

BID AND AUCTION

BID

BID and AUCTION is also related to the term TENDER (Explained in detail in part 15 lecture notes). Fundamentally a TENDER is released publicly for the purpose of a project creation. To Tender means to invite Bids for a project by publishing a Tender notice publicly, or to accept a formal offer such as a takeover Bid. In other words, a tender is essentially a transactional model whereby large organizations, companies, government bodies and NGOs find suppliers and contractors for particular projects or procurements. Therefore, it can be said that tenders form the base of bidding process used by both public and private institutions. Invitations to Tender or Requests for Tender (RTF) are usually used by an organization to invite bids from interested contractors for a large project or procurement. Tendering as a procurement method is used across industries in most parts of the world. Usually, most projects for which tenders are invited involve a large sum of money.

OR

Bidding is an offer (often competitive) to set a price tag by an individual or business for a product or service or a demand that something be done. ... In the context of auctions, stock exchange, or real estate the price offer a business or individual is willing to pay is called a **bid**.

+ Why is bidding important?

Competitive bidding helps the buyers get the best price and contract terms for their proposals. It allows them to get the most qualified sellers of products and services while keeping costs low.

+ How to write a bid proposal

Step I: Read and understand the project carefully

A bid proposal is usually drafted in response to a previous call. It is hence imperative to read and understand the proposal first and foremost before drafting a suitable rejoinder. That is due to the need to match or tally both documents as nearly as may be practically possible.

Step II: Carry out some background research

Other than merely reading the proposal, you have to conduct some background research of the firm that has called for the bid itself. This will help you to structure the proposal in such a way as to meet the demands of the company wholly. The same applies to meet its own prescribed standards.

Step III: Find out who your competitors are

Obviously, you are not the only one who is scrambling for the said opportunity. There are several other firms, just like you, who are similarly hunting for those very opportunities. It is hence advisable that you find out who these firms are. Such a piece of knowledge will definitely help you to structure your proposal accordingly.

Step IV: Proof-read and edit the proposal

We can never emphasize the need to proof-read and edit the proposal before submitting the same. Considering the high volumes of applicants, you can never take chances. You do not want any slight mistake that may place you at a disadvantage when it comes to determining who to award the bid to.

Step V: Dangle and additional offer or service

At any given time, there are often many others who have equally submitted their bids to you. They, too, have the same degree of expertise and are also willing to furnish the goods and services ordered at the stated price. To stand ahead of the pack, you have to dangle an additional offer or service, usually for free.

Step VI: Include your client feedback history

It is always a good thing to include the feedback history of your past clients. This is to let the firm you are applying to know that you have the relevant experience and are also able to do a better job. The skills and experience have to do with the past projects you have undertaken or the goods you have supplied.

+ Pro tips for writing a bid proposal

Tip I: Read the job description carefully

Start it out by reading the job description carefully. Remember, a bid is, for a large part, a response to a previous call. You have to structure it in such a way as to respond as nearly as possible to the requirements of the job. This can only happen if you read the description carefully and understand it.

Tip II: Get to know the client deeper

Apart from reading the project proposal's fine print, it is also important for you to get to know deeper about the client. It is impossible for the client to explain to you his expectations of the job in one letter. Knowing a lot about him will definitely help you to adjust your expectations accordingly.

Tip III: Ascertain your strengths and weaknesses

Your own strengths and weaknesses also have a role insofar as meeting the expectations of the clients is concerned. For this reason, you just have to devote some of your time to assess them objectively. Doing this will also let you make any appropriate adjustments that have a bearing on your performance.

Tip IV: Attach supporting documents and credentials

You want your client to get to know more about you also, don't you? It is because of this that you want to attach the supporting documents and credentials. It is these that will give the client a fuller picture of you. That, of course, will up your chances of getting picked for the project or procurement.

Tip V: Break it down conclusively

You have to break down the bid conclusively. You should showcase to the client the finer details of the project, the costs of each stage, and the timelines within which you expect to deliver the goods or services. That will make it easier for the firm to know about how you plan to handle its tasks.

Bid Form

Bid Document

Bidder:

(Name of the Company or individual bidding on the project).

Project:

(Name of the Project that a bid is being placed on).

To: Project Owner

(Name of the Project Owner or individual who is receiving the bid).

[Project Owner's Address]

[City],[State] [Zip Code]

Dear _____,
(Project Owner's Name).

I. Contract Price

I propose, as general contractor, to furnish all the labor and materials that are required to complete the above named project and to execute the project in strict conformity with all the plans, Invitation to Bid, and other specifications provided by the Project Owner. Also, all laws, statutes, ordinances, rules, or regulations of any governmental agencies or public authorities relating to the Project will be followed. For the sum of \$_____.

II. Time of Completion

I agree to execute a Contract for the above named Project, deliver the bonds that are required by the Contract, and to start work on the Project all within the times that are detailed in the Contract documents that are drawn up in relation to the Project. Work completion of the Project shall be within _____ working days, this excludes Saturdays, Sundays, and legal holidays, following the start of actual work on the Project unless delays are incurred due to causes that are mentioned in the Contract relating to the above mentioned Project.

III. Examination and Investigations

I do hereby acknowledge that I have performed the following:

I have carefully examined the specifications for the Project that have been provided by the Project Owner and reviewed all documentation that has been issued in connection with the Project including the following:

Finally, I have fully examined the work site where the Project will be carried out and have considered all conditions or limitations that exist or that may develop affecting the Project. I make this bid on the basis of the above examinations, inspections, and determinations and not on the basis of any representations or promises that the Project Owner or an agent of the Project Owner has made to me.

