filled out by bidder during bid submission are:

- (i) Tender processing fee
- (ii) EMD payment
- (iii) General conditions of eligibility
- (iv) Technical qualification criteria
- (v) Upload bid documents
- (vi) Financial bid and
- (vii) Declaration

Each of the sections listed above will have requirements specified by TIA during tender preparation. For example, system will require bidder to pay EMD of Rs. 100,000 if TIA had specified Rs.100,000 as the EMD amount during tender publication. And, bidder shall upload “Certificate of Incorporation” under “Upload bid documents” if the same is sought during tender preparation.

The system validates whether all mandatory items (i.e. fields and file uploads) are completed by bidder and allows the bidder to submit its bid only after completion of all mandatory fields. Bidder has an option to save its bid in draft and update its bid over a period of time. “My documents” feature is available in the System, wherein bidders can upload and maintain a repository of documents relevant for bid submission. During bid submission, files required for a particular bid can be referenced (and presumably copied to the bid) from the repository instead of uploading the same document afresh.

Each bid is identified by a bid reference number assigned automatically by the System. A validation built in the system disallows a bidding entity to prepare more than one bid against a tender.

Bidders can make tender payments (i.e. EMD payment and tender processing fees) using one of the following payment options:

- (i) Credit Card (online payment)
- (ii) Debit Card (online payment)
- (iii) Net Banking (online payment)
- (iv) Remittance at the Bank counter – Challan (offline payment)
- (v) NEFT (offline payment)

For offline payments, bidder shall print a Challan and make the payment either by remitting the money at one of the 168 designated bank branches or any of the all National Electronic Fund Transfer / Real Time Gross Settlement enabled Bank branches in India. Then, the bidder shall key return back to the system and key in the Bank transaction reference number and payment date. The Principal Bank of CEG will update e-Procurement system on a periodic basis about the payments received in the e-Procurement Bank account vide an electronic scroll. Information submitted in the electronic scroll will be compared with the information keyed in bidders automatically by the system for payment reconciliation. Reconciliation status of the payments can be monitored by bidder until bid submission. A bidder can make payment in offline mode just before bid submission, key in the bank transaction reference number and submit its bid. Reconciliation of this payment will be done within the 2 days mandatory gap between bid submission date and bid opening date. Thus, reconciliation of payment is not an essential pre-requisite for bid submission. A bidder could have submitted its bid but the payment presumably made by the bidder shall necessarily reach Bank account of e-Procurement cell on or before the bid submission date. Further, EMD and tender processing fees shall be paid as two separate payments only. Else, there will be issues in reconciliation of the 2 payments on account of which the bid will not be available for tender evaluation.

In online payments, payment status is known real-time.

The e-Procurement system restricts bidders from uploading file attachments larger than 30 MB for Technical documents and 1 MB for Financial documents. Documents uploaded under the Technical documents and financial documents link will be viewable after technical bid opening and financial bid opening respectively. The files uploaded as Financial documents will be encrypted using asymmetric key just as commercial data entered in online form is encrypted.

Commercial bids filled out by bidders are encrypted using bidder's key while bid is in draft stage. During bid submission, commercial bids are encrypted using public key of the (i.e. one single person) "Tender Acceptance Authority" designated for the tender upfront during tender publication. The bids thus encrypted can be decrypted only by private key corresponding to the public key. Controls in-built in the system will allow the TAA to decrypt bids only if the pre-requisite conditions are satisfied: Technical bid evaluation ought to have been completed and only the commercial bids of technically qualified bidders will be available for decryption

Bidder has to digitally sign its bid using the DSC attached to its Login ID and then encrypt its commercial bid. The sign and encryption is a single function, which can be acted upon only if all mandatory items in a tender are filled out by the bidder.

Bidder has the provision to withdraw and re-submit its bid any number of times until expiry of tender submission time. However, financial bid submitted by the bidder will be fully deleted when a submitted bid is withdrawn. In which case, the bidder shall re-enter its commercial quote afresh.

Until expiry of the due date and time for tender opening, users of the e-Procurement system cannot know about the list of participants for a tender.

Refer to the Annexure section for relevant screenshots

4.6 Tender Opening and Evaluation

The opening of tender will be done by an official designated to complete the task in e-Procurement system during tender publication. e-Procurement system will auto generate tender opening task, which will be available in Dashboard of the official. Reconciliation of tender payments will be done at first regardless of the tender type (e.g. one or two envelopes). Only the bids for which tender payments are reconciled will be taken forward for next steps in tender evaluation. A dedicated team in e-Procurement cell, CEG coordinates with the Principal Bank and reconciles payments before the date and time for tender opening. The government official designated to open a tender can view the reconciliation status and take a decision to accept/reject bidders as per the reconciliation status.

Bidders can participate in tender opening by logging into the e-Procurement portal and checking the bid status under “My Past Bids” section. Therein, bidders can see the tender status, names of all bidders participating in the tender and their bid evaluation status.

The official designated as the Tender Acceptance Authority (TAA) will get the task for opening and evaluation of pre-qualification / technical / financial proposals. Evaluation is a multi-step procedure, wherein the number of steps is determined by the tender type. For example, both technical and financial aspects of the bid will be opened together in case of a single envelope (cover) tender.

Whereas, bid evaluation will be two step procedure in case of two envelope tenders. Technical bids will be opened at first and then sent for evaluation by the TAA. As per provisions of the KTPP Act, TAA may choose to constitute a Tender Scrutiny Committee (TSC), in which case the evaluation task gets assigned to a designated representative of TSC. The documents uploaded and online forms filled in the bidders can be viewed and downloaded by the TAA or TSC representative. Technical bid evaluation per se is done offline and results of the evaluation are keyed into the system (i.e.) bidders are qualified or disqualified. Then, a new task is generated by the system for commercial bid opening. The TAA designated for the tender will decrypt commercial bids of only the technically qualified bidders and save the decrypted commercial quotes in the database. Both TAA and the technically qualified bidders are provided the same view of the decrypted commercial quotes. In other words, if TAA can view commercial quotes of all the bidders, so can each of the technically qualified bidders view commercial quotes of all the bidders from their respective user ID's.

TAA and TSC representative have a provision to upload a copy of the evaluation proceedings as file attachment to substantiate their decisions. An official copy of the meeting proceeding uploaded by TAA can be viewed by all the qualified bidders from their respective user ID's.

A bidder rejected during tender evaluation can submit an appeal online to the appellate authority designated for the tender. This appeal will be considered by the Appellate Authority as per provisions of the Karnataka Transparency in Public Procurement (KTPP) Act. Evaluation status of the bidder will be duly modified and its proposal taken for further evaluation if appeal submitted by the bidder is accepted by the Appellate Authority.

Only bid security received online as electronic cash is refunded back. Refund of bid security is made by CEG as per instructions of the Tender Inviting Authority (i.e. employer) provided online in e-Procurement system. System has certain in-built controls, which will allow the employer to initiate refund of bid security only if certain conditions are satisfied viz. bidder is rejected / bidder is selected. Employer can choose to confiscate bid security of the bidder either in part or fully. The system does

have a provision to auto-initiate refund of bid security to disqualified bidders for all tenders published by a procurement entity. KNNL / KUIDFC has to inform CEG if they seek to adopt this function

4.7 Award of Contract

Depending on the tender type (i.e. as configured during tender publication), system allows for selection of one or more suppliers for a single tender. In other words, selection of bidders could be done at the item level or at a tender level.

The designated government official may choose to issue Letter of Intent (LoI) or opt for negotiation. When negotiation is opted, supplier is given the provision to revise its commercial quotes and also upload revised terms and conditions. This revised quotation is submitted back to the designated government official for review and acceptance. Post acceptance of the negotiated rates, LoI is issued. The LOI thus issued will have to be accepted by the bidder, after which status of the tender is marked as accepted.

The following details are published in e-Procurement portal for public view under Bid evaluation results, provided LoI issuance is done online:

- (i) Tender name
- (ii) Tender title
- (iii) Department
- (iv) Selected supplier (name)
- (v) Bid amount

5 Reliability and Security

- a. Security Audit: As per the response to clause 9.2. of MDB's e-Tendering guideline: *"Security and integrity audit happens periodically. There are no outstanding audit issues as on today. Reputed Audit agency has done the audit."*
- b. Load Handling capabilities: *"The third party auditor has tested e-Procurement portal for handling 5,000 transactions/hr, 1,000 concurrent connections to application server and 2,000 concurrent number of users successfully. Currently the e-Procurement system is designed to handle much higher loads due to high increase in the usage by various depts."*
- c. Encryption methodology: It is clarified that *"The bid documents are encrypted at the client machine and decrypted at the machine of the tender official. The encrypted bid documents are stored in the e-Procurement server for the purpose of retrieval of the same by the tender official to enable decryption at his / her machine. The documents will continue to exist in the encrypted format even after the tender is closed."* Commercial Bids are kept encrypted using bidder's key while bid is in draft stage. During bid submission, commercial bids are encrypted using public key of the (i.e. one single person) "Tender Acceptance Authority" designated for the tender upfront during tender publication. The bids thus encrypted can be decrypted only by private key corresponding to the public key. By definition, the private key is under custody of the TAA in an e-Token. The risk is that bids received in response to a tender cannot be decrypted if the e-Token with the requisite private key is lost or if the commercial bid is improperly encrypted or if the private key in the e-Token gets corrupted. In response to clarification sought on problems (if any) faced in decryption, it is stated that *"...the e-Procurement portal has handled nearly 1.2 lakh tenders published by more than 240 govt. departments/organizations since the year 2007. The incidences of Depts. inability to decrypt financial bids due to loss of key of Tender Inviting Authority, corrupted private keys, etc have not been reported till date."*
- d. Original Encrypted Data: It is confirmed that the documents received in e-Procurement portal are preserved in their original form for future reference and audit.
- e. Data Back-up Policy and Disaster Recovery: The following clarification is provided with respect to data availability: *"Currently all data pertaining to Tenders published in e-Procurement portal is stored in State Data Centre with the copy of back up. Since information to pertaining to tenders is sensitive and often referred by Govt. during audit, the data is available at all times. Depending on the policies framed by GoK on data retention, the CeG initiates necessary activities for e-Procurement portal to ensure its compliance.... Currently Recovery Point Objective (RPO) is benchmarked between 15-30 minutes for a project like e-Procurement. Accordingly the processes are designed for e-Procurement system."*
- f. Anti-virus: The following response is provided to Section 5.2 of MDB's e-Tendering requirement: *"The e-GP System is hosted in the State Data Centre. The infrastructure deployed in the State Date Centre is installed with up-to-date versions of firewalls and anti-virus solutions at internet gateway. The documents which are uploaded by the bidders during bid submission activity enter the SSL tunnel of the State Data Centre prior to the actual upload in the e-Procurement server."* In response to the clarification sought on whether uploaded files are scanned in real-time, the following clarification is provided: *"The SSL tunnel provided for e-Procurement project ensures*

scanning of documents prior to their upload in e-Procurement portal. Hence a separate system for scanning of documents was not felt necessary.”

- g. System Malfunction Procedure: In case of system malfunction, the following procedure is adopted: “...the respective departments whose tenders are due for submission are contacted. Based on their requirements, CEG initiates necessary action. In case e-Procurement portal is not available for substantial period the tenders due for submission on that day are postponed with prior communication to departments and bidders.”

6 Governance Mechanism, Training and Change Management

6.1 Governance Mechanism Adopted for Implementation

- a) Government has amended the Karnataka Transparency in Public Procurement (KTPP) Act vide Karnataka Act No. 13 of 2007 dated 27th of April 2007 as cited below:
 - o "18A. E-Procurement.-
 - (1) There shall be a single unified e-procurement platform for all procurement entity which may be notified under sub-section (2).
 - (2) With effect from such date, as may be specified by the Government, by notification, a procurement entity in respect of a class of procurement if any, as may be notified shall procure its procurements through the e-procurement platform."
- b) A Steering Committee Chaired by Additional Chief Secretary is constituted vide Government Order No. DPAR 26 EGV 2003 Bangalore, dated 3rd June 2003 to coordinate and implement the e-Procurement system.
- c) A Project Monitoring Committee chaired by the Principal Secretary, e-Governance is constituted to provide detailed guidance in implementation of the e-Procurement project
- d) As per Section 18A(1) of the Act, government organizations are notified to use the unified e-Procurement platform of the State to process all tenders in excess of certain value (i.e. 50 lakhs and above) from a certain date (e.g. April 2012) using e-Procurement mode only.
- e) An e-Procurement cell is formed to manage implementation of the project under the Center for e-Governance. The e-Procurement cell has been assigned the responsibility to carry out the following key activities:
 - o Provide training to government officers and suppliers
 - o Facilitate issuance of DSCs from NIC to government officers.
 - o Provide complete operational support and troubleshooting to all line departments and autonomous bodies regarding e-Procurement application on need basis
 - o Registration of contractors
 - o Reconcile processing fee and EMD payments in a time bound manner
 - o User administration
 - o Coordinate with the Principal Bank and enable timely reconciliation of all e-Payments in a time bound manner
 - o Refund EMD as per refund instructions passed by the concerned government organization

6.2 Training

The e-Procurement cell in CEG provides hands-on training to Government users and suppliers. This training is conducted in Government premises for free of charge on a regular basis. More than 10,000 government officers and suppliers have been trained so far.

6.3 Help-Desk Setup

A dedicated Help Desk is setup for e-Procurement to provide necessary information/ support /assistance to the users. This Help desk is reachable over phone from Monday to Sunday between 9 AM and 9 PM at +91 80 25501227 and hphelpdesk.blr@intarvo.com.

