

**GOVERNMENT OF TELANGANA**  
**ABSTRACT**

Government of Telangana – ITE&C Dept – eProcurement – Implementation of e-Auction services in all the departments – Orders – Issued.

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

**G.O.MS.No. 16**

**Dated: 16/11/2015**  
**Read :-**

Agreement with M/s MSTC Ltd on 05.10.2015.

**ORDER:**

Government of Telangana is the pioneering State in implementation of a State-wide e-Procurement platform successfully. The platform is being used by all Government departments, Public