

POWER COMPANY OF KARNATAKA LIMITED

(A Government of Karnataka Undertaking)
Reg Office: PCKL, Kaveri Bhavan, 5th Floor,
KG Road, Bangalore-560009.

e-Auction Document for

(E-auction Notification, Eligibility Criteria and Terms and conditions)
for investment of surplus funds through E-Portal of Government of Karnataka

Schedule of various events for E-auction-PCKL/2/2022-23/02.12.2022

Sl no	Particulars	Dates
1	Date of E-auction Notification	02.12.2022
2	Last date to upload the eligibility criteria as per Annexure A & Annexure B	07.12.2022 on or before 15.00 hrs
3	List of Technically qualified bidders published in e-portal	09.12.2022 at 15.00 hrs
3	Live bidding	Commences at 10.00hrs and concludes at 16.00hrs on 12.12.2022

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E-Auction Notification

The PCKL intends to invest its surplus Funds through e-auction in term deposits with both Public Sector & Private Sector Scheduled Banks including RRBs.

Government of Karnataka accorded approval in April 2007 for setting up of a Special Purpose Vehicle (SPV) viz., Power Company of Karnataka Ltd (PCKL) to supplement the efforts of KPCL in capacity addition. PCKL was incorporated on 20th August 2007 under the Companies Act, 1956 and commenced its business operations with effect from 16th October, 2007.

The head office is situated at Kaveri Bhavan, Bangalore. The detailed terms and conditions of the e-auction can be downloaded from the e-portal of the Government of Karnataka at <http://epro.karnataka.gov.in> or pckl.karnataka.gov.in The deposits proposed for e-Auction is as detailed below;

Name of the Fund	Amount available (Rs in Crs)	Period of Investment	Public Sector Banks / RRBs (Rs in Crs)	Private Sector Scheduled Commercial Banks (Rs in crs)	Date of Investment
Surplus Fund	1.00	1 Year	0.60	0.40	12.12.2022

Investment in Fixed deposits

1. Not less than 60% of the availability of surplus funds, that is available at the time of investment in Public Sector Banks including regional Rural Banks (RRBs).
2. Not more than 40% of the availability of surplus funds that is available at the time of investment in private Sector Scheduled Commercial Banks provide the yield is comparative when compared with that of Public sector Banks Including RRBs.
3. If the competitive rates are not forthcoming from the private Sector Banks for the amount earmarked in them, in such case the PCKL may take a decision to invest this amount also in Public Sector Banks.

Provided with respect to investment in public sector Banks, when a minimum of 2 Public Sector Banks are not participating in the first tender call, then the matter may be placed before the Board/ Competent authority by obtaining the card Rates from 3 public Sector Banks to invest their surplus funds in any public sector banks which is beneficial to the entity and which fulfils the criteria fixed by FD. In case of lack of adequate time for calling Board meeting, decision in this regard may be made authorized person/committee and the post facto ratification the board/Competent authority may be obtained.

Provided with respect to investment in private sector Banks, when a minimum of 2 Private Sector Banks are not participating in the first tender call, then the matter may be placed before the Board/ Competent authority by obtaining the card Rates from 3 public or private Sector Banks to invest their surplus funds in any public or private sector banks which is beneficial to the entity and which fulfils the criteria fixed by FD. In case of lack of adequate time for calling Board meeting, decision in this regard may be made authorized person/committee and the post facto ratification the board/Competent authority may be obtained.

Chapter 1

Instructions for submitting Bids

1. The bids are offered from Scheduled Public/Private/Regional Rural Banks only
2. The bid is quoted online through e-auction in the Government of Karnataka e-procurement platform www.eproc.karnataka.gov.in system only. Only rates and records submitted through the E-procurement portal shall be used for the evaluation and selection of the PCKL. No Manual quotes or records shall be received by the PCKL at any time during the period of E-auction and evaluation.
3. Bidders who have not registered in the e-procurement, may do so by registering through the website www.eproc.karnataka.gov.in A non refundable Tender processing fee as determined by the e-procurement platform, shall be payable, electronically, by the Bidders at the time of submitting Bids.
4. The bidders can access the bid documents on the website and participate in the e-Auction within the stipulated time and date as per auction notice details through e-portal only