The e-Procurement cell can be reachable at the following phone and e-mail addresses:

- (i) Supplier/Contractor Registration(registrar.eproc@gmail.com) : +91 94800 51498

- (ii) EMD Refunds(refund.eproc@gmail.com) : +91 94800 51519, +91 94800 51499
- (iii) Payments Reconciliation(reconcile.eproc@gmail.com) : +91 94800 51521
- (iv) DSC Applications (Govt. Officers)(dsc.eproc1@gmail.com) : +91 94800 51498

The Principal Bank (i.e. ICICI) has set-up a helpdesk to provide guidance to suppliers on e-Payment related services, which can be accessed at 080-41296235, 41296261 and helpdeskeproc@icicibank.com & helpdeskceg@icicibank.com.

6.4 Support Services

The e-Procurement cell provides hand-holding support on a need basis to Government officers and suppliers.

7 Suggestions for Using GoK's e-Procurement Software

The following operational recommendations are provided in using GoK's e-Procurement software, so KNNL and KUIDFC can consistently address the ADB's e-Tendering requirements:

- a) Award of Contract procedures shall be completed in the system and not done manually after opening of commercial proposal. Else, tender status will not be updated in the System
- b) Verify and confirm whether the commercial bid format auto-generated by the System complies fully with the requirements of KNNL / KUIDFC
- c) KNNL / KUIDFC to inform CEG to enable the multiple currency feature for their departments, so it can be used to process International Competitive Bidding (ICB) tenders
- d) KNNL / KUIDFC to declare bid documents uploaded in the e-Procurement platform as legally binding documents
- e) KNNL / KUIDFC to maintain a master copy of electronic documents in print form, suitably authenticated by signature, stamp or other instrument acceptable to ADB as per Clause 12.6 of MDB's e-Tendering requirement
- f) As per clause 12.5 of MDB's e-Tendering guideline, KNNL / KUIDFC must provide bidding documents in print form to bidders requesting for the same
- g) With reference to clause 8.2. of MDB's e-Tendering guideline, KNNL / KUIDFC are informed to complete the tendering process with publication of contract award information in e-Procurement portal
- h) With reference to clause 5.3 of MDB's e-Tendering guideline, the designated TAA for tenders published by KNNL / KUIDFC shall be informed to keep the private key required for decryption of commercial quotes in safe custody.
- i) KNNL / KUIDFC representatives are informed to define "General Conditions for Eligible Tenders" in the e-Procurement system as per their tender requirements
- j) Refer clause 8.2 of MDB's e-Tendering guidelines: "*Contract awards shall be published online consistent with bid advertising*". The e-Procurement system is designed such that contract award information is published online for public view if Letter of Intent is issued in the system. Hence, it is recommended that KNNL / KUIDFC complete the tender evaluation process online in the e-Procurement system with the issuance of Letter of Intent to selected bidder(s).

8 e-GP Specific Clauses in Standard Bid Document

It is recommended that KNNL and KUIDFC – referred herein as <<DEPT>>¹ - insert the following clauses in Standard Bid Document of tenders processed using the e-Procurement platform of the State Government of Karnataka:

- a) Bidders shall submit their response to this tender only electronically vide the e-Procurement system of the State Government of Karnataka: <https://eproc.karnataka.gov.in>. <<DEPT>> shall not accept manual submission of bids from the bidders.
- b) Bidders are informed to get acquainted with the bid submission process in e-Procurement system of the State Government of Karnataka by contacting the e-Procurement cell, Center for e-Governance (CEG). CEG conducts training sessions for prospective bidders at regular intervals. Refer to <https://eproc.karnataka.gov.in> for further details.
- c) Any changes to tender document, pre-bid clarifications, addendum and corrigendum to the tender shall be published online in the e-Procurement portal. Bidders are informed to check the portal at regular intervals for any such amendments to the tender. Bidders are informed to download the legally binding bidding documents from the e-Procurement portal <https://eproc.karnataka.gov.in>
- d) Bid opening date specified in the e-Procurement site shall be taken as the final date. <<DEPT>> reserves the right to open bids received in response to a tender on or after the bid opening date and time specified in the e-Procurement site: <https://eproc.karnataka.gov.in>.
- e) Bid submission and bid opening timelines will be defined as per the e-Procurement server clock only.
- f) Bidders are informed to submit clarifications they may have in writing by e-mail or by fax or to the following addresses:
 - a. E-mail:
 - b. Fax number:
 - c. Address:
- g) Bidders shall take due care to ensure that the documents uploaded by them in the e-Procurement system are virus free. <<DEPT>> shall not be held liable for upload of corrupt or virus infested documents by the bidders.
- h) <<DEPT>> shall not accept any responsibility for failures or breakdowns for systems other than in those systems strictly within the control of <<DEPT>> and its e-Procurement service provider. Bidders shall take due care to ensure purchase of Digital Signature Certificates requisite for tender submission in the e-Procurement portal, safe keeping of Digital Signature Certificates availability of internet connectivity and requisite client software.
- i) Bidders can participate in tender opening by logging into the e-Procurement portal and checking the bid status under “My Past Bids” section.
- j) Physical copy of documents (if any) sought by <<DEPT>> shall be submitted on or before the Bid Opening date specified in the tender. A bidder is liable to be rejected if the requisite physical documents are not submitted in time.
- k) <<DEPT>> reserves the right to verify original copies of scanned documents uploaded by bidders. <<DEPT>> may seek additional documentary evidence or clarifications from bidders on their technical proposals, which the bidders shall provide either online using the e-Procurement or in manual form.
- l) <<DEPT>> reserves the right to seek extension of bid validity from the short-listed bidders in offline mode, just as it is in the manual system.

¹ <<DEPT>> to be replaced by the Government Organization name (i.e. KNNL or KUIDFC)

- m) Bidders are advised to submit their bids well in time before the Last date & Time for receipt of the tenders. The system will strictly disallow bidders to submit their bids after expiry of the bid submission timeline specified for a tender. Only the bids marked as Submitted post expiry of the last date and time for receipt of the tenders will be considered for evaluation.
- n) <<DEPT>> reserves the right to extend bid submission timeline or recall the tender if e-Procurement server is down (i.e. inaccessible / inoperative) for a prolonged period of time within the last 24 hours of the bid submission due date. <<DEPT>> shall consult CEG and seek its opinion and decide to extend the bid submission timeline in accordance with the technical explanation provided by the CEG.
- o) Aggrieved bidders shall submit their appeal online using the e-Procurement platform to the Appellate Authority designated for the tender. This appeal will be considered by the Appellate Authority as per provisions of the Karnataka Transparency in Public Procurement (KTPP) Act. Evaluation status of the bidder will be duly modified and its proposal taken for further evaluation if appeal submitted by the bidder is accepted by the Appellate Authority.
- p) The Application Service Provider (ASP) of the e-Procurement platform wherein this tender is processed is disallowed from participating in the tender.
- q) Bids are encrypted using the public key of a designated official identified during tender publication. The private key corresponding to the public key shall be used to decrypt bids received in response to the tender.
- r) The e-Procurement system restricts bidders from uploading file attachments larger than 30 MB for Technical documents and 1 MB for Financial documents. Hence, the bidders are informed to restrict the size of file attachments uploaded as part of their bid response to less than 30 MB per file for Technical documents and 1 MB for Financial documents.
- s) Bidders shall bring to notice of Procurement entity about any disputes they may have on authenticity of the uploaded content as shown to the user within a period of one month of bid opening
- t) Bidders shall not lock electronic files uploaded in their proposal with passwords of their choice. <<DEPT>> reserves the right to reject password locked files outright and not consider contents within such locked files for bid evaluation
- u) Bidders shall upload their bid documents in formats, which can be opened and read by open standard interfaces
- v) Commercial rate quoted by bidders in the field "Unit Rate (all inclusive)" within the financial bid details link is the all-inclusive price quoted by bidder. Bidder shall ensure that commercial quote specified in online form is consistent with file attachments if any uploaded by the bidder. <<DEPT to include its standard clause to address such discrepancy>>
- w) Bidders shall make the tender payments viz. Tender Processing Fees and EMD Payment as per the e-Payment procedure prescribed by the e-Procurement cell, CEG. The two tender payments shall reach the Bank account of e-Procurement cell on or before the due date for bid submission. Bidders shall remit tender processing fees and EMD payment as two separate payments. Technical and commercial bid proposals submitted by bidders will be considered for evaluation only upon receipt of the two payments as defined above
- x) Bidders shall install the requisite plug-ins and verify and confirm that browser and client settings are suitably modified as required by the e-Procurement system. Further, Bidders are informed to use Internet Explorer 6.0 & above to access the e-Procurement system.
- y) Documents uploaded under Technical documents links will be opened by the system automatically during technical bid opening. A bidder is liable to be rejected if financial bid details to be submitted in the financial cover are uploaded under the Technical documents link.

9 System Related Risks

9.1 Criticality – High

9.2 Criticality – Medium

- a) Refer clause 3.4 of MDB’s e-Tendering guideline: *“Contracting Authorities shall track receipt by bidders/consultants when distributing pre-bid amendments, substitutions and clarifications online.”* The receipt of addendum / corrigendum by a particular set of bidders is not specifically tracked in the system. Instead, an e-mail digest is sent to all registered suppliers on a daily basis, wherein a list of corrigendum / addendum issued in the previous day is provided. Inclusion of the following clause is prescribed to address this risk:
 - a. Work around: Insertion of the following Standard Bid Document (SBD) clause is prescribed: *“Any changes to tender document, pre-bid clarifications, addendum and corrigendum to the tender shall be published online in the e-Procurement portal. Bidders are informed to check the portal at regular intervals for any such amendments to the tender.”*
- b) Refer clause 3.6 of MDB’s e-Tendering guideline: *“Correspondence during bid evaluation for the purpose of clarification may also be done electronically with the normal restrictions against modification of the substance and price of the bid. Any correspondence of this type shall be directed through the Chairperson of the evaluation committee. Confidentiality of the bid evaluation process shall be maintained.”*. The GoK’s e-Procurement system does not have the functionality to enable online correspondence between Chairperson of the evaluation committee and bidders. Inclusion of the following clause is prescribed to address this risk:
 - a. Work around: <<DEPT>> may seek additional documentary evidence or clarifications from bidders on their technical proposals, which the bidders shall provide either online using the e-Procurement or in manual form.
- c) With reference to Clause 5.3 of MDB’s e-Tendering guideline: *“...At no time shall bids/proposals be in unencrypted format...”*, it is understood that commercial bids are encrypted using public key of the (i.e. one single person) “Tender Acceptance Authority” designated for the tender upfront during tender publication. The bids thus encrypted can be decrypted only by private key corresponding to the public key. By definition, the private key is under custody of the TAA in an e-Token. The risk is that bids received in response to a tender cannot be decrypted if the e-Token with the requisite private key is lost or if the private key in the e-Token gets corrupted or if the commercial bid is improperly encrypted. This is a known risk inherent to the security implementation. It is understood that the loss of e-Token by TAA or corruption of the e-Token has not happened frequently. However, if the private key is inaccessible, there is no option but to re-call the tender and seek proposals afresh for the tender.
 - a. Work around: An ideal work around is to encrypt the commercial bid data twice in duplicate using the public key of two designated officials identified upfront during tender publication. Either of the two officials would then be able to decrypt the commercial bid data after the pre-requisite conditions (i.e. technical bid evaluation ought to have been completed and only the commercial bids of technically qualified bidders will be available for decryption) are satisfied.
 - b. This issue is implicitly acknowledged in the SBD clause: *“Bids are encrypted using the public key of a designated official identified during tender publication. The private key corresponding to the public key shall be used to decrypt bids received in response to the tender.”*

- c. In response to clarification sought on problems (if any) faced in decryption, it is stated that *"...the e-Procurement portal has handled nearly 1.2 lakh tenders published by more than 240 govt. departments/organizations since the year 2007. The incidences of Depts. inability to decrypt financial bids due to loss of key of Tender Inviting Authority, corrupted private keys, etc have not been reported till date."*
- d. ADB, KNNL and KUIDFC to confirm if this risk is acceptable

9.3 Criticality – Low

- a) It is recommended that that PAN details keyed in by suppliers is verified against the PAN database (i.e. PAN number is valid and Person / Company name keyed in by supplier matches with the PAN database). A scanned copy of PAN card is taken from suppliers while they seek to register in the System and presumably PAN number keyed in by suppliers is verified vis-à-vis the scanned copy. Despite that, verification of PAN details vis-à-vis PAN database using the Bulk PAN query provided by the Income Tax department is a better method for authenticating supplier's identity.