IV. Submission of Security

The following documents are attached and shall be incorporated to this Bid Form:

Signature of Bidder Date _____

AUCTION

An auction is usually a process of buying and selling goods or services by offering them up for bid, taking bids, and then selling the item to the highest bidder or buying the item from the lowest bidder. Some exceptions to this definition exist and are described in the section about different types. The branch of economic theory dealing with auction types and participants' behaviour in auctions is called auction theory.

The open ascending price auction is arguably the most common form of auction in use throughout history.^[1] Participants bid openly against one another, with each subsequent bid required to be higher than the previous bid.^[2] An auctioneer may announce prices, bidders may call out their bids themselves or have a proxy call out a bid on their behalf, or bids may be submitted electronically with the highest current bid publicly displayed.

कार्यपालक अभियन्ता (वै०)
भवन परियोजना वैद्युत मंडल, बी-141 लो०नि०वि०
(ओपोजिट डिस्ट्रिक्ट कोर्ट द्वारका)
द्वारका, सैक्टर-9, नई दिल्ली-110077 फोन-25086035/फैक्स-25072623
Email : cepwddelhib141@gmail.com

सं०:- 23(Misc.)/बी-141/2014/

दिनांक :

PUBLIC AUCTION NOTICE

The Executive Engineer (E), B-141, PWD, BPED, Sector-9, Dwarka, New Delhi-110077, Ph : 011-25086035 on behalf of the President of India invites lump sum rate public auction for disposal of unserviceable Electrical materials, "as on is where is basis".

The venue of auction and other details are as under :

Sl. No.	Venue of Auction	Date & Time of Auction
1.	Sub-Division B-1412, PWD, Delhi Judicial Academy at Sector-14, Dwarka, New Delhi.	10/02/2014 at 11:00 A.M.

Terms and Conditions of the Auction :

1. The auction material list can be collected from the office of Assistant Engineer (E), B-1412, PWD, Sector-14, Dwarka, New Delhi, inspection of the material can be done during 03/02/2014 to 07/02/2014 from 10:00 A.M. to 4:00 P.M. , with prior information to the concerned Assistant Engineers.
2. All the bidders will have to deposit earnest money of Rs. 5000/- in the form of Cash before start the auction bid. Those who will not deposit the money shall not be allowed to participate in the auction.
3. The bidder should satisfy himself about the material before taking part in the auctions.
4. The successful bidder will have to deposit 25% of the bid at the fall of hammer and balance amount of the bid on acceptance of bid.
5. The earnest money already deposited will be adjusted in the amount so deposit. If the successful bidder fails to deposit the said amount within stipulated time period, the earnest money shall stand as forfeited.
6. The earnest money of unsuccessful bidder will be refunded immediately after auction is over.
7. The successful bidder shall pay balance of the bid amount in the form of Demand Draft of the Scheduled Bank in favour of Executive Engineer (E), B-141, PWD in the office of the Executive Engineer (E), B-141, PWD, BPED, Sector-9, Dwarka, New Delhi within the 7(seven) days of the receipt of the letter of acceptance of the bid.
8. In case the successful bidder fails to deposit the full bid amount in the stipulated time, the amount of 25% deposited by the bidder at fall of hammer shall be forfeited and materials shall be re-auctioned. The name of defaulter bidder shall be intimated to the Chief Engineer (E), B-1 office for circulation to other divisions, so that bidder can be debarred from the bidding in future.

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9. The material will have to be collected by successful bidder on the basis of "ON AS IS WHERE IS". And the department will not be responsible for giving the material by measurement etc. no claim whatsoever regarding quality, quantity, measurement shall be entertained.
10. The bidder shall be responsible for any kind of loss to the Govt. property by him during the removal of the auctioned articles from the site and recovery of the same will be made from him.
11. The required T&P and the ways & means of taking out/dismantling of the auctioned material and their final removal from the site shall be responsibility of the successful bidder. No request for extra cost and/or T&P shall be entertained by the department.
12. As far as possible, auctioned materials must be removed by the bidder within 3 days from the date of acceptance of bid. However, the materials will be allowed to be removed only after payment of bid money, which will be accepted in case or amount deposited by the bidder in branch of RBI/SBI and challan made over to CPWD. No cheques will be accepted under any circumstance.
13. As soon as the full amount of the bid money is made good by the prospective buyer, he would acquire his lien on the auctioned stores etc. and it will be his duty/responsibility to any damage done by way of pilferage, fire, or any other unforeseen calamity, and no claim on this account shall be entertained.
14. The bidder will leave storage place of the material quite clean.
15. The materials will be removed from the site in presence of the bidder himself or agent duly authorized by him writing in this behalf.
16. If the bidder does not vacate the site within three days, EE may confiscate the balance material lying at the site.
17. The highest bidder will have to pay all taxes if any leviable on the materials after acceptance of bid.
18. The bidder shall have to abide by the timing of the PWD office and security rules of Delhi Judicial Academy, Sector-14, Dwarka, New Delhi.
19. In the events of the undersigned being of the opinion that the bidders are forming or having formed cartel and fair prices are not realized for the materials put to auction and undersigned hold the right to stop the sale or declare the bid null and void in bid.
20. The Executive Engineer (E), B-141, PWD, BPED reserves the right to reject any bid or to cancel the auction without assigning any reason.

कार्यपालक अभियंता (वे.)
बी-141, लो.नि.वि.
द्वारका, नई दिल्ली।
