

E-Auction

Corporate office shall enter into Rate Contract with service provider to conduct the e-Auction for disposal of scrap, used / old / unserviceable equipment and obsolete spares.

Project /unit will conduct the e- Auction directly against Rate Contract for disposal scrap, old /used / unserviceable equipment & obsolete spares accumulated at their respective projects.

The list of scrap material, old /used/ unserviceable equipments and obsolete spares being offered for disposal would be forwarded to service provider at least 20 to 30 days in advance enabling them to give wide publicity to the prospective bidders. While forwarding such list, the project/ unit will ensure sales tax applicable on such items and this will be incorporated in the Auction catalogue so that prospective bidders know the financial implications on such sales.

The clauses such as Pre-bid EMD if any, Security deposit, Start bid, Increment, Inspection dates, Payment period, Penalty, lifting period, Ground rent etc will be finalized by Project / unit.

In consultation with service provides, Projects/unit will finalize suitable date for conduct of e- Auction.

After finalization of Auction catalogue, Projects / unit shall ensure that there are no changes to Auction catalogue in respect of change of quantities and adding the new lots to the extent possible. In case of any change, Projects should take prior approval from C/A at project/unit with proper justification.

As per terms & conditions of Auction catalogue finalized by project/unit, prospective bidders will make the pre-bid EMD if any and get the access from the service provider to participate in the e- Auction.

The auction will be supervised by a committee constituted by head of the project, generally consisting of Head of Finance Department & Head of Materials Department.

If felt necessary by project, one representative from MM Department of Head office would be nominated to this committee. Head of project/unit would also nominate a leader of the auction committee who would take decisions for acceptance or rejection of the final bid.

Depending upon the bulk quantity of lots especially in case of M.S. Scrap, Mn Steel lines Scrap, HEM Scrap, Conveyor belts etc, the Bidders may be asked to make the payment /lift the material in 2-4 installments.

After completion of the e- Auction service provider will give the bid sheet to the auction supervising committee.

After checking with Reserve price of lots, Auction supervising committee will give the decision on the lots. Accordingly, service provider will issue sale intimation letters to successful bidders and also return the pre-bid EMD to the unsuccessful bidders.

After receipt of security deposit from the successful bidders against sale intimation letters, Service provider will issue sale orders. successful bidders will make the balance payment at Projects/units against sale orders and lift the material against Delivery order issued by MM Department.

Preparatory works that are required to be taken for e-auction:-

- 1) Constitution of survey/ reserve price fixing committee: The Committee for survey of lots & fixing the reserve price will be constituted by Head of project /unit ,

generally consists of Head of M&S, Head of Materials, Head of Finance, and Head of concerned departments.

- 2) Finalization of list of lots with recommendations of survey committee offered for sale and displaying the lot numbers at respective location of the scrap, used / old / unserviceable equipment and obsolete spares. These recommendations are to be approved by project/ unit head.
- 3) Avoiding the incoming material from the sites to the extent possible after finalization of Auction catalogue/ making the separate lots for fresh material which will not be part of Auction.
- 4) Obtaining tax structure applicable for lots put up for disposal.
- 5) Fixing the Pre-bid EMD/ Security deposit depends upon the nature of scrap, and value of scrap especially in case of MS. Scrap, Mn Steel Scrap, Conveyor Belt, HEM Scrap etc in order to avoid defaulters

In case of low value items / items not having any demand such as Electronic waste, wooden scrap, Rubber cut pieces , Mis. Items etc, pre-bid EMD may be relaxed.

- 6) Fixing the Start bid (Floor price)/ increment.
- 7) Fixing the Reserve price:- The committee will meet two/three working days before the actual auction and physically see the various lots being offered for sale against different lot Nos and thereafter fix the reserve price keeping in view of various factors such as market value, condition of item, nature of the item, location of the project, last 3 years bid value etc.

These reserve prices should be kept confidential and papers are kept in a sealed cover after approval of C/A & kept with the leader of the committee.

- 8) Payment/ Delivery period: Projects/units will give reasonable period for making the payment and lifting the material.

In case of the huge quantity of lots & high value of the lots, Bidders may be allowed to make the payment/ lift the material in 2-4 installments.

- 9) Extension of time limit for making the payment/ lifting the material without penalty/ Ground rent. This will be under discretion of head of Project/unit on merit of the case.
- 10) STA Lots (Subject to approval lots): - In case of high value lots or any other important lots like MS scrap, MN steel scrap, HEM scrap conveyor Belt scrap etc, if project/unit feels, they may give clearance on STA basis to the service provider irrespective of highest bid value & reserve price value. After obtaining the approval from C/A at project/ unit, they will inform the decision to the service provider within 5-10 working days to inform the highest / successful bidder.