10 Clarifications / Confirmation Required

10.1 Center for e-Governance

- a) Kindly confirm whether the functionality to auto-extend tender submission date is available if minimum number of bids (e.g. zero bids) were not received before the specified bid submission due date and time
- b) Kindly share Standard Bid Document clauses already prepared by CEG, especially the e-Payment related clauses
- c) Kindly confirm whether the currency exchange rate (i.e. INR = Foreign currency) for the currencies used by bidders will be keyed in during unlocking of technical bid. The system will then convert the rates provided by bidders in multiple different currencies into INR and then provide comparative view of the rates quoted by the bidders in INR. In this regard, please share screenshots related to evaluation of multiple-currency tender.
- d) Kindly confirm if tenders published in GoK's e-Procurement portal are uploaded in the Central Public Procurement Portal (CPPP), Government of India. If yes, please specify the time taken to upload tender information in CPPP.
- e) Kindly clarify if Notice Inviting Tender (NIT) information about restricted tenders are published in the e-Procurement portal
- f) Refer 9.4 of MDB's e-Tendering guideline: *"EGP systems and information security shall ensure that secure records are kept of every process, procedure, transmission, receipt, transaction in terms of the content, executing individual and authorizations, time and date. These records shall be kept for at least two years after the closing date of the Loan Agreement and be made available for audit on request"*. The Loan agreement of this project is scheduled to close in 2021. With reference to the clause cited above, kindly confirm that records pertaining to this project will be kept until 2023 and made available for audit on request.
- g) With reference to the audit requirement in 9.2 of MDB's e-Tendering guidelines, kindly share audit certificate provided by the 3rd party audit agency
- h) With reference to Clause 5.3 of MDB's e-Tendering guideline *"...Copies taken and decrypted for bid evaluation purposes shall not affect the integrity of the original record."* kindly confirm if digitally signed and encrypted documents are preserved in their original form even after they got decrypted
- i) Kindly confirm if the following statement correctly summarizes the encryption methodology implemented in GoK's e-Procurement system: *"Commercial bids are kept encrypted using bidder's key while bid is in draft stage. During bid submission, commercial bids are encrypted using public key of the "Tender Acceptance Authority" designated for the tender upfront during tender publication."*
- j) Kindly provide data based on your past experience on the number of instances where private key was unavailable due to loss of the key by the TAA or due to improper encryption of the financial bid or due to corrupted key.
- k) Kindly provide data about load handling capabilities of the System and a brief write-up on the scalability architecture
- l) In response to section 9.4. of MDB's e-Tendering guideline, it is stated that *"All tender related information is available online for all the time. Logs are maintained. It is kept in secured storage."* In this regard, kindly provide the Recovery Point Objective of all data pertaining to the system (i.e. data and file systems). In other words, what is the maximum possible data loss should disaster occur at any point in time. Kindly provide a brief write-up on the procedure followed for data back-up.

- m) The following response is provided to Section 5.2 of MDB's e-Tendering requirement: *"The e-GP System is hosted in the State Data Centre. The infrastructure deployed in the State Date Centre is installed with up-to-date versions of firewalls and anti-virus solutions at internet gateway. The documents which are uploaded by the bidders during bid submission activity enter the SSL tunnel of the State Data Centre prior to the actual upload in the e-Procurement server."* In this regard, kindly clarify whether all files uploaded by bidders are scanned real-time and does the system reject a document if it is found to be virus infested and communicate virus as the reason for rejection of the uploaded document back to the bidder.
- n) Kindly inform if the system is governed by an approved policy to address system mal-function (i.e. unexpected shut-down or slow down). This policy should specifically address the concerns aggrieved bidders – who were unable to submit their proposals due to this unexpected shut down – would have.

CEG has responded to the sought clarifications by e-mail dated 28th November 2013.

10.2 ADB, KNNL and KUIDFC

- a) A bidder registered outside India as a legal entity shall necessarily obtain a Class-III Digital Signature Certificate (DSC) by a Certification Authority (CA) authorized by the Controller of Certification Authority (CCA). Authorized representative of foreign bidder shall authenticate its identity in person to obtain a Class-III DSC. Indeed, the simplest approach for a foreign bidder would be to identify a person located in India as authorized representative of the bidder. One or two CA's have developed certain procedures to issue DSC to foreign bidders without requiring their physical presence in India. Some of the workarounds are flexible and user friendly but does not have proper legal backing. If the procedure is strictly to be followed, procurement of DSC for foreign bidders will be an inconvenience and time consuming activity (i.e. at least a week to 10 days). Refer to section "Authentication" in MDB's e-Tendering guidelines for certification requirements.

GoK's e-Procurement system has the multiple-currency bidding feature, which if enabled during tender publication will allow bidders to submit their bids in an (i.e. one single) international currency of their choice in online form. If a bidder seeks to submit bid in more than one currency (i.e. some components of the bid in Currency A and other components of the same bid in Currency B), such break-up shall be provided in an Excel sheet or another file type uploaded as a file attachment in commercial bid. The Excel sheet or another file type is encrypted using asymmetric key just as the online form data is encrypted.

Considering the above (i.e. procurement of DSC by foreign bidders and multiple currency implementation), ADB, KNNL and KUIDFC may take an informed decision on whether to use GoK's e-Procurement platform for International Competitive Bidding (ICB).

- b) With reference to clause 1.5(a) of MDB's e-Tendering guideline, KNNL and KUIDFC are advised to inform if they seek exclusive use of e-Procurement platform for NCB and ICB tenders
- c) Refer Clause 6 of MDB's e-Tendering guidelines: *"In order to facilitate the procurement process when using electronic systems or means, bid securities are not encouraged. Contracting Authorities may employ other measures, such as requiring bidders/consultants to sign a declaration and/or sanctioning bidders who do not honor bids."* Kindly confirm whether bid security should be collected for tenders floated by KNNL / KUIDFC

11 Annexure

11.1 Supplier Registration

Pay By **Net Banking**

Net Banking

Please Select Your Bank Account

- Bank of Bahrain and Kuwait
- Bank of Baroda
- Bank of India
- Bank of Maharashtra
- Canara Bank
- Central Bank of India
- City Union Bank
- Corporation Bank
- DCB Bank
- Deutsche Bank
- Dhanlaxmi Bank
- Federal Bank
- ICICI Bank
- IDBI Bank
- Indian Bank
- Indian Overseas NetBanking
- Indusind Bank
- ING Vysya Bank
- J&K Bank
- Karnataka Bank
- Karur Vysya Bank
- Kotak Mahindra Bank
- Oriental Bank Of Commerce
- South Indian Bank
- Standard Chartered Bank
- State Bank Of Bikaner and Jaipur
- State Bank of Hyderabad
- State Bank of India
- State Bank of Mysore
- State Bank of Patiala
- State Bank of Travencore
- Taminad Mercantile Bank
- Union Bank of India
- United Bank Of India
- Vijaya Bank
- Yes Bank

TECHPRO™ ONLINE PAYMENT SOLUTION INSTANT PAY

Continue to Payment Cancel

Figure 1: List of Banks under Net Banking Payment Option

11.2 Government Organization Creation

Tender Number:

Tender Title /Name :

Tender Description /Scope :

ECV Range :

Status :

Tender Published From Date:

Tender Submission From date:

Category:

Sub-Category :

District:

Department:

Department Location:

Tender Published To Date:

Tender Submission To Date:

Regular tenders Prequalification

Search Clear Close

Figure 2: KNNL in e-Procurement platform

Tender Number:

Tender Title /Name :

Tender Description /Scope :

ECV Range :

Status :

Tender Published From Date:

Tender Submission From date:

Category:

Sub-Category :

District:

Department:

Department Location:

Tender Published To Date:

Tender Submission To Date:

Regular tenders Prequalification

Search Clear Close

Figure 3: KUIDFC in e-Procurement platform

11.3 Supplier Registration

Applicant Information

Applicant Type :*

User Type :* Authorized Signatory Nominated User

Digital Certificate Information

Figure 4: List of Applicant Types

Applicant Type :*

User Type :* Authorized Signatory Nominated User

Digital Certificate Information

Name of the person registering :*

Certifying Authority :*

Certificate's serial No. :*

Validity: Start date :*

Validity: End date :*

Figure 5: Authorized user and Nominated user

11.4 Estimate Preparation and Tender Publication

Draft Tender Schedule Preparation

General Tender Information

Tender Category : GOODS

Tender Number :*

Tender Name :*

Scope :*

Supply of furniture

Amount put to Tender (INR) :

ECV ? :* ECV Non ECV

Evaluation Type :* One Cover (Financial)
 Two Cover (Technical,Financial)
 Three Cover (Pre-Qualification,Technical,Financial)

Multiple Currencies allowed(Yes/No) :* Yes No

Type of Procedure

Tender Type :* Open Pre-Qualified

Commercial Bid Type :*

Enable Item wise Technical Evaluation(Yes/No) :* Yes No

Enable Multiple Supplier Selection(Yes/No) :* Yes No

Save As Template

Denomination (Rupees/Percentage)*: Rupees Percentage

Figure 6: List of parameters during tender creation

2213 KPCL	KPCL/2013-14/IND733	IMPLEMENTATION OF 2X10MW ADDITIONAL GENERATING UNITS AT GRBCPH	29/05/2013 15:39:35	23/10/2013 15:00:00	
2214 KPCL	KPCL/2013-14 /OW/WORK_INDENT1744	Providing power supply to KPCL colonies in Sharavathy Complex from Linganamakki power house by establishing 110/11 kV transformer bay and allied works	23/05/2013 11:39:43	11/09/2013 15:00:00	

Figure 7: Addendum and corrigendum

2	Typographical error corrected for Capitalization of losses For 10MVA ,1MVA Transformer	19/08/2013 12:49	
---	--	------------------	--

Description for Addendum :

Replay to pre-bid queries raised in pre-bid meeting held on 26.06.2013

Addendum Documents :

SI No	
1	pre bid queries sharavathy power supply (2) (autosaved).xls

Figure 8: View of addendum description and addendum documents

Tender Dates		
Date	Original Date	Changed Date
Last Date & Time for receipt of tenders	25-07-2013 16:00:00	16-08-2013 16:00:00
Last Date & Time for Tender Queries/Clarifications		
Date & Time for Opening of Financial Bid	27-07-2013 16:15:00	19-08-2013 12:00:00

Figure 9: Sample corrigendum

Schedule B				
Sl No	Item Code	Item Name	Unit	Quantity
1	2.3	KSRB 2-2.1 : Earthwork excavation for foundation of buildings, culverts, water supply, sanitary lines and electrical conduits either in pits or in trenches 1.5m and above in width, in ordinary soil not exceeding 1.5 m. in depth including dressing the bottom and sides of pits and trenches, stacking the excavated soil clear from edges of excavation with lead upto 50 m. after breaking of clods complete as per specifications. specification. No. KBS 2.1(a) / 2.3.5	cum	150.3
2	4.3	KSRB 4-1.3 : Providing and laying in position plain cement concrete of mix M7.5 with OPC cement @ 180kgs, with 40mm and down size graded granite metal coarse aggregates @0.85cum and fine aggregates @ 0.57cum machine mixed, machine mixed, concrete laid in layers not exceeding 15 cms. thick, well compacted, in foundation and plinth, including cost of all materials, labour, HOM of machinery, curing complete as per specifications. Specification No. KBS 4.1, 4.2	cum	28.92
3	4.12	KSRB 4.2.3 : Providing and laying in position reinforced cement concrete of mix M15 with OPC cement @ 240kgs, with 20mm and down size graded granite metal coarse aggregates @0.878cum and fine aggregates @ 0.459cum, machine mixed, concrete laid in layers not exceeding 15 cms thick, vibrated for all works in foundation plinth and ground floor level for roof slabs, staircase, lintels, retaining walls, return walls, walls (any thickness) including attached plasters, columns, piers, abutments, pillars, posts, struts, buttresses, string or lacing courses, parapets, coping, bed blocks, anchor blocks, plain window cills, fillets etc., including cost of all materials, labour, HOM of machinery, curing, complete as per specifications. Specification No. KBS 4.1, 4.6	cum	186.46
4	4.33	KSRB 4-6.6 : Providing and removing centering, shuttering, strutting, propping etc., and removal of form work for columns, pillars, piers, post and struts, circular or curved in plan including cost of all materials, labour complete as per specification. Specification No. KBS 4.6.2	Sqm	288
5	4.28	KSRB 4-6.1 : Providing and removing centering, shuttering, strutting, propping etc., and removal of form work for foundations, footings, bases of columns for mass concrete including cost of all materials, labour complete as per specifications. Specification No. KBS 4.6.2	Sqm	366.4
6	4.46	KSRB 4.9.2 : Providing T.M.T steel reinforcement for R.C.C work including straightening, cutting, bending, hooking, placing in position, lapping and / or welding wherever required, tying with binding wire and anchoring to the adjoining members wherever necessary complete as per design (laps, hooks and wastage shall not be measured and paid) cost of materials, labour, HOM of machinery complete as per specifications. Specification No. KBS 4.6.3	q	93.23
7	2.13	KSRB 2.6 : Providing and filling sand in foundation upto plinth to required depth for sub soil treatment including watering ramming with all lead and lift complete as per specifications. specification. No. KBS 2.10.2	cum	47.25
8	7.9	KSRB 7.9 : Providing and fixing M.S.grill work for windows and ventilators weighing 21kg/sqm using M.S. flats, or M.S. square rods, or combination of M.S. flats and square rods as per approved design, drawing including cutting steel sections and welding the same to required pattern with a coat of red lead primer, cost of materials, fixtures, labour and HOM of machinery complete as per specifications. Specification No. KBS 7.12	kgs	11718

Figure 10: A view of Schedule B auto generated by e-Procurement system based on approved work estimate

e-Procurement Government of Karnataka
List of Tenders and Auctions published from : 2013-09-04 04:30:52 To 2013-09-05 04:30:00

Number of Regular tenders published : 96

Number of Pre-Qualification tenders published : 1

Number of Addendum published for Regular Tenders : 5

Number of Corrigendum published for Regular Tenders : 3

Figure 11: Summary view of e-mail digest

List of Addendum Published for Regular Tenders :

Department/Locaton	Tender Number	Tender Title	Category	Sub Category	Estimated Value	NIT Published Date	Last Date for Bid Submission
KPCL	KPCL/2013-14/IND781	Supply of Chemicals viz. Liquor ammonia, Hudrazine hydrate & Sodium hydroxide pellets required at BTPS.	GOODS		----	2013-08-19 16:36:27.0	2013-09-18 17:00:00.0

Figure 12: Sample addendum shown in e-mail digest

Item Wise Financial Bid Details

Tender No. : sTest_Dept01/2013-14/IND2348 Department : sTest Dept01
Tender Title : Supply of furniture

Currency Type: -Select-

Pricing Details:

SI No	Item
1	<ul style="list-style-type: none"> ADP - Andorran Peseta AED - UAE Dirham AFN - Afghani ALL - Leck AMD - Armenian Dram ANG - Netherlands Antillian AOA - Kwanza ARS - Argentine Peso AUD - Australian Dollar AWG - Aruban Guilder AZM - Azerbaijanian Manat BAM - Convertible Marks BBD - Barbados Dollar BDT - Taka BGL - Lev BGN - Bulgarian Lev BHD - Bahraini Dinar BIF - Burundi Franc BMD - Bermudian Dollar
2	KMIO
3	KMIO
4	KMIO02 TABLES

		Mandatory All Items(Yes/No)				View Items		
		No						
SI No	Item	Unit	Qty	Brand	Unit Rate(All Inclusive)	Amount	Amount In Words	Action
1	specification: AS PER TENDER DOCUMENT	Nos	10	<input type="text"/>	<input type="text"/>		<input type="text"/>	
2	specification: AS PWE TENDER DOCUMENT	Nos	10	<input type="text"/>	<input type="text"/>		<input type="text"/>	
3	specification: AS PER TENDER DOCUMENT.	Nos	10	<input type="text"/>	<input type="text"/>		<input type="text"/>	
4	specification: AS PER TENDER DOCUMENT	Nos	10	<input type="text"/>	<input type="text"/>		<input type="text"/>	

Total Bid Amount

Total Bid Amount (in figures) :
Total Bid Amount (in words) :

Back
Save
Save and Continue

Figure 13: Multi-currency screenshot

11.5 Bid Submission

Actions :

Verify Settings

Check Browser and client settings

It is highly RECOMMENDED to click the above link and verify that your browser and client settings. Failure could result in being unable to sign, encrypt and submit the bid in the final stage.

