

**GOVERNMENT OF ANDHRA PRADESH**

**ABSTRACT**

GoAP – IT,E&C Department – eProcurement – Implementing the ‘Konugolu’ portal to provide eAuction services to Government Departments, PSUs, Societies, Local Bodies and other Institutions of Andhra Pradesh in place of existing platform of M/s MSTC – Orders – Issued.

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**INFORMATION TECHNOLOGY, ELECTRONICS & COMMUNICATIONS  
(EPROCUREMENT) DEPARTMENT**

**G.O.Ms.No.16**

**Dated: 27.09.2018**

**Read the following:**

1. Agreement with M/s MSTC Ltd, Dated.20.07.2012.
2. G.O.Ms.No.30, IT&C Department, Dated.09.08.2012.
3. U.O.No.355/2018, G.A (CABINET) Department, Dated.10.09.2018.

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**ORDER:**

Government of Andhra Pradesh had entered into a Memorandum of Understanding (MoU) with M/s MSTC Ltd., during the year 2012 for providing eAuction services to the Government/ PSUs for a period of one year w.e.f 01.09.2012. As per G.O. 2<sup>nd</sup> read above, the service charges for disposal of scrap is @1.6% (without any cap) and the service charges for sale of produces is @0.5% or a maximum of Rs.75,00,000/-. In case of reverse auction the transaction fee is @ 0.03% (from each bidder) up to a maximum of Rs.10,000/- per lot. The contract with M/s MSTC was renewed every year by taking approval of Competent Authority till 31.03.2018.

2. Notwithstanding, the IT,E&C Department developed an in-house eAuction application named as ‘Konugolu’ (Forward Auction & Reverse Auction). The domain of ‘Konugolu’ portal is ‘<https://www.konugolu.ap.gov.in>’.

3. In the U.O. 3<sup>rd</sup> read above, the Government of Andhra Pradesh has deliberated and decided to implement the ‘Konugolu’ portal to provide eAuction services to Government Departments, PSUs, Societies, Local Bodies and other Institutions of Andhra Pradesh in place of existing platform of M/s MSTC.

4. The Government after careful examination, hereby issued orders to implement the ‘Konugolu’ portal to provide eAuction services to Government Departments, PSUs, Societies, Local Bodies and other Institutions of Andhra Pradesh in place of existing platform of M/s MSTC and the following User charges/ transaction fee shall be collected from seller / supplier by IT,E&C Department:

- (i) For forward auction, the user Department shall pay 0.5% of the value of material disposed subject to a maximum of Rs.1,00,000/- (Rupees One lakh only) plus GST.
- (ii) For reverse e-Auction, bidders shall pay transaction fee @ 0.03% of the Base price for every item / lot subject to a maximum of Rs.5,000/- per lot / Item per bidder plus GST.

5. The important features of ‘Konugolu’ portal, process flow for User Department & Bidder are as detailed at Annexure and this order shall come into force from the date of issue of this order.

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6. This order issues with the concurrence of Finance Department, vide their U.O.No. 29024/26/2017-FMU-GAD.I, Dated.26.09.2018.

**(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)**

**K.VIJAYANAND  
PRINCIPAL SECRETARY TO GOVERNMENT**

To,  
All the Spl. Chief Secretaries/ Prl. Secretaries/ Secretaries/ Spl. Secretaries to Government.  
All the Departments of Secretariat, Velagapudi.  
All the Heads of Departments with a request to communicate to all concerned.  
The Managing Director, APTS Ltd., Vijayawada.  
The Commissioner, I&PR, Vijayawada.

Copy to:  
The PS to Principal Secretary to Hon'ble Chief Minister.  
The OSD to Hon'ble Minister for IT,E&C.  
The PS to Chief Secretary to Government.  
The PS to Principal Secretary, IT,E&C Department.  
The PS to Special Secretary, IT,E&C Department.

//FORWARDED::BY ORDER//

SECTION OFFICER

//P.T.O//

**(Annexure to G.O.Ms.No.16, IT,E&C Department, Dated.27.09.2018)**

**I. Important features of 'Konugolu' portal:**

- (i) Forward Auction: For selling of scrap & sale of produces of Government Departments, PSUs, Societies, Local Bodies and other Institutions.
- (ii) Reverse auction: it is a procurement process with provision for bidders to dynamically update the bids online. It is used for purchase of Goods/ Items by Government Departments, PSUs, Societies, Local Bodies and other Institutions.
- (iii) Tender cum e-auction: in this, every bidder will be given opportunity to give sealed bid as well as participate in open auction.
- (iv) The system will permit Open & Limited Auctions.
- (v) Base Price: The price fixed by the Auction Authority, from where forward auction will start.
- (vi) Reserve price: The price fixed by Auction Authority to decide on finalizing the forward auction.
- (vii) Effective Price: The current price or the trending price (H1 in case of forward auction or L1 in case of reverse auction) being quoted by the bidders during the auction process.
- (viii) Increment / Decrement Amount: The amount fixed by Auction Authority for each iteration of bid for the respective item.
- (ix) Minimum Auction Duration is Two (2) hrs.
- (x) The Departments may decide the variable incremental / decremental value for the respective auction type.
- (xi) Public Key Infrastructure (PKI) enabled digital signature based user interface for department / bidder.
- (xii) Bidder / user department IP address will be recorded in the Audit logs for tracking.
- (xiii) The portal is enabled for Payment gateway for online payments of Earnest Money Deposit (EMD) and also provision for uploading for the Bank Guarantee (BG).