5. Conditional bids, incomplete bids, bids not properly uploaded and bids submitted late shall be rejected
6. Date and time-stamp of the portal shall be final in deciding the time and date of submission of bid through e-Auction. Decision of the company in this regard is final and shall be accepted by all the bidders
7. The bidders shall quote interest rates in percentage, Per annum basis and shall be calculated on quarterly compounding basis. The base interest rate indicated in the e-portal is only for the purpose of enabling e-auction process and should not be construed as an acceptable interest rate to PCKL
8. A Single FD should be given by the banker for the proposed amount to be invested
9. Bids shall be submitted through e-procurement portal only
10. The closed bid will be opened as scheduled only after the completion of the e-Auction
11. The quotes of public Sector Banks & Regional Rural Banks, Private Banks (In e-bidding the Regional/Zonal/Head Offices of Banks only shall participate and no individual bank branch shall participate in E-auctions) have to be evaluated separately and the Bank quoting H1 rate in each category i.e. public Sector Bank and Private sector Bank separately shall be selected for making investments as per the limits.
12. The rates offered by the Banks shall be valid at least for 5 working days from the date of e-auction and the Bank quoting the H1 rate shall be selected for making investments.
13. If any Bank defaults in accepting the deposits, such Bank may be debarred from participating in the e-bidding of PCKL for a period of one year and will not be considered for investment during the period.
14. The declaration given by the bidders at **Annexure-B** is found false on verification, the quote of such bidder will be discarded and not considered for evaluation and legal action will be taken against the bidder who has submitted the false declaration
15. Corrigendum / Modification / Corrections, if any will be published in the e-portal website only, for any clarification on the e-procurement, request for e-procurement training, bidders can be contact HELP DESK at 080-22210685, 22107490 & 22107492.

16. PCKL shall not be responsible for Technical problems encountered while submitting Bid. Bidders are requested to submit their bids well in time considering the processing time involved.
17. The bidder must compulsorily upload their Registration certificate issued by Reserve Bank of India as proof of eligibility as per the invitation of this bid.

Procedures

1. The Bids along with prescribed documents as per annexure shall be submitted through e-procurement portal and as such the Bidders are requested to familiarize themselves with the procedure of E-procurement thoroughly before submission of Bids.
2. Mere Issue / downloading of BID Document does not qualify any Bidding firm for appointment. The Bidding Bank which does not comply with the eligibility Criteria mentioned in the Tender Notification/Bid document will be rejected.
3. The submission of Bankers implies that they have read and understood the contents of Tender Notification and the Bid Document.
4. The Authority reserves the right to accept/reject all or any of the Bids without assigning any reasons.
5. Conditional quotes/Bids are not acceptable.

Chapter-2

Method of Evaluation

1. Selection of the Bank for placing the fixed deposit of surplus funds shall be made as per the Government of Karnataka Guidelines dated 02.07.2022 & 19.11.2021 given at **Annexure D**.
2. The evaluation of the Bids will be based on the Bidder Banks meeting the different eligibility criteria as per DPE circular guidelines and on documentary evidences furnished by the Bidding Banks.
3. For Technical qualification, the Bidder should submit all the documents mentioned to the satisfaction of PCKL.
4. The Tender Scrutiny Committee appointed by the PCKL evaluates the Bids on the basis of their responsiveness to the Terms of Reference, applying the evaluation criteria and sub criteria in this document. A Bid shall be rejected at this stage if:
 - a) Documents are not submitted to the satisfaction of the Company,
 - b) Bidder Bank does not comply with each of eligibility criteria.
 - c) Important aspects of the Terms of Reference are not fulfilled.
 - d) Conditional Bids are submitted
5. After Evaluation of Bids, based on the Evaluation criteria, the results of Technical Evaluation will be uploaded and technically accepted/rejected in E- Procurement portal. The decision of PCKL will be final and binding on all the Bidders.
6. The e-procurement Portal will display the financial Bids of only those Bidders who are technically qualified based on the Eligibility criteria prescribed in the BID document and programmed in the E-Procurement Portal.
7. The bidders can access the bid documents on the website and participate in the e-Auction within the stipulated time and date as per auction notice details through e-portal only
8. The validity of the bid shall be 10 working days from the date of e-Auction

9. The declaration given by the bidders at Annexure-B is found false on verification, the quote of such bidder will be discarded and not considered for evaluation and legal action will be taken against the bidder who has submitted the false declaration.
10. Bidder shall upload only desired documents against each Qualifying Requirement. If unwanted documents are noticed under any of the Qualifying Requirement and if the required documents are not uploaded for Qualifying Requirement, such tender is liable for rejection at the discretion of Tender Inviting Authority
11. The decision of PCKL is final in all the matter.