Tender Details

View Tender Details

Download Tender Documents

Actions	Status
Tender Processing Fee	<input checked="" type="checkbox"/>
EMD Payment	<input checked="" type="checkbox"/>
General Conditions of Eligibility	<input checked="" type="checkbox"/>
Technical Qualification Criteria	
Upload Bid Documents	<input checked="" type="checkbox"/>
Item wise Bid Financial Offer	<input checked="" type="checkbox"/>
Declaration	<input checked="" type="checkbox"/>

Figure 14: Bid submission summary / overview

General Conditions for Eligible Tenderers		
Sl No	Criteria	Compliance
1	Tenderers should not be associated, or have been associated in the past, directly or indirectly, with a firm or any of its affiliates which have been engaged by the Purchaser to provide consulting services for the preparation of the design, specifications, and other documents to be used for the procurement of the goods to be purchased under this Invitation of Tenders.	-Select-
2	Bidders shall not be under a declaration of ineligibility for corrupt and fraudulent practices issued by any State Government / Government of India / Union Territory.	-Select-
3	It shall be the responsibility of the Bidder to ensure credit of Tender Processing Fee and EMD into the respective receiving bank accounts of e-Procurement on or before the last date and time of bid submission.	-Select-

Figure 15: General conditions for Eligible Tenderers

Compliance:

Criteria: **Appropriate Class of Registration of Contractor certificate issued by KPCL.** Remarks :

Compliance:

Documents:

Sl No	Document Description	Document Upload
1	Registration certificate	<input type="button" value="Browse..."/> No file selected. <input type="button" value="Select from My Documents"/>

Figure 16: Upload of file from My documents

Upload Technical Documents(File size limit 30MB):

Document Name	Mandatory(Yes/No)	Document Type	Select Document	Select from My Documents
Organization / Manufacturer / Name of the Sales person	Yes	Technical Bid	Browse... No file selected.	Select from My Documents
Organization / Establishment Date and Registration Number & Date (Certificate to be Attached)	Yes	Technical Bid	Browse... No file selected.	Select from My Documents
Organization Manufacturers Address / Phone Number and Mobile Number	Yes	Technical Bid	Browse... No file selected.	Select from My Documents

Figure 17: Upload technical bid documents

Upload Financial Documents(File size limit 1MB):

Document Name	Mandatory(Yes/No)	Document Type	Select Document	Select from My Documents	Remarks	Delete	Encr						
<p>Additional Financial Documents(Only 1 file can be uploaded):</p> <p>File Name <input type="text"/> Browse... <input type="button" value="Select from My Documents"/> Description <input type="text"/> <input type="button" value="Encrypt Document"/></p> <p>Selected File from My Documents:</p> <table border="1"> <thead> <tr> <th>File Description</th> <th>File Name</th> <th>Delete</th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> <td> </td> </tr> </tbody> </table>								File Description	File Name	Delete			
File Description	File Name	Delete											

Figure 18: Upload financial documents

Supplier/Contractor Details

Name of the Supplier/Contractor : RAMANATHAN SOMASUNDARAM .

Name of the Supplier/Contractor's Company :

Supplier Registration Number : S10111

Supplier Registered Address : No. 207, Suraksha Elegance, , Near Kodichikanahalli main road, Bangalore, 560078.

Supplier Telephone No. :

Amount (INR In Figures) : 4925

Amount (INR In Words): Four Thousand Nine Hundred and Twenty Five (dot) Zero Only.

Select the Bank Account (for NEFT) * :

Select Refund Account * :

**** EMD Payments through e-Payment mode shall be made as one single transaction and payments made in part are liable for rejection**

Bank Transaction Reference No * :

Payment Date * :

Figure 19: Screen to update offline payment information

Information Required for Assessment of e-GP System

Part – I: e-Tendering Requirements for MDB Financed Procurement

1 System Access

Where e-bidding is to be applied to MDB funded activities or programs it shall have the following minimum features:

S.no.	MDB e-Tendering Requirements	Compliance
1.1	System access shall be open, equal and unrestricted to all prospective bidders / consultants and members of the public. Those who want to submit information or receive online alerts or notifications of amendments or clarifications shall be offered an online enrollment facility ¹ . Enrollment shall be free.	The e-Procurement System(eGP) of Govt. of Karnataka (GoK) allows all prospective bidders/consultant anywhere in the world to register and participate in the tenders published by various Departments, Institutions, Societies, etc. Bidder can access all open tender information without any restrictions. Alerts and Notifications are sent to registered bidders whenever amendments are made to the tenders. The alerts and notifications are provided at free of cost.
1.2	The principle of single sign-on shall apply. Single enrollment shall allow Bidders/ Consultants the multiple use of the same electronic system for different projects from different parts of the government.	Registered bidder can access all tenders that are available in eGP, based on the Tender eligibility bidder can then participate. The consultants/bidders can use the same e-GP for tenders published by Government for different projects.
1.3	The eGP system shall be interoperable through open standards with ICT products in common use. The system shall be an Internet based approach accessible by users through readily available and commonly used browser software.	The eGP system can be accessed by users through some of popular web browsers such as Internet Explorer, Chrome, Firefox, etc. however the recommended browser is Internet Explorer 6.0 & above.
1.4	Downloaded documents shall be readable through open standards with a range of commonly used office software. If specialized software is necessary, this shall also be downloadable (eg software to read PDF documents) free of charge and compatible with commonly used system and office software. Similarly, the requirements for electronic submissions, where these are provided for, shall require only open standard interfaces with commonly used office software, or the	NIT information available in web page form, The Tender documents are uploaded by respective departments and bidders are can be in form of PDF or any common format(except some vulnerable form). Bidder and department can download attachments at no extra cost.

¹ Users must be notified of successful registration by means of email, web message or equivalent and also must be able to update their profile at any time.

S.no.	MDB e-Tendering Requirements	Compliance
	submission software shall be available online from the Contracting Authority's system as required.	
1.5	The system shall perform reliably and securely in time-sensitive, commercial application.	More than 60 thousands users are using the same and all have expressed that e-GP is secure. <u>System as on date 47000 registered users and it is operational since 2007. More than 100,000 tenders valued at about 20 Billion dollars(INR 1.77 lakhs) hosted at secured data centre with adewuate redundancy built-in. Reputed TPA has audited the same for reliability and security.</u>
1.5(a)	Also, the principle of non-discrimination between paper-based and electronic information and transactions shall, as far as practical, be reflected in the system. Contracting Authorities shall have in place the transitional option of paper-based procurement for bidders/ consultants who wish so or do not have access to e-Bidding. Only when contracting authorities demonstrate that interested bidders are not excluded from participation due to lack of access to the required Internet and information technology facilities or for other reasons, the exclusive* use of electronic means may be accepted. * The Contracting Authority may choose to inform if they seek the use of exclusive use of electronic means for one or more procurement categories (i.e. NCB, ICB, LIB and Shopping modes)	The Contracting Authority needs to specify whether they seek exclusive use of electronic means. If yes, <ul style="list-style-type: none"> An explanation has to be provided on how the principle of non-discrimination (between paper based and electronic information) is implemented in the system. If the assessment is done for ICB tenders as well, the response needs to specifically clarify how international bidders are not discriminated from online submission of tenders. <p>Currently there is no option of paper based procurement available. <u>Bidders have to submit only in the electronic mode.</u></p>

2 Advertising

Electronic advertising of procurement opportunities will be considered to satisfy MDB procurement advertising requirements by meeting the following conditions:

S.no.	MDB e-Tendering Requirements	Compliance
2.1	The advertisement shall be posted on a publicly accessible web site (or the Official site where this exists) that is well known nationally, well maintained, functional, and affords free and unrestricted access.	e-Procurement Cell does not take the ownership of advertising for the tenders published because the departments advertise as per the their policies. <u>Published on eProc portal and the entire bid document can be downloaded at free of cost by</u>

S.no.	MDB e-Tendering Requirements	Compliance
		any prospective bidders.
2.2	Concurrent advertising may be also required on additional sites and media according to specific requirements of individual Banks' procurement regulations.	Many departments which publish their tenders insert small advertisements columns in the leading newspaper in the state. Department shall post the Advertisements as per their Policy. <CPP>
2.3	The bidding period shall be measured from the date of publication on the required sites / media, and where these dates vary the date of publication will be whichever is later. A secure log of these entries shall be available for audit as required.	The bidding period on e-GP is from the date of publishing till the date of submission of the bids by the bidders/consultants. The logs are maintained in the e-Procurement server.
2.4	Where bidding is restricted or subject to pre-qualification, this shall be clearly disclosed in the bid advertising. The bid advertisements and results disclosures shall not be restricted. Also, there is to be no material difference between the paper documents and those advertised online.	e-GP provides options to publish Restricted Tenders or pre-qualification tenders. However the responsibility of the advertising of restricted or pre-qualification tenders lies with the Departments.

3 Correspondence, Amendments, Clarifications

Correspondence with bidders during bid preparation may be done electronically so long as print correspondence is used for bidders who request it. Copies of all correspondence shall be kept for audit and the bid evaluation report:

S.no.	MDB e-Tendering Requirements	Compliance
3.1	All clarifications and amendments or substitutions of the bidding documents, as well as any pre-bid conference minutes, shall be posted simultaneously onto a bid advertising website that is freely accessible to all. Bidders who have already expressed an interest should be directly informed electronically of any such postings.	The bidders are free to post their queries/clarifications through e-Procurement portal. Also e-Procurement provides options to reply back to the queries of bidders. The amendments (addendum/corrigendum) to the tender will be published and the same can be viewed by the interested bidders. In a Sub sequent day all registered bidders will get an email of addendum and corrigendum.
3.2	Amendments or substitutions by any official will be tracked and recorded for audit. Systems shall ensure that only authorized changes can be made.	Amendments or Substitutions will be tracked and recorded in the e-GP system. Competitive authority can do changes as per their delegation powers.
3.3	In case of any amendments or substitutions to the Bidding Document/RFP by the Contracting Authority, the Contracting	The changes to the tender will not be replaced with the tender document/RFP. The changes/amendments are uploaded separately.

S.no.	MDB e-Tendering Requirements	Compliance
	Authority shall not replace the Bidding Document/RFP by a new one, but provide such changes by means of an additional document in line with the same distribution mechanism as for the Bidding Document/RFP.	
3.4	Contracting Authorities shall track receipt by bidders/consultants when distributing pre-bid amendments, substitutions and clarifications online.	As the amendments, substitutions and clarifications are uploaded separately and the same can be viewed by the bidders.
3.5	Where Contracting Authorities stage online pre-bid conferences and clarifications including, for example, online conferencing and chat facilities, such facilities shall not function after the bid submission deadline.	Online conferences and chat facilities are not part of the e-GP . Pre-bid conference/meetings are not held <u>in offline mode</u> after the bid submission deadline.
3.6	Correspondence during bid evaluation for the purpose of clarification may also be done electronically with the normal restrictions against modification of the substance and price of the bid. Any correspondence of this type shall be directed through the Chairperson of the evaluation committee. Confidentiality of the bid evaluation process shall be maintained.	Electronic correspondence during the bid evaluation is not allowed in e-GP . However the bidders may direct their correspondences to the Chairperson of the evaluation committee and evaluation chair person can upload as part of the proceedings.

4 Bidding Documents

Contracting Authorities may distribute Bidding Documents/RFPs by using electronic systems (download from website) or means (send as email attachment, also floppy discs or compact discs or other devices if appropriate).

S.no.	MDB e-Tendering Requirements	Compliance
4.1	The use of Standard Bidding Documents/RFPs is required ² . Bidding documents must be provided to the MDB in an approved language and, if required, in print copy for review and approval.	e-GP doesn't restrict the use of the Standard Bidding documents/RFPs. The Departments are free to use their own bidding documents/RFPs.
4.2	While Contracting Authorities may offer the distribution of Bidding Documents/RFPs in generally available electronic formats (e.g. xml, html, doc, rtf, xls, ppt), they shall ensure	The bidding documents/RFPs can be traced to the Contracting Authorities.

