



# ಕರ್ನಾಟಕ ರಾಜ್ಯಪತ್ರ

ಅಧಿಕೃತವಾಗಿ ಪ್ರಕಟಿಸಲಾದುದು  
ವಿಶೇಷ ರಾಜ್ಯ ಪತ್ರಿಕೆ

ಭಾಗ - ೪ಎ Part - IVA	ಬೆಂಗಳೂರು, ಶನಿವಾರ, ೦೪, ಜನವರಿ, ೨೦೨೫(ಪುಷ್ಯ, ೧೪, ಶಕವರ್ಷ, ೧೯೪೬) BENGALURU, SATURDAY, 04, JANUARY, 2025(PUSHYA, 14, SHAKAVARSHA, 1946)	ಸಂ. ೦೭ No. 07
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## GOVERNMENT OF KARNATAKA

NO:FD 680 Exp-12/2022

Karnataka Government Secretariat  
Vidhana Soudha  
Bangalore, dated:02.01.2025

### NOTIFICATION

In exercise of the powers conferred by sub-section (1) of Section 25 of the Karnataka Transparency in Public Procurements Act, 1999 (Karnataka Act 29 of 2000) the Government of Karnataka hereby makes the following rules further to amend the Karnataka Transparency in Public Procurements Rules, 2000, namely:-

### RULES

1. **Title and Commencement.-** (1) These rules may be called the Karnataka Transparency in Public Procurements (Second Amendment) Rules, 2024.

(2) They shall come into force from the date of their publication in the Official Gazette.

2. **Insertion of new rule 25A.-** In the Karnataka Transparency in Public Procurements Rules, 2000, after rule 25, the following shall be inserted, namely:-

“25A. **The Procedure and Category of Procurements for Electronic Reverse Auction.-** (1) Tender Accepting Authority may select Electronic Reverse Auction method in respect of the following categories of procurement of goods and services including construction works, but excluding consultancy services based on quality and cost based selection where.

(i) cost of procurement exceeds Rs.2.00 crore; and

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- (ii) there are three or more qualified bidders:

Provided, that in case there are less than three qualified bidders, Tender Accepting Authority may finalise the tender by following the procedure provided in rule 25 and 26.

- (iii) there are common specifications and for which the detailed description or design shall be given;
- (iv) it is anticipated that there are large number of manufacturers, suppliers, service providers, contractors or tenderers and are expected to participate and to be qualified;
- (v) the selection of a successful tenderer can be decided on the quantifiable parameters.

(2) After selecting the procurement for Electronic Reverse Auction by the Tender Accepting Authority, the Tender Inviting Authority shall invite the tender notifying that the tender is the subject to Electronic Reverse Auction; such tender notifying invitation shall include the details relating to the access to and registration for the Electronic Reverse Auction and process for the conduct of Electronic Reverse Auction.

(3) The following procedure shall be adopted for the conduct and processing of Electronic Reverse Auction, namely:-

- (i) after the submission of tenders, they shall be opened by following procedure specified in Rule 18 and 19, but the identity of the tenderers shall not be disclosed;
- (ii) tender Accepting Authority may constitute a Committee consisting of such officers as it deems fit to supervise the conduct and processing of Electronic Reverse Auction;
- (iii) the procedure for examination and evaluation of tenders shall be as specified in these rules till the substantial responsiveness of the tenders is established. Thereafter, financial bids shall be opened and the number of eligible bidders for Electronic Reverse Auction shall be displayed to the Tender Inviting Authority;
- (iv) the process for Electronic Reverse Auction shall be initiated at 10.00 am on the third working day excluding the day on which the Financial Bids are opened;

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- (v) out of the tenderers declared to be qualified, 75% of the tenderers on the basis of their evaluated price starting from the lowest including the bidders in the price preference range specified under Rule 25, shall be eligible for participating in the Electronic Reverse Auction. If there is any fraction while arriving at the number of eligible tenderers for the Electronic Reverse Auction, it may be rounded off to the next integer;
  - (vi) the eligible tenderers shall be informed through the mail immediately after the opening of the price bids along with the date and time of the Electronic Reverse Auction and publish the same on the Karnataka Public Procurement Portal;
  - (vii) electronic Reverse Auction shall, initially, remain open for three hours from its initiation. However, the bidding time may automatically extend in a slab of thirty minutes each, if the latest response is submitted within last fifteen minutes period of Reverse Auction. There shall be any number of auto extensions of period during Reverse Auction, the reverse auction shall not close till no further bids are received.
  - (viii) L1 price shall be the base price for the bidding during the Electronic Reverse Auction. In respect of construction works, if L1 price is lower than the Estimated Cost, it shall not be subjected to Electronic Reverse Auction;
  - (ix) the base price considered as in clause (viii), shall only be displayed to all the participating tenderers for further bidding. There shall be no indication to anybody about the number of bids and the names of bidders. They shall remain confidential until the completion of the Electronic Reverse Auction process;
  - (x) the participating eligible tenderers shall be given an option to reduce their price in the Electronic Reverse Auction below the base price at decremental rates. Such decremental rates in overall quoted price of the goods and services including construction works shall be at minimum of Rs.1.00 lakh or in multiples thereof. Any amount less than Rs.1.00 lakh shall not be accepted in the process of bidding;
  - (xi) at every reduction, the current L1 price shall be displayed to the bidders while protecting the information of the bidder till the closing of reverse auction;

- (xii) the bidder may bid any number of times during the Reverse Auction. However, the chronologically last bid submitted by the bidder during the Reverse Auction shall be considered as the valid bid of such bidder;
- (xiii) if any eligible bidder for Electronic Reverse Auction does not bid in the Reverse Auction, the rate and price quoted by such bidder in the financial bid shall be considered as the final price and may be taken into account for evaluation;
- (xiv) if no bids are received during the reverse auction, Tender Accepting Authority may finalise the tender process under the provisions of these rules;
- (xv) after closure of Reverse Auction, the bidding report shall be available on-line for the reference of participating bidders. The identity of the tenderers and their price bids at each stage shall be disclosed after the closing of auction;
- (xvi) the tenderer emerged as Lowest tenderer after Electronic Reverse Auction shall upload the detailed break up of rates and prices in the format as specified in the tender documents. The order placed shall be within the same break up of prices, which shall form the part of the contract;
- (xvii) the Procedure to be followed upon the completion of the Electronic Reverse Auction shall be in accordance with rule 26; and
- (xviii) the process of Electronic Reverse Auction shall be conducted on the Karnataka Public Procurement Portal. For the purpose of the Auction, the server time shall be the Start time and Closing time for the bidding which may be binding on the bidders. The log details of the entire process of Electronic Reverse Auction shall be generated after the closure of the auction.”

By order and in the name of the  
Governor of Karnataka

**(KANTHAMMA N.M)**  
Under Secretary to Government  
Finance Department  
(Procurement Cell)