Chapter - 3

Terms of Reference for placing Surplus Funds in Fixed Deposits in Banks

General Terms and conditions governing the Investment of Surplus Funds as per the Government of Karnataka Guidelines dated 02.07.2022 & 19.11.2021:

1. The total outstanding investment in any particular Bank (including all branches of the Bank) shall not exceed:
 - a) Rs. 2000.00 crore in a year or 5% of the Net worth whichever is lower in respect of Public Sector Banks
 - b) Rs. 200.00 crore in a year or 10% of the Net Worth Whichever is lower in respect of Regional Rural Banks
 - c) Rs. 400.00 crore in a year or 5% of the Net worth whichever is lower in respect of Private Scheduled Commercial Banks
2. Only Banks incorporated in India are considered. Foreign Banks are not considered.
3. On any particular day, investment in Fixed Deposits shall not be made in more than 3 banks and the amount of investment at any point of the time should be made in single branch of the selected bank.
4. While Investing in Fixed Deposits, the benefit of Bulk Deposit rates shall be availed and non-bulk deposits shall be completely discouraged.
5. All the criteria being equal, preference shall be given to the Bank which is the serving bank of the PCKL or which is participating in the development / Borrowing program of PCKL.
6. The ratio of Investing in Fixed Deposits shall satisfy the following criteria:
 - i. Not less than 60% of the availability of surplus funds, that is available at the time of investment in Public Sector Banks including Regional Rural Banks (RRBS).
 - ii. Not less than 40% of the availability of surplus funds, that is available at the time of investment in Private Sector Schedules

- iii. Commercial Banks, provided the yield is competitive when compared with that if Public Sector Banks including RRBs and have participated in the borrowing program of PCKL.
- iv. If the Competitive rates are not forthcoming from the Private Sector Banks for the amount earmarked for investment in such case, the PCKL may take a decision to invest this amount also in Public Sector Banks.

Other Terms and Conditions:

1. This is the direct investment by PCKL. Bank should not involve any Broker / intermediary / middle men while accepting investment.
2. In e-Bidding the Regional / Zonal / Head offices of Banks only shall participate and no individual Bank branch shall participate in e-Auctions.
3. No Fee / Brokerage / incentive shall be paid to any Broker / intermediary / middlemen for this investment. All benefits that will accrue shall be passed on to PCKL.
4. Banks should not grant any loan against the Fixed Deposits placed by PCKL.
5. Fixed Deposits receipts duly certified by the Bank shall be issued immediately after realization of the money.
6. In case, the maturity date falls on any General Holiday / Public Holiday, Interest at the contracted rate shall be paid till the next working day.
7. Rate of Interest quoted shall be firm / valid for 5 days from the date of closure of Bid. In case of any upward revision in the Deposit rate, same should be passed on to PCKL.
8. Since, the surplus funds indicated are based on estimates based on the prevailing condition, the Fixed Deposits may be fore closed with a notice of 2 working days. In such case, the interest should be paid without any penalty / penal interest
9. Any queries shall be submitted in writing only within the due date mentioned in this Bid document
10. FDRs should be issued in denominations having highest interest rates

Eligibility and qualification criteria

The intending bidder shall satisfy the following minimum qualifying requirements and produce documentary evidence as indicated below and fulfillment of which is a pre-requisite for participation in the e-Auction. These participant banks should meet the following criteria to be eligible for bidding as per the Audited Balance Sheet of the year 31.03.2022 of the bank.

Net worth : Net worth i.e., the paid up capital plus free reserves of the bank, as at the end of the immediate preceding financial year, shall be at least-

- i. Rs.5,000.00 crore in respect of Public Sector Banks;
- ii. Rs.1,000.00 crore in respect of Regional Rural Banks;
- iii. Rs.5,000.00 crore in respect of Private Scheduled Commercial Banks.

Document to be submitted: Upload self certified copy of the latest Balance Sheet and relevant Schedule (Audited) for FY 2021-22 and a self certified copy of the calculation of net worth in support of this criteria.

1. Capital Adequacy Ratio:

- i. The Capital Adequacy Ratio (CAR) is also known as Capital to Risk Assets Ratio (CRAR) which is the ratio of Bank's capital to its risk. It is a measure of a bank's available capital expressed as a percentage of a bank's risk-weighted credit exposures. This will ensure the protection of investors.
- ii. Capital Adequacy Ratio of Public Sector Bank and Private Sector Bank shall not be less than 12% and not be less than 10% for RRBs.
- iii. Document to be submitted: Upload self certified copy of the latest Balance Sheet and relevant Schedule (Audited) FY 2021-22 and a self certified copy of the calculation of CAR in support of Capital Adequacy Ratio.

2. Profitability Track Record:

As per DPE guidelines No DPE FD 8 TAR 2020 dated 12.3.2020

- ✓ Public Sector Banks and Regional Rural Bank shall have profitability track record of at least 2 years out of 5 immediate preceding years. Document to be submitted : Upload self certified copy of the Profit and loss account for the Years, 2017-18, 2018-19, 2019-20, 2020-21 & 2021-22.
- ✓ Private Scheduled Commercial Banks shall have profitability track record during the preceding 3 consecutive years. Document to be submitted: Upload self certified copy of the Profit and loss account for the Years, 2019-20, 2020-21 & 2021-22.

3. Net NPA:

Net NPA shall not be more than limit fixed by the Finance Department, Government of Karnataka every year, from time to time.

As per Circular No:FD 84(T)Exp-1/2021 dated 22.08.2022, Net NPA % as on 31.3.2022 is fixed at 3.90% for all Scheduled Commercial Banks and at 10.62% for Regional Rural Banks for the year 2022-23 till 31.7.2023.(ANNEXURE-III).

Document to be submitted:

1. Upload self certified copy of the latest Balance Sheet and relevant Schedule / Note (Audited) in support of Net NPA
2. Not less than 60% of the availability of surplus funds, that is available at the time of investment in Public Sector Banks including regional Rural Banks (RRBs).
3. Not more than 40% of the availability of surplus funds that is available at the time of investment in private Sector Scheduled Commercial Banks provide the yield is comparative when compared with that of Public sector Banks Including RRBs.
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authority by obtaining the card Rates from 3 public Sector Banks to invest their surplus funds in any public sector banks which is beneficial to the entity and which fulfils the criteria fixed by FD. In case of lack of adequate time for calling Board meeting, decision in this regard may be made authorized person/committee and the post facto ratification the board/Competent authority may be obtained.

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Upload Declaration as per the format given in Annexure – B

Upload details as per the format given in Annexure – C.

DECLARATION

I / We on behalf of (Name of the Bank) do hereby declare that I / We have read all the tender conditions and eligibility criteria required for participating in the bidding / uploading through the e-portal of Government of Karnataka and have fully understood the implications thereof and have submitted the document to the best of my / our satisfaction to the Company before participating in the e-auction bidding.

We hereby confirm that, we meet the Eligibility Criteria as detailed at Annexure-A by the Company in the e-Auction Document. I / We also declare that I / We shall abide by the rules and regulations of the PCKL. I / We shall maintain the official decorum and discipline during the e-auction sale. The details of our bank are as under

Financials as part of fulfillment of mandatory criteria as:

a	Net NPA level(%) as on 31.3.2022	
b	Capital adequacy ratio(%) as on 31.3.2022	
c	Networth of the bank (Rs in cr) as on 31.3.2022	
d	Profitability track record profit after tax (Rs. in cr)	
	FY-2018	
	FY-2019	
	FY-2020	
	FY-2021	
	FY-2022	

I/we hereby enclose/upload the certified copies in respect

- a. Documents in respect of NPA/Capital Adequacy ratio/Networth and profitability of the bank as whole
- b. Authorization issued by the bank in my/our favour to sign this declaration
- c. Registration Certificates/License Copy issued by Reserve Bank of India(RBI) in favour of bank

For (Name of the Bidding Bank)

Name and Designation of the Authorized signatory

(SEAL OF THE BANK)

Annexure-C

Sl. No	Particulars	Details
1	Name of the Bank	
2	Name of the Branch	
3	Address of the Branch	
4	MICR NO.	
5	IFSC Code	
6	Account no. To which funds have to be transferred	
7	Name and Designation of the Contact Person	
8	Contact No.	
9	Fax No	
10	Official Email - ID	
11	Type / Nature of the Bank i.e., Public Sector / RRB / Private Sector Banks.	

For (Name of the Bidding Bank)

**Name and designation of the
Authorized Signatory
(Seal of the Bank)**