² For example the ADB Standard Bidding Documents

S.no.	MDB e-Tendering Requirements	Compliance
	that these documents can be traced to the Contracting Authorities' legally binding Bidding Documents/RFPs in paper or electronic format.	
4.3	<p>Contracting Authorities shall ensure the integrity of Bidding Documents in electronic format³, and their online publication. Amendments shall be similarly secure and stored with the Bidding Document. Contracting Authorities shall inform bidders / consultants where the legally binding Bidding Documents can be accessed.</p> <p>Also, There shall be no difference between electronic and print versions of the Bidding Documents/RFPs. Splitting documents into combinations of electronic and printed portions should be avoided.</p>	<p>The contracting authority needs to explicitly clarify whether exclusive use of e-Tendering system is sought.</p> <p>e-GP system provides security and integrity to the documents uploaded by the Contracting Authorities.</p> <p>All documents are uploaded in eProcurement cannot be replaced once it is published. Integrity of bid documents are ensured. It is recommended that procurement agencies refer to the eprocurement documents are legally binding document.</p>

5 Submission of Bids

Bids/proposals may be submitted electronically, provided this is available, or in paper format. Contracting Authorities may offer enrolled bidders/consultants the use of electronic systems (upload through website) to submit bids/proposals conditional on the following:

S.no.	MDB e-Tendering Requirements	Compliance
5.1	There shall be security arrangements to ensure confidentiality (i.e. protect privacy by allowing only authorized persons access to the content at the authorized time) and integrity (i.e. not allow any modification) of bids/proposals in electronic format.	<p>Till the tender gets closed, it is completely confidential and no user has access to the tenderer's bidding information.</p> <p>Neither the Department nor the user has access to modify the content of the Tender.</p> <p>Post tender closure, as part of the transparency; status of the participants are show to each other.</p>
5.2	Bids/proposals submitted online shall be virus scanned by the Contracting Authority before being uploaded and accepted into the online bid box, and where this causes a bid to be rejected the bidder/consultant shall be notified immediately.	The e-GP System is hosted in the State Data Centre. The infrastructure deployed in the State Date Centre is installed with up-to-date versions of firewalls and anti-virus solutions at internet gateway. The documents which are uploaded by the bidders during bid submission activity enter the SSL tunnel of the State Data Centre prior to the actual upload in the e-Procurement server.

³ The ADB also requires a certified paper copy

S.no.	MDB e-Tendering Requirements	Compliance
5.3	Online submissions shall be received into an electronic bid box and maintained to high standards of security for long-term record keeping and audit. At no time shall bids/proposals be in unencrypted format. Copies taken and decrypted for bid evaluation purposes shall not affect the integrity of the original record.	The bid documents are encrypted at the client machine and decrypted at the machine of the tender official. The encrypted bid documents are stored in the e-Procurement server for the purpose of retrieval of the same by the tender official to enable decryption at his / her machine. The documents will continue to exist in the encrypted format even after the tender is closed.
5.4	Contracting Authorities shall ensure that the date and time of an automated closure of an electronic bid deadline can only be set simultaneously by at least two authorized persons. There must also be secure procedures to ensure that the settings are in accordance with international time-zone standards. A secure log of these processes shall be available for audit as required.	e-GP is automated to ensure closure on the deadline set by the Contracting Authorities/Departments <u>of designated as Tender inviting authority and accepting authority</u> . All the logs related to the date and time is securely saved on the e-Procurement server.
5.5	Bidders/consultants shall be advised that their bids/proposals must be readable through open standards interfaces.	Department can set condition as part of the tender as "The bidders/consultants are advised submit bids/proposals that are in the readable through open standard interfaces."
5.6	Bidders/consultants shall be allowed to submit modifications to bids/proposals or withdraw previously submitted bids/proposals electronically up to, but not after, the time of the bid submission deadline. Receipt of modification or notice of withdrawal including the date and time must be acknowledged, and shall also be done electronically.	Bidders can withdraw submitted bid and again submit any number of times till the tender closure. e-GP provides date and time stamping of bid submitted by the bidder/consultant.
5.7	Contracting Authorities shall accept only those bids/proposals in electronic format the submission or modification of which is completed at the time of the bid submission deadline. Receipt of electronic submissions, including the date and time, must be acknowledged immediately, and shall also be sent electronically.	The bidders are acknowledged on the receipt of electronic submissions of their bids/proposals and show the acknowledge immediately to bidder. <u>Only successful submitted bids can be part of the evaluation.</u>
5.8	The date and time for the receipt of Bids/proposals shall be the same for both regardless if submitted electronically or in paper.	e-GP designed to support only electronic method which enhances the security and transparency.

6 Bid Securities

S.no.	MDB e-Tendering Requirements	Compliance
6	In order to facilitate the procurement process when using electronic systems or means, bid securities are not encouraged. Contracting Authorities may employ other measures, such as requiring bidders/consultants to sign a declaration and/or sanctioning bidders who do not honor bids.	<p>In order to accommodate online payments and Bank guarantees as bid securities procurement payment gateways are extensively used.</p> <p>Department has an option to mention mode of Bid securities acceptance information in e-GP.</p> <p>e-GP has various mode of payment like NEFT, OTC, Credit Card, Debit Card and Net banking modes.</p>

7 Public Bid Opening

Contracting Authorities may use eGP to open bids/proposals:

S.no.	MDB e-Tendering Requirements	Compliance
7.1	Electronic and print bids if submitted must be opened in a public opening at a location and time (deadline) designated in the bidding documents.	<p>e-GP doesn't restrict that the bids must be opened in a public space.</p> <p>e-GP is transparent and all participated bidders can get to know who are the other participants who have participated only after opening of the technical evaluation. Also the Departments provides date and time of tender opening as per the tender notification/information.</p>
7.2	Bidders/consultants who choose to do so may attend the bid opening, and are invited to sign a record of attendance. Information read out at the bid opening (prices, offered discounts, and pertinent information) shall be simultaneously posted on a web site. A record of the bid opening must be kept in print copy and signed by individuals authorized to initiate the opening. Contracting Authorities shall make freely available the bid/proposal opening minutes by means of a website download.	e-GP allows Contracting Authorities to upload decisions taken by them during various stages of evaluation and the proceedings/minutes of meetings can be uploaded to the respective bidders .
7.3	Bids/proposals in electronic format shall be protected against access by unauthorized persons until the publication of the contract award.	The e-GP has built-in two levels of authentication; they are user-id/password and Digital Signature Key credentials. Officials who have the above credentials can only access bids/proposals in e-GP .

S.no.	MDB e-Tendering Requirements	Compliance
		Post tender closure, as part of the transparency; status of the participants are show to each other.
7.4	Contracting Authorities shall open bids/proposals in electronic format first followed by the bids/proposals submitted on paper.	e-GP is designed to support only electronic mode of submission which enhances security and transparency. Currently there is no provision for bidders to submit both in electronic and paper mode.
7.5	Contracting Authorities shall ensure that, for RFPs, financial proposals in electronic format shall only be accessed and opened after the evaluation of the technical proposals. The opening of each stage shall be subject to the same transparency as detailed in 7.2, 7.3.	Financial proposals can be are opened only after successful completion of technical evaluation.

8 Bid Evaluation and Contract Award

The Contracting Authority may use pre-approved automated evaluation processes so long as the evaluation aligns with the criteria established in the bidding documents; is consistent with the principles of economy, efficiency, equal opportunity, and transparency; does not violate other MDB requirements (such as restriction on price bracketing, price negotiation, etc.); and results in contract award to the lowest-evaluated, responsive bidder/consultant.

S.no.	MDB e-Tendering Requirements	Compliance
8.1	A bid evaluation report (BER) shall be prepared as required by the MDBs ⁴ . It may be transmitted electronically for review if an MDB requests (including post review). The BER shall, on request, contain scanned copies of the signed record of bid opening, advertisement, and other documents for which copies are required. A print copy of the BER shall be kept on file.	Usually the Bid Evaluation Report is a part of the Tender Document/RFP. Department uploads all evaluation details as per the tender evaluation. All evaluation copies are stored all the time. Departments can view or download at any point of time by using respective credentials.
8.2	Contract awards shall be published online consistent with bid advertising. (See Section 2).	The publishing of contract awards is decided by the Contracting Authorities. However e-GP enables Contracting Authorities to publish the name of the selected bidder and amount of the Contract.

⁴ For ADB this will be compliant with *Guide on Bid Evaluation*

9 Information Security Management

S.no.	MDB e-Tendering Requirements	Compliance
9.1	For any eGP processes engaged internally or through third parties, the Contracting Authority shall develop, maintain and implement an information security management system that conforms with international standards for information management and takes account of recognized best practice, including but not limited to asset security, access security, human resource security, operations management and business application controls, documentation and script sufficiency and security, physical and online security, business continuity, record keeping and compliance.	e-GP has highest security with the best practices and it complies with the business continuity plan.
9.2	There shall be no outstanding audit issues that represent material risk to the integrity or security of any project	Security and integrity audit happens periodically. There are no outstanding audit issues as on today. Reputed Audit agency has done the audit.
9.3	Contracting Authorities shall indicate in the Bidding Documents/RFPs procedures to be followed in the case of any failure, malfunction, or breakdown of the electronic system used during the procurement process. Contracting Authorities shall not accept any responsibility for failures or breakdowns other than in those systems strictly within their own control.	Bidders are being given ample time to participate for the tender. As per the tender condition it is clearly mentioned that bidder is expected to submit his/her bid well in advance before the closure of the Tender.
9.4	EGP systems and information security shall ensure that secure records are kept of every process, procedure, transmission, receipt, transaction in terms of the content, executing individual and authorizations, time and date. These records shall be kept for at least two years after the closing date of the Loan Agreement and be made available for audit on request.	All tender related information is available online for all the time. Logs are maintained. It is kept in secured storage.

10 Authentication

Where a Digital Certification/Signature is required the following shall apply:

S.no.	MDB e-Tendering Requirements	Compliance
10.1	The certification process shall certify bidders for a reasonable period of time (at least one year) and bidders shall not be required to request a certification for each bidding process.	Bidder's Digital signatures are issued by empaneled vendors for a minimum period of one year and maximum of two years. Bidder can renew the same thereafter.
10.2	The certification process shall be kept open permanently allowing bidders to submit the request for certification at any time in order to allow them to register in advance for future bidding processes.	Bidders can register the Certificate at any point of time which may be much before the future bidding processes.
10.3	The certification process shall allow bidders to take all actions required for their certification within their own countries, without the need to travel abroad.	Empaneled vendors are providing certificate to foreign bidders as well.
10.4	The certification process shall accept an electronic signature or a digital certification/signature issued by certifying authorities within the country of the bidder, or the process shall accept submission of online or offline documentation for certifying the authenticity of the bidder representative, accepting such documentation that can be obtained under commonly used procedures in the country of the bidder (for example, no notarization in consulate or embassy shall be required).	e-GP shall accept certificates which are issued by empanelled vendors.
10.5	The certification process shall not require bidders to submit mandatory information with origin outside the bidders own country.	Empaneled vendors are providing certificate to foreign bidders as well.

11 Payment

Best practice provides free and open access to all information and allows bidders to submit bids without any charges. However, in special circumstances, a nominal fee may be charged under the following restrictions:

S.no.	MDB e-Tendering Requirements	Compliance
11.1	Prospective bidders shall have open and free access to all Specific Procurement Notices (SPNs) and bidding documents published in electronic format. No payment shall be required.	Bidders have open access to all the procurement notices and bidding documents.
11.2	A single, nominal fee may be charged as a condition of submitting a bid. For the purpose of these requirements, 'nominal' is	Currently a nominal Tender processing fee (depending on the project cost) is charged to the bidder.

S.no.	MDB e-Tendering Requirements	Compliance
	expected to be an amount less or similar to that charged for obtaining paper bidding documents.	
11.3	Bidders shall be offered an electronic payment facility (e.g. electronic check, credit card) to avoid situations where bidders incur charges online, but must visit an office to pay for them. Bidders could be asked to have an account and be invoiced by the system for the fees resulting from the number of bids submitted during a period (e.g. month or year).	Currently there are 5 modes of Payments available on e-GP 1) Credit/Debit Card 2) NEFT/RTGS (offline mode of payment) 3) OTC (offline mode of payments) 4) IMPS – Mobile 5) Netbanking

12 Other Considerations

S.no.	MDB e-Tendering Requirements	Compliance
12.1	National legislation indicates that, with the procurement guidelines of the MDBs prevailing, any discrepancies in the applications of any of the requirements in this document shall be subject to prior approval by the MDBs.	Procurement in Depts./Organization of Govt. of Karnataka is backed by the KTCP Act and its amendments and- As per MDB guidelines
12.2	Executing agencies may use e-GP systems operated by a third party under a service contract arrangement. Third party service providers and their subsidiaries or parent companies shall be ineligible to be awarded contracts on procurement processes that are undertaken through the said e-GP system. Irrespective of who operates the system all requirements and conditions of this Guide shall apply.	e-GP System is a PPP project of Govt. of Karnataka(GoK) and is completely controlled by GoK. Hence the third party service providers will be restricted to participate for tenders that are being executed by the Executing Agencies.
12.3	The e-GP requirements presented above support the core framework principles already described. The requirements apply where countries intend to apply e-GP to any MDB financed procurement. If particular circumstances arise in any Contracting Authority country that cause the e-GP requirements to be in conflict with these principles then the circumstances shall be referred to the MDB joint E-GP Working Group for interpretation.	Department shall liaison with MDB on need basis.
12.4	The application of borrower country	Department shall liaison with MDB and e-

S.no.	MDB e-Tendering Requirements	Compliance
	electronic systems to MDB financed activities shall comply with the above requirements. Borrowers are urged to review their electronic arrangements before approaching the MDBs for approval of such applications, at which time the relevant MDB shall review and sign-off approval for the borrower to proceed.	Procurement cell for review of such activities.
12.5	Bidding documents must be provided in print form to bidders who request them.	e-GP designed and developed to support only electronic method which enhances the security and transparency. Issuing printed copies may disclose bidder's identity.
12.6	A master copy of electronic documents shall be retained in print form, suitably authenticated by signature, stamp or other instrument acceptable to ADB.	Departments may liaison with ADB on need basis.

Part 2: Information about Key Features in the e-GP

S.no.	Feature	Compliance Statement
1	128 bit SSL	Yes
2	Storage of password in MD5	Yes
3	Digital Certificate based access	Yes
4	Role based access	Yes
5	Digitally signed bids	Yes
6	Storage of bids in encrypted fashion	Yes
7	Time stamped electronic tender box	Yes
8	Server time mapped to global time server	Yes
9	Time stamping	Yes
10	Use of bio-metrics	No, e-GP is currently compliant to PKI and Password combination. Bio-metric devices are not available for authentication purpose.
11	Security alerts	Yes
12	Firewall	Yes
13	Anti-virus	Part of the State Data Centre(SDC) Intruder System
14	Site hosted on a dedicated server	Yes
15	IP based access	As part of the high security Measure all are domain based access
16	Tamper detections	Yes
17	Digital notarization	PKI has been adopted for high security measure.
18	Site hosted with reputed ISP	Yes
19	Anti cartel formation	Yes
20	Audit trail	Yes
21	Disable simultaneous login	Since PKI and Login ID based access provided. User may not able to share the PKI
22	Certificate can be mapped just once	Yes
23	Error handling	Yes
24	Bid encryption	Yes
25	Other features	Add as appropriate

Review Comments from the ADB

Comments Matrix on the e-GP System Assessment Report Prepared for Karnataka Integrated and Sustainable Water Resources Management Investment Program

S.no.	Description	Response
A	It would be better to clarify in the report whether or not the indicated functions and system requirements are generally accepted by MDBs (and comply with ADB guidelines requirements). Notwithstanding, the reference to the MDB's e-Tendering Guidelines is made in the report. Can we have a chance to review the guidelines as well?	GoK's response to the MDB's e-Tendering guidelines will be annexed with the report
B	It is indicated that the system is implemented in PPP model. We recommend elaborating on the following further in the report: who is the party to charge the fees – if this follows the PPP model, HP may not be the party charging the fee. A legal entity must have been established by HP and the state government, are the fees structured on the basis of legal framework, what is the difference between tenders with ECV and without ECV, where is the control on the payment, fee structures and so on.	Transaction fee and Bid Security payments are deposited in the Bank accounts of e-Procurement cell, Center for e-Governance. The transaction fees specified in section 4 is determined by a tendering process. ECV and non-ECV segregation is done to classify the various tender types and accordingly transaction fees as defined in Section 4 are obtained. This response is duly updated in the report.
C	The system seems to have function enabling payment of the money deposit. We suggest elaborating on this further. How and when does the employer return the deposit? Is there any basis or rules governing the relationships between the employer and the bidders? Does it pose any reputation risks to the employer or ADB?	Only bid security received online as electronic cash is refunded back. Refund of bid security is made by CEG as per instructions of the Tender Inviting Authority (i.e. employer) provided online in e-Procurement system. System has certain in-built controls, which will allow the employer to initiate refund of bid security only if certain conditions are satisfied viz. bidder is rejected / bidder is selected. Employer can choose to confiscate bid security of the bidder either in part or fully. Employer could delay passing instruction to CEG for refund of bid security, which the employer could anyway do in the manual system. The system does have a provision to auto-initiate refund of bid security to disqualified bidders for all tenders published by a procurement entity. KNNL / KUIDFC has to inform CEG if they seek to adopt this function This response is duly updated in the report.
D	Statistics are provided in para. 4 of the report. It would be better to clarify if these statistics are provided to show that the system contributes to efficiency, transparency and economy. We recommend providing the numbers of each item under the previous comparable paper based bidding in the report.	This statistics is provided to show the quantum of tenders processed using the system (i.e.) as a measure of system maturity. The numbers specified therein pertains to 240 procurement entities, which is taken from an online reporting function. As procurement is a

		<p>decentralized function in the State Government of Karnataka, such procurement spend analytics is not readily available for paper based bidding.</p> <p>This response is duly updated in the report.</p>
E	<p>Para. 4.7 reads that when the negotiation is opted supplier is given the provision to revise its commercial quotes. Does it mean that the quoted price can be revised by the supplier at the negotiation? It would be better to clarify whether or not this requirement is complying with our practice and guidelines.</p>	<p>The system is designed to cater to the needs of all procurement departments in the State. Karnataka Transparency in Public Procurement (KTPP) Act allows Government to negotiate with the Lowest bidder. Hence, this functionality is made available in the system as an option. KNNL / KUIDFC may choose not to exercise the negotiation option for ADB tender.</p>
F	<p>para. 2.2 implies that KUIDFC used the system for engaging consulting services, which is not part of ADB eGP application.</p>	<p>Para 2.1 and Para 2.2 provides a summary view of procurement spend envisaged in the project. There is no reference to e-Procurement in either of the 2 paras</p>
G	<p>para. 9.2 (c) c. risk acceptability; I can not respond to this. Maybe Jung Ho can clarify this.</p>	<p>No response required</p>
H	<p>Bid submission and tender payments including bid security. For foreign bidders, such tender payments facilities may be inadequate specially bid security. Thus, instead it is better to use a bid securing declaration, which is also suggested in para. 10.2 c).</p>	<p>A decision on whether to use the system for ICB tenders has to be taken by the ADB, KNNL and KUIDFC especially considering the explanation provided in 10.2 (a)</p>
Remarks		
1	Kindly provide the clarifications sought in Section 10.2	
2	CEG is yet to clarify on the points mentioned in Section 10.1. The Consultant has already mailed the clarifications to CEG and has sent a remainder as well. Response to the clarifications sought in 10.1 and 10.2 is required to logically conclude the assessment.	
3	Standard Bid Documents have to be duly modified for e-Procurement tenders. It is recommended that the conditions specified in section 8 are inserted in the SBD.	

Response to Observations by the ADB on GoK e-Procurement Assessment Report

S.no.	ADB Observation	Consultant's Response
1	<p>According to our Procurement Guidelines (para 2.45), the 4-day gap between the bid submission deadline and bid opening is not allowed, as bid opening should be "the same as for the deadline for receipt of bids or promptly thereafter".</p>	<p>The system prescribes mandatory gap of 2 days between the bid submission deadline and bid opening and not 4 days as mentioned. Refer section 4.4 of the Report: <i>"A two day mandatory gap is introduced between the "Last Date & Time for receipt of tenders" and Date & Time for tender opening, during which time CEG will reconcile the tender payments received in response to the tender."</i></p> <p>Kindly note that e-Payment in GoK system is designed to accept both small value (read tender processing fees) and high value (read bid security) payments. Suppliers have the option to make the payments using one of the following payment modes:</p> <ul style="list-style-type: none"> (i) Credit Card (online payment) (ii) Debit Card (online payment) (iii) Net Banking (online payment) (iv) Remittance at the Bank counter – Challan (offline payment) (v) NEFT (offline payment) <p>Receipt of confirmation from the Bank is a key pre-requisite for tender opening. Bank typically reports the transaction in .xml format in T + 1, wherein T refers to the date of transaction. Presumably, the government has added a buffer of one more day. Hence, the 2-day mandatory gap.</p> <p>Bidders can pay bid security in the form of Bank guarantee as well. In which case, the original Bank guarantee (and any other original documents required in the tender) shall be submitted within in the 2 days gap. The introduction of such a gap will introduce transparency in the bidding process as explained below: Government official will not know for sure who all have participated in the tender until the due date for bid submission. If submission of Bank guarantee (or for that matter any original documents) is mandated before the bid submission date, procurement entity would know for sure who all have participated.</p>

		<p>If submission of Bank guarantee/ original documents is accepted after x (e.g. 3 days) number of days of bid opening, a bidder may choose not to submit the original with mala-fide intent (i.e. form cartel with other competing bidders) and get disqualified on that account. In which case, e-Procurement system will have facilitated cartelization.</p> <p>Considering the above, 2-day gap between bid submission and bid opening is an essential requirement in e-Procurement.</p>
2	<p>The justification provided below re: the money transfer does not appear to justify the delay of 4 days.</p>	<p>Refer to the explanation given above. Also please note the following write-up given in the Assessment report:</p> <p><i>“For offline payments, bidder shall print a Challan and make the payment either by remitting the money at one of the 168 designated bank branches or any of the all National Electronic Fund Transfer / Real Time Gross Settlement enabled Bank branches in India. Then, the bidder shall key return back to the system and key in the Bank transaction reference number and payment date. The Principal Bank of CEG will update e-Procurement system on a periodic basis about the payments received in the e-Procurement Bank account vide an electronic scroll. Information submitted in the electronic scroll will be compared with the information keyed in bidders automatically by the system for payment reconciliation. Reconciliation status of the payments can be monitored by bidder until bid submission. A bidder can make payment in offline mode just before bid submission, key in the bank transaction reference number and submit its bid. Reconciliation of this payment will be done within the 2 days mandatory gap between bid submission date and bid opening date. Thus, reconciliation of payment is not an essential pre-requisite for bid submission. A bidder could have submitted its bid but the payment presumably made by the bidder shall necessarily reach Bank account of e-Procurement cell on or before the bid submission date. Further, EMD and tender processing fees shall be paid as two separate payments only. Else, there will be issues in reconciliation of the 2 payments on account of which the bid will not be available for tender evaluation.”</i></p>

3	Please advise if the system can be opened by a single person.	The official designated as the “Tender Opening Authority” for a tender during tender publication will open the tender. However, decryption of commercial bids will be done by the official designated as the “Tender Acceptance Authority” for the tender. It may be noted that GoK’s e-Procurement is a workflow based system, wherein the entire organization hierarchy and delegation of powers are mapped in the system.
4	Can this be abused, and can the submission be changed during those 4 days? We need to be 100% certain that this is not the case.	Commercial bids are encrypted using the public key of “Tender Acceptance Authority”. In-built system controls do not allow TAA to access and decrypt commercial bids before expiry of the scheduled time and pre-requisite activities (e.g. evaluation of technical bids). Indeed, suppliers will not able to modify their bids after expiry of bid submission timeline. The system is well established and has handled about 100,000 tenders.
5	Is the opening of electronic bids set up in a manner wherein 2 electronic keys are required for which only 2 separate individuals have access to? Or else, kindly describe the procedure for opening the electronic bids.	<p>Tender opening and tender decryption are two separate activities. Tender opening is just a function in the application software, which requires the designated government official to complete the action by digitally signing the bids. Refer to the write-up given in section 5 of the Report on the encryption methodology implemented in the system: <i>“Commercial Bids are kept encrypted using bidder’s key while bid is in draft stage. During bid submission, commercial bids are encrypted using public key of the (i.e. one single person) “Tender Acceptance Authority” designated for the tender upfront during tender publication. The bids thus encrypted can be decrypted only by private key corresponding to the public key. By definition, the private key is under custody of the TAA in an e-Token. The risk is that bids received in response to a tender cannot be decrypted if the e-Token with the requisite private key is lost or if the commercial bid is improperly encrypted or if the private key in the e-Token gets corrupted.”</i></p> <p>Refer to the section on Tender opening in the report: <i>“The opening of tender will be done by an official designated to complete the task in e-Procurement system during tender publication. e-Procurement system will auto generate tender opening task, which will be available in Dashboard of the official. Reconciliation of tender payments will be done at first regardless of the tender type (e.g. one or two envelopes). Only the bids for which tender payments are reconciled will be taken forward for next steps</i></p>

in tender evaluation. A dedicated team in e-Procurement cell, CEG coordinates with the Principal Bank and reconciles payments before the date and time for tender opening. The government official designated to open a tender can view the reconciliation status and take a decision to accept/reject bidders as per the reconciliation status.

Bidders can participate in tender opening by logging into the e-Procurement portal and checking the bid status under “My Past Bids” section. Therein, bidders can see the tender status, names of all bidders participating in the tender and their bid evaluation status.

The official designated as the Tender Acceptance Authority (TAA) will get the task for opening and evaluation of pre-qualification / technical / financial proposals. Evaluation is a multi-step procedure, wherein the number of steps is determined by the tender type. For example, both technical and financial aspects of the bid will be opened together in case of a single envelope (cover) tender.

Whereas, bid evaluation will be two step procedure in case of two envelope tenders. Technical bids will be opened at first and then sent for evaluation by the TAA. As per provisions of the KTPP Act, TAA may choose to constitute a Tender Scrutiny Committee (TSC), in which case the evaluation task gets assigned to a designated representative of TSC. The documents uploaded and online forms filled in the bidders can be viewed and downloaded by the TAA or TSC representative. Technical bid evaluation per se is done offline and results of the evaluation are keyed into the system (i.e.) bidders are qualified or disqualified. Then, a new task is generated by the system for commercial bid opening. The TAA designated for the tender will decrypt commercial bids of only the technically qualified bidders and save the decrypted commercial quotes in the database. Both TAA and the technically qualified bidders are provided the same view of the decrypted commercial quotes. In other words, if TAA can view commercial quotes of all the bidders, so can each of the technically qualified bidders view commercial quotes of all the bidders from their respective user ID's.