**II. The process flow for User Department:**

- (i) Auctioning Authority (AA) shall login with valid user ID and password along with Digital Signature Certificate (DSC)
- (ii) Department users can use same login credential available in the e-procurement portal database.
- (iii) New Department user i.e new Auctioning Authority (AA) shall register using Know Your Customer (KYC) with respective HoD approvals
- (iv) The user Department is having an option to use the portal for open or limited auctions. The Auctioning Department / Authority is responsible for adding the Limited bidders list.
- (v) The Auctioning Authority (AA) logs into the system and enters the items and other auction specific information and generates auction notice in prescribed format from the 'Konugolu' portal.
- (vi) Based on the Auction ID generated by the 'Konugolu' portal, the Auction Authority (AA), will prepare Newspaper advertisement and arrange for publishing in the Newspaper duly indicating the date and time of auction.

- (vii) The Auction Authority (AA) can select Auto Extension Time (AET) in any of the four following intervals of 15 minutes, 30 minutes, 45 minutes and 60 minutes.
- (viii) Auctioning Authority (AA) will download the pre-qualification and technical documents uploaded by each bidder for examination.
- (ix) The Auctioning Authority (AA) will do the pre-qualification and technical evaluation of each bidder. If required, AA will receive samples for technical examination. AA will activate each bidder, if the bidder meets the pre-qualification and technical requirements.
- (x) The online bidding will be active from the specified date and time for the period specified by Auctioning Authority (AA).
- (xi) On the stipulated day of auction, the 'Konugolu' portal will be available for submission of bid prices by the bidders.
- (xii) Once auction starts, no corrigendum can be given.
- (xiii) Once bidder submits a bid against the lot/purchase, it is not possible to withdraw the bid.
- (xiv) The online auction will close at the stipulated time. If any bidder enters a new price within last Auto Extension Time (AET) of closure of auction, then the bid closure time will be extended. The new auction closure time is computed as bid received time plus (+) auto extension time.
- (xv) Once the bid is closed, system will identify the L1/H1 bidder and generate the statement.
- (xvi) A mail will be generated automatically to the successful bidder.

### **III. The process flow for Bidder:**

- (i) Bidder shall login with valid user ID and password along with Digital Signature Certificate (DSC)
- (ii) Existing eProcurement bidders can use same login credentials available in the eProcurement portal database. However, they have to re-register by paying the one-time registration fee.
- (iii) New bidders shall register using KYC and by paying the one-time registration fee.
- (iv) If bidder has Pollution Control Board (PCB) category items certification, the same has to be uploaded at the time of registration or subsequently
- (v) In order to access the 'Konugolu' portal, the bidder shall pay a non-refundable registration fee of Rs.1,000/- plus GST for domestic bidders and 50 USD (Including taxes) for foreign bidders. The domestic and foreign bidders can participate with Digital Signature Certificate issued under subsection (4) of section 35 of the IT Act, 2000. The following documents are required for activation of foreign bidders:
  - (a) Details of bidders Bank Account and confirmation thereof by the Bank along with attested signature of bidders contact person.
  - (b) Cancelled cheque from bidder's bank account(s) to be submitted.
  - (c) Certification of Registration of the agency or Certificate of Incorporation.
  - (d) For Countries not having system of registration, Letter of introduction from bidders, local Chamber of Commerce (where bidder's business is situated) to be forwarded to IT,E&C dept. through Indian Consulate/Embassy located in bidder's Country.
- (vi) The bidders shall pay the EMDs through Bank Guarantee or by using Net banking /RTGS/NEFT.

- (vii) The bidders can pay the EMDs by using Credit Card / Debit Card, as per the VISA/Master/ Rupay Card Guidelines. The return of EMD will be only to the originating card from which payment was made, as per the standard practice.
- (viii) The unsuccessful bidder's EMDs will be refunded to their registered bank accounts/originating card accounts.
- (ix) The successful bidder's EMD will be transferred through online to the user Departments registered bank accounts.
- (x) If EMD is applicable, bidder should submit EMD amount before start of auction or as per terms and conditions.
- (xi) Auction wise: bidder shall pay EMD for all items at a time (bulk EMD) and then all items will appear to the bidders auction floor.
- (xii) Item wise: bidder shall pay EMD for each item wise separately then those items only appear in bidders auction floor.
- (xiii) Maximum Purchased Amount (MPA): bidder shall pay whole EMD at a time and all lots appear in bidders auction screen.
- (xiv) The bidder shall pay the Transaction Fee for the items intended to bid.
- (xv) In case the Department decides to follow the pre-qualification criteria, the relevant documents will be scrutinized by the Department and the eligible bidders will be permitted by Auction Authority to participate in auction by activating their login.
- (xvi) If item falls under Pollution Control Board (PCB) category, the eligible bidders who, uploaded the PCB certificate and approved by the system will only get the option to submit their prices. For other bidders that item will not be visible.
- (xvii) The bidder shall upload the pre-qualification and technical qualification documents, as per the date and time fixed by Auction Authority (AA).
- (xviii) The EMD shall be paid as per the date and time fixed by Auctioning Authority (AA). If payment credit is not deposited within the stipulated time, the activation of the bidder is not possible. Based on the EMD submission, system will enable / activate the bidder for the auction.
- (xix) In case of forward auction, Bidder should place the bid against each item more than Effective Price.
- (xx) In case of Reverse Auction, Bidder should place the bid against each item less than Effective Price.
- (xxi) After completion of auction, EMD of the bidders, except of the H1 /L1 bidders will be refunded on or after announcement of successful bidder by Auction Authority (AA).
- (xxii) Bidder receives EMD refund payments through online to bidder registered bank account.
- (xxiii) EMD of the H1/L1 bidders will be transferred to registered bank account of user Department.
- (xxiv) The bidder receives the E-mail of Bid Acceptance / Bid Rejection as the case may be.

**K.VIJAYANAND**  
**PRINCIPAL SECRETARY TO GOVERNMENT**