		<p><i>TAA and TSC representative have a provision to upload a copy of the evaluation proceedings as file attachment to substantiate their decisions. An official copy of the meeting proceeding uploaded by TAA can be viewed by all the qualified bidders from their respective user ID's.</i></p> <p><i>A bidder rejected during tender evaluation can submit an appeal online to the appellate authority designated for the tender. This appeal will be considered by the Appellate Authority as per provisions of the Karnataka Transparency in Public Procurement (KTPP) Act. Evaluation status of the bidder will be duly modified and its proposal taken for further evaluation if appeal submitted by the bidder is accepted by the Appellate Authority."</i></p>
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Clarifications Provided by the CEG

Clarifications on e-Procurement

- a) Kindly confirm whether the functionality to auto-extend tender submission date is available if minimum number of bids (e.g. zero bids) were not received before the specified bid submission due date and time.

e-Procurement : The functionality for auto-extension of tender submission date is available in the e-Procurement system. The feature has to be exercised by the Tender Inviting Authority mentioning the number of days of extension at the time of preparation of Tender Schedule in e-Procurement portal.

- b) Kindly share Standard Bid Document clauses already prepared by CEG, especially the e-Payment related clauses

e-Procurement: The Standard Bid Document prepared by Finance Department, Govt. of Karnataka is available in GoK portal. Separate manuals for bidders are available in e-Procurement portal for training and reference.

- c) Kindly confirm whether the currency exchange rate (i.e. INR = Foreign currency) for the currencies used by bidders will be keyed in during unlocking of financial bid. The system will then convert the rates provided by bidders in multiple different currencies into INR and then provide comparative view of the rates quoted by the bidders in INR. In this regard, please share screenshots related to evaluation of multiple-currency tender.

e-Procurement: The currency exchange rate for the various currencies used by bidders is entered in e-procurement at the time of opening of tenders. The related screen shots are enclosed.

- d) Kindly confirm if tenders published in GoK's e-Procurement portal are uploaded in the Central Public Procurement Portal (CPPP), Government of India. If yes, please specify the time taken to upload tender information in CPPP.

e-Procurement: CPP portal has provided an option to upload tenders published in e-Procurement portal of GoK. Accordingly CeG uploads tenders in CPP portal.

- e) Kindly clarify if Notice Inviting Tender (NIT) information about restricted tenders are published in the e-Procurement portal

e-Procurement: The feature of providing NIT information on restricted tenders to citizens is available in e-Procurement portal.

- f) Refer 9.4 of MDB's e-Tendering guideline: "EGP systems and information security shall ensure that secure records are kept of every process, procedure, transmission, receipt, transaction in terms of the content, executing individual and authorizations, time and date. These records shall be kept for at least two years after the closing date of the Loan Agreement and be made available for audit on request". The Loan agreement of this project is scheduled to close in 2021. With reference to the clause cited above, kindly confirm that records pertaining to this project will be kept until 2023 and made available for audit on request.

e-Procurement: Currently all data pertaining to Tenders published in e-Procurement portal is stored in State Data Centre with the copy of back up. Since information to pertaining to tenders is sensitive and often referred by Govt. during audit, the data is available at all times. Depending on the policies framed by GoK on data retention, the CeG initiates necessary activities for e-Procurement portal to ensure its compliance.

- g) With reference to the audit requirement in 9.2 of MDB's e-Tendering guidelines, kindly share audit certificate provided by the 3rd party audit agency

e-Procurement: The Third Party Audit report including observations (Main Audit) is enclosed. The periodic audit is in progress.

- h) With reference to Clause 5.3 of MDB's e-Tendering guideline "...Copies taken and decrypted for bid evaluation purposes shall not affect the integrity of the original record." kindly confirm if digitally signed and encrypted documents are preserved in their original form even after they got decrypted

e-Procurement: The documents received in e-Procurement portal are preserved in their original form for future reference and audit.

- i) Kindly confirm if the following statement correctly summarizes the encryption methodology implemented in GoK's e-Procurement system: "Commercial bids are kept encrypted using bidder's key while bid is in draft stage. During bid submission, commercial bids are encrypted using public key of the "Tender Acceptance Authority" designated for the tender upfront during tender publication.

e-Procurement: Provision is made in e-Procurement portal for encryption of commercial bids using the public key of the bidder prior to bid submission. The e-Procurement portal uses the public key of Tender Inviting authority at the time of final bid submission. Once encrypted using the public key of the Tender inviting Authority the bid can only be opened by the private key of the Tender Inviting authority after generation of opening task in e-Procurement portal.

- j) Kindly provide data based on your past experience on the number of instances where private key was unavailable due to loss of the key by the TAA or due to improper encryption of the financial bid or due to corrupted key.

e-Procurement: The e-Procurement portal has handled nearly 1.2 lakh tenders published by more than 240 govt. departments/organizations since the year 2007. The incidences of Depts. inability to decrypt financial bids due to loss of key of Tender Inviting Authority, corrupted private keys, etc have not been reported till date.

- k) Kindly provide data about load handling capabilities of the System and a brief write-up on the scalability architecture

e-Procurement: The third party auditor has tested e-Procurement portal for handling 5,000 transactions/hr, 1,000 concurrent connections to application server and 2,000 concurrent number of users successfully. Currently the e-Procurement system is designed to handle much higher loads due to high increase in the usage by various depts.

- l) In response to section 9.4. of MDB's e-Tendering guideline, it is stated that "All tender related information is available online for all the time. Logs are maintained. It is kept in secured storage.". In this regard, kindly provide the Recovery Point Objective of all data pertaining to the system (i.e. data and file systems). In other words, what is the maximum possible data loss should disaster occur at any point in time. Kindly provide a brief write-up on the procedure followed for data back-up.

e-Procurement : Currently Recovery Point Objective(RPO) is benchmarked between 15-30 minutes for a project like e-Procurement. Accordingly the processes are designed for e-Procurement system.

- m) The following response is provided to Section 5.2 of MDB's e-Tendering requirement: "The e-GP System is hosted in the State Data Centre. The infrastructure deployed in the State Date Centre is installed with up-to-date versions of firewalls and anti-virus solutions at internet gateway. The documents which are uploaded by the bidders during bid submission activity enter the SSL tunnel of the State Data Centre prior to the actual upload in the e-Procurement server." In this regard, kindly clarify whether all files uploaded by bidders are scanned real-time and does the system reject a document if it is found to be virus infested and communicate virus as the reason for rejection of the uploaded document back to the bidder.

e-Procurement : The SSL tunnel provided for e-Procurement project ensures scanning of documents prior to their upload in e-Procurement portal. Hence a separate system for scanning of documents was not felt necessary.

- n) Kindly inform if the system is governed by an approved policy to address system malfunction (i.e. unexpected shut-down or slow down). This policy should specifically address the concerns aggrieved bidders – who were unable to submit their proposals due to this unexpected shut down – would have.

e-Procurement : In case of system malfunction, the respective departments whose tenders are due for submission are contacted. Based on their requirements, CEG initiates necessary action. In case e-Procurement portal is not available for substantial period the tenders due for submission on that day are postponed with prior communication to departments and bidders.

Revised IFB and BDS

GOVERNMENT OF KARNATAKA
KARNATAKA NEERAVARI NIGAM LIMITED

NO: KNNL/PMU/ADB/.....

Office of the Executive Engineer,
Project Implementation Office.
Karnataka Neeravari Nigam Ltd.,
No-4 BRLBC Division Bhadravathi,
Shimogga District,
Karnataka State, India.
Email: eeknnlbdt@yahoo.co.in,
Phone/Fax:+91 8282 271063 **Dated : 08.11.2013**

INVITATION FOR BIDS

Contract Package Number :GONDI-NCB 1

(Through e-Procurement only)

Subject: MFF ----IND / Loan No.....: Karnataka Integrated and Sustainable Water Resources Management Investment Program - Modernisation of Gondhi main canal and distributaries, Karnataka State, India

Deadline for Bids: 06/01/2013, **15.00** hours

1. India has applied for a Loan from the Asian Development Bank (ADB) for financing the Karnataka Integrated and Sustainable Water Resources Management Investment Program - Project 1. Part of this Loan will be used for payments under the contract of Modernisation of Gondhi main canal and its distributaries, Karnataka State, India. "The Karnataka Neeravari Nigam Ltd. (KNNL) (the "Employer") invites sealed bids from experienced and eligible bidders for the above work package."
2. To be qualified under the package, the bidder should have a minimum meet of the following requirements: (a) has average annual construction turnover of Indian Currency of Rs.164.00 Crores.(Rupees one Sixty four Crores only) for last 3 years. (b) has experience as a contractor or a management contractor for at least two civil works contracts within the last eight years that have been successfully or substantially completed and that are similar to the proposed works, where the value of the Bidder's participation exceeds Rs.41.00 Crores.(Rupees Forty one Crores only). (c) has specific experience of having

completed Canal paving 2,81,462 Square meters in one project. However, for complete eligibility and qualification requirements, bid document should be referred.

3. National Competitive Bidding (NCB) will be conducted in accordance with ADB's Single stage - Two envelope bidding procedure (without pre-qualification) and is open to all bidders from eligible member countries of ADB. The tenders are invited through www.eproc.karnataka.gov.in
4. Bid Documents are available in the web site and the interested eligible bidders can ~~request download tender documents for free of charge for e-tender documents~~ from 27-11-2013 15.00 hrs in the e-procurement web site www.eproc.karnataka.gov.in. ~~Bidders shall pay non-refundable tender processing fee as prescribed in the e-Procurement portal to participate in this tender. This payment of processing fees shall be done on payment of Rs.10000/- (Rs. Ten thousand only Nonrefundable)~~ as per e-procurement portal using payment modes such as Credit Cards/ Direct Debit/ National Electronic Fund Transfer (NEFT) ,Over the Counter (OTC) on or before above mentioned date. No bids will be entertained without ~~cost of Bid Document~~ payment of tender processing fees.
5. Bids must be Submitted on or before 06/01/2014 up to 15.00 hrs. The Technical bid must be **accompanied by the bid security as described in the Bidding Document"**. Late bids will be rejected. The Technical bids will be opened on 10/01/2014 at 15.00 hrs in the presence of the bidders/representative who choose to attend. The date of opening of financial bid of successfully qualified bidders will be intimated later.
6. Pre-bid meeting with the bidders will be held at office of The Managing Director, KNNL Registered office, Coffee Board Building, 4th floor, Dr. B.R. Ambedkar vedhi, Bangalore-1, Karnataka, India on 10-12-2013 at 15.00 hrs. The Bidders who are Interested in participating in the bid process are advised to attend pre-bid meeting and can also visit the site on 06-12-2013 at 11.00 hrs with prior intimation to the Executive Engineer. Any other information required can be obtained by the under signed in the working hours between 10.00 hrs and 17.30hrs.

**Executive Engineer
No.4 BRLBC Division
Bhadravathi -Shimoga District
Karnataka India**

Section 2 - Bid Data Sheet

This section consists of provisions that are specific to each procurement and supplement the information or requirements included in Section I. Instructions to Bidders.

A. General

ITB 1.1	The number of the Invitation for Bids is : KNNL- Gondhi modernization – NCB-1 through National Competitive Bidding
ITB 1.1	The Employer is: Karnataka Neeravari Nigam Limited. <u>The bidding document is available online on the website: https://eproc.karnataka.gov.in.</u> Bidders are informed to download the legally binding bidding documents from the e-Procurement portal: https://eproc.karnataka.gov.in
ITB 1.1	The name of the NCB is: Gondhi main canal and distributaries modernization The identification number of the NCB is: KNNL-Gondhi-1 The number and identification of lots comprising this NCB is: one
ITB 1.2	The term “in writing” means communications online on e-procurement portal – https://eproc.karnataka.gov.in <u>“Portal” or “web-site” refers to e-Procurement portal of the State Government of Karnataka: https://eproc.karnataka.gov.in. Bidders need to get registered in this portal to participate in this tender and perform many of the actions specified herein.</u>
ITB 2.1	The Borrower is: India
ITB 2.1	The name of the Project is: Karnataka Integrated and Sustainable Water Resources Management Investment Program
<u>ITB 4.3</u>	<u>The Application Service Provider (ASP) of the e-Procurement platform wherein this tender is processed is disallowed from participating in the tender.</u>

<u>ITB 4.9</u>	<p>a) <u>Bidders shall submit their response to this tender only electronically vide the e-Procurement system of the State Government of Karnataka: https://eproc.karnataka.gov.in. KNNL shall not accept manual submission of bids from the bidders.</u></p> <p>b) <u>Bidders are informed to get acquainted with the bid submission process in e-Procurement system of the State Government of Karnataka by contacting the e-Procurement cell, Center for e-Governance (CEG). CEG conducts training sessions for prospective bidders at regular intervals. Refer to https://eproc.karnataka.gov.in for further details.</u></p> <p>c) <u>Bidders shall install the requisite plug-ins and verify and confirm that browser and client settings are suitably modified as required by the e-Procurement system. Further, Bidders are informed to use Internet Explorer 6.0 & above to access the e-Procurement system.</u></p>
<u>ITB 6.3</u>	<u>Tender documents uploaded in the e-Procurement platform are legally binding.</u>

B. Contents of Bidding Documents

ITB 7.1	<p>For clarification purposes only, the Employer's address is: The Executive Engineer No-4,BRLBC Division Bhadravathi -577301 Shimogga,District, Karnataka State, India E Mail;eeknnlbdvt@yahoo.co.in Phone & Fax;+918282 271063</p>
ITB 7.4	<p>A Pre-Bid meeting will take place on 10-12-2013 ;15.00 hrs KNNL MD Office Bangalore</p> <p>A site visit conducted by the Employer shall be organized on 06-12-2013 ; 11.00 Hrs</p>
ITB 7.5	<p>The prospective bidders are requested to submit any questions online through the portal, not later than two days before pre-bid meeting.</p>
ITB 7.6	<p>Minutes of the meeting, including the text of the questions raised (without identifying the source of enquiry) and the responses given will be uploaded on the website "https://eproc.karnataka.gov.in". Bidders are informed to check the portal at regular intervals for pre-bid clarifications.</p>
ITB 8.2	Addendum to the tender shall be published online in the e-Procurement portal

	<p>Bidders are informed to check the portal at regular intervals for any such amendments to the tender. The addendum will appear on the web page of the website https://eproc.karnataka.gov.in/eprocurement/common/eproc_tenders_list.seam and email communication will be sent to all registered bidders. Any addendum thus issued shall be part of the bidding documents and deemed to have been communicated to all the prospective bidders.</p>
ITB 8.3	<p>Bid submission deadline will be extended online in e-Procurement portal vide corrigendum. Bidders are informed to check the portal at regular intervals for any such extension to bid submission deadline</p>

Comment [R1]: e-mails may or may not be sent and may or may not reach...e-mails are sent in batch mode now given the heavy load. System does not register who all have expressed interest in the tender.

C. Preparation of Bids

ITB 10.1	The language of the bid is: English
ITB 11.1	<p>a) The documents comprising the Technical Bid and Price Bid shall be submitted online on website https://eproc.karnataka.gov.in.</p> <p>b) The e-Procurement system restricts bidders from uploading file attachments larger than 30 MB for Technical bid documents and (i.e. if document upload is sought) 1 MB for Price bid documents. Hence, bidders are informed to restrict the size of file attachments uploaded as part of their bid response to less than 30 MB per file for Technical documents and 1 MB for Price bid documents.</p>
ITB 11.2 (g)	<p>The Bidder shall submit with its Technical Bid the following additional documents:</p> <ol style="list-style-type: none"> 1. Audited and certified balance sheets of bidder for the latest three financial years. 2. A legally notarized or attested by appropriate authority in the bidder's home country and valid joint venture consortium agreement if applicable specifying the financial stakes of each of the joint venture partner. <p>The following details shall be entered online in the prescribed formats:</p> <ol style="list-style-type: none"> i) Bid Form, as per format ii) The entry of rates for individual items of work shall be made by the bidder online <u>in online form provided in the e-Procurement portal.</u> <p>(b) Scanned copies of the documents shall be uploaded on the website <u>https://eproc.karnataka.gov.in in the prescribed slots or using the upload additional documents feature provided in e-Procurement portal</u></p> <p>(c) Scanned copies of the Certificates showing details of similar nature of works, work in hand and machineries owned or possessed on hire should be</p>

	uploaded after converting them to PDF form.
ITB 11.3 (d)	<p>The Bidder shall submit with its Price Bid the following additional documents: None</p> <p>The entry of rates for individual items of work shall be made by the bidder <u>in the online form provided in on e-procurement portal. All the items are mandatory. Bidder shall ensure that commercial quote specified in online form is consistent with file attachments if any uploaded by the bidder.</u></p>
ITB 12.1	<p>The bidder has to upload scanned copies of the documents on the website https://eproc.karnataka.gov.in. The filled out bidding forms shall be suitably uploaded by bidders in the e-Procurement portal: https://eproc.karnataka.gov.in</p>
ITB 13.1	Alternative bids shall not be permitted.
ITB 13.2	Alternative times for completion shall not be permitted.
ITB 13.4	Alternative technical solutions shall be permitted for the following parts of the Works: None
ITB 14.5	The prices quoted by the Bidder shall be : Fixed
<u>ITB 14.7</u>	<u>Bidders shall input the all-inclusive price in the online form provided in the e-Procurement portal</u>
ITB 15.1	The unit rates and the prices shall be quoted by the bidder entirely in: Indian Rupees (INR)
ITB 18.1	The bid validity period shall be 120 (One hundred twenty) days.
ITB 18.2	Request for extending the period of validity of bids will be sought from bidders in offline mode just as in the manual system
ITB 19.1	<p>A Bid Security shall be required. Bid securing declaration shall not be accepted.</p> <p>The Amount & Currency of the bid Security shall be Indian Rupees 25.00 million(INR 25.00 Million)</p> <p>The bidder shall upload the scanned copy of bid security on the e-procurement portal and shall also submit the Original bid security to the Project Manager in the address mentioned below:</p>

Comment [R2]: Department to decide on the best suited clause to address discrepancy.

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	<p>The Executive Engineer No-4,BRLBC Division Bhadravathi -577301 Shimogga,District, Karnataka State, India E Mail;eeknnlbdvt@yahoo.co.in Phone & Fax;+918282 271063)</p> <p>Bidder shall submit original copy of bid security before the due date and time for Bid Opening specified in the tender. Bidder is liable to be rejected if original copy of bid security is not submitted in time.</p>
ITB 20.1	Not Applicable
ITB 20.2	<p>The written confirmation of authorization to sign on behalf of the Bidder shall consist of: An organizational document, board resolution or its equivalent, or power of attorney specifying the representative' of authority to sign the bid on behalf of the bidder. If the bidder is an intended or an existing joint venture, the power of attorney should be signed by all partners and specify the authority of the named representative of the joint venture to sign on behalf of the intended or existing joint venture. If the joint venture has not yet been formed, also include evidence from all proposed joint venture partners of their intent to enter in to a joint venture of a contract award.</p>

D. Submission and Opening of Bids

ITB 21.1	<p>The bidders must submit their bids online by logging on to https://eproc.karnataka.gov.in</p>
ITB 21.1 (b)	<p>The procedure for bidding online via e-procurement portal https://eproc.karnataka.gov.in is as follows:</p> <p>(i) Prospective bidders have to obtain the User ID and Password for participating in e-tendering and may obtain the same by registering in the website. The prospective bidders once registered can participate in any of the department tenders. The following are the prerequisites required to register:</p> <ol style="list-style-type: none"> a. Step 1: Procure Digital Signature from authorized Certifying Authorities b. Step 2: Affidavit /Power of Attorney in the prescribed format of Govt of Karnataka which has to be notarized. c. Step 3: Pan Card Number Required d. Step 4: Bank Details like: Bank name, Bank a/c no., Bank Branch, IFSC . e. Step 5: Two valid and active email ids to receive the

	<p>communication like User id, password and tenders published.</p> <p>f. Registration fee of Rs.500/- as prescribed in the portal shall be paid in any one of the following in any one of the following one of the following Modes of payment:</p> <ol style="list-style-type: none"> i. Credit Card ii. Direct Debit iii. NEFT(National Electronic Fund Transfer) iv. OTC (Over the Counter– Only Selected ICICI Bank branches) v. e-Net banking (bouquet of bank options provided) <p>(ii) Step 6: Bidders are required to pay online the tender processing fee as detailed in the website as prescribed in the online tender, in any one of the using one of following four modes of payment:</p> <ol style="list-style-type: none"> a. Credit Card b. Direct Debit c. NEFT(National Electronic Fund Transfer) d. OTC (Over the Counter, Remittance at the Bank Counter – Selected-Only ICICI Bank branches) e. Net banking (bouquet of bank options provided) <p>Note: (The bid-Tender processing fee details are available on-in the tender notice published in the e-procurement websiteportal). <u>Bidders shall make the tender payments viz. Tender Processing Fees and (as applicable) Bid Security (EMD) Payment as per the e-Payment procedure prescribed by the e-Procurement cell, CEG. The tender payments shall reach the Bank account of e-Procurement cell on or before the due date for bid submission. Bidders shall remit tender processing fees and (as applicable) EMD payment as two separate payments. Technical and commercial bid proposals submitted by bidders will be considered for evaluation only upon receipt of the payments as defined above</u></p> <p>(iii) The bidder has to upload the requisite documents as per ITB 11 within the due date of submission mentioned in ITB 22.1</p> <p>(iv) The contract shall be for the whole works and services to Gondhi main canal and its distributaries modernization , based on the priced Bill Quantities submitted by the Bidder online.</p> <p>(v) The bidders shall make online entries to fill in rates in bill of quantities. Upon numerical entry, the amount in words would automatically appear and upon entry of rates in all the items of work, total bid price would automatically be calculated by the system and would be displayed. The items for which no rate or price is entered by the Bidder will not be paid for by the Employer when executed and shall be deemed to have been covered by the other rates and prices in the Bill of Quantities.</p>
ITB 21.1(c)	<p><u>a) Bidders shall take due care to ensure that the documents uploaded</u></p>

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	<p><u>by them in the e-Procurement system are virus free. KNNL shall not be held liable for upload of corrupt or virus infested documents by the bidders.</u></p> <p><u>b) Bidders shall not lock electronic files uploaded in their proposal with passwords of their choice. KNNL reserves the right to reject password locked files outright and not consider contents within such locked files for bid evaluation</u></p> <p><u>c) Bidders shall upload their bid documents in formats, which can be opened and read by open standard interfaces</u></p>
<p>ITB 22.1</p>	<p>Bidders must submit their bids online via https://eproc.karnataka.gov.in.</p> <p>The deadline for bid submission is:</p> <p>Date: 06-01-2014</p> <p>Time: Before 15.00 hrs</p> <p>a) <u>Bid submission and bid opening timelines will be defined as per the e-Procurement server clock only.</u></p> <p>b) <u>Bidders are advised to submit their bids well in time before the Last date & Time for receipt of the tenders. The system will strictly disallow bidders to submit their bids after expiry of the bid submission timeline specified for a tender. Only the bids marked as Submitted post expiry of the last date and time for receipt of the tenders will be considered for evaluation.</u></p> <p>c) <u>KNNL shall not accept any responsibility for failures or breakdowns for systems other than in those systems strictly within the control of KNNL and its e-Procurement service provider. Bidders shall take due care to ensure purchase of Digital Signature Certificates requisite for tender submission in the e-Procurement portal, safe keeping of Digital Signature Certificates availability of internet connectivity and requisite client software.</u></p>
<p><u>ITB 22.2</u></p>	<p><u>KNNL reserves the right to extend bid submission timeline or recall the tender if e-Procurement server is down (i.e. inaccessible / inoperative) for a prolonged period of time within the last 24 hours of the bid submission due date. KNNL shall consult Center for e-Governance (CEG), State Government of Karnataka and seek its opinion and decide on whether to extend the bid submission timeline in accordance with the technical explanation provided by CEG.</u></p>
<p>ITB 24.1</p>	<p>The bid once submitted will not be permitted to be modified, substituted or withdrawn.</p> <p><u>Bidder may choose to withdraw bids already submitted by it before expiry of bid submission timeline, modify as required and re-submit the same online in e-Procurement portal. However, only those bids marked as submitted during bid opening will be considered for evaluation.</u></p>

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ITB 24.2	<u>Systems controls implemented in the e-Procurement system will disallow procurement authority to view bid withdrawn by supplier / bidder before expiry of bid submission timeline</u>
ITB 25.1	<p>a) The opening of the Technical Bid shall take place <u>online</u> and this could be viewed by bidders online at 10 January 2014 at 1500 hours (please insert the date 2 days after the due date of bid submission) <u>Bidders can participate in tender opening online by logging into the e-Procurement portal and checking the bid status</u></p> <p>b) Executive Engineer shall examine the Bids to confirm that all documents and schedules requested in ITB Sub-Clause 11.2 and 11.3 have been provided and to determine the completeness of each document submitted. If any of these documents or information is missing, the Bid may be rejected, subject to ITB-31.</p> <p>c) <u>Documents uploaded under Technical Bid will be opened by the system automatically during technical bid opening. A bidder is liable to be rejected if Price Bid documents are wrongly uploaded under the link provided for upload of Technical bid documents.</u></p>
ITB 25.2	Not Applicable. The opening of the technical bid will be online.
ITB 25.3	Not Applicable. The opening of the technical bid will be online.
ITB 25.4	Not Applicable. The opening of the technical bid will be online.
ITB 25.6	The record of technical bid opening will be communicated electronically to all the bidders
ITB 25.7	The technically qualified bidders will be communicated electronically for online opening of the price bids. <u>Bidders can participate in tender opening online by logging into the e-Procurement portal and view commercial bids quoted by all the technically qualified bidders</u>
ITB 25.8	The bidders who have been rejected on the technical grounds will be notified online and the price bids will not be opened.
ITB 25.10	<p>a) <u>System controls in-built in e-Procurement system disallow modification of bids. Bidders can log into the e-Procurement portal and view commercial bids quoted by all the technically qualified bidders as and when tender opening is completed.</u></p> <p>b) <u>Financial bids are encrypted using the public key of a designated official identified during tender publication. The private key corresponding to the public key shall be used to decrypt bids received in response to the tender.</u></p>
ITB 25.11	The record of price bid opening will be communicated electronically to all the bidders
ITB 25.12	<u>Bidders shall bring to notice of KNNL about any disputes they may have on authenticity of the uploaded content as shown to the user within 1 day of bid opening</u>

Comment [R3]: a) I propose you insert this clause: <<DEPT>> reserves the right to open bids received in response to a tender on or after the bid opening date and time specified in the e-Procurement site: <https://eproc.karnataka.gov.in>.

E. Evaluation and Comparison of Bids

ITB 27.1	<u>KNNL reserves the right to verify original copies of scanned documents uploaded by bidders. KNNL may seek additional documentary evidence or clarifications from bidders on their technical proposals, which the bidders shall provide either online using the e-Procurement or in manual form.</u>
ITB 33.1	<u>In case of discrepancy between the rate(s) keyed in by bidder in online form and file attachments (if any uploaded by bidder), the rate keyed in by bidder in online will be considered for evaluation and the rates given in file attachment will be suitably re-worked</u>
ITB 34	Not applicable
ITB 35.1	A margin of preference shall not apply.
<u>ITB 38.1</u>	<u>In case of annulment, tender processing fees paid by the bidders will not be returned</u>

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Comment [R4]: Please review this insertion. It is suggested because the system will auto-rank the bidders based on the rate keyed in online form. If there are no file attachments, there is no need to worry about this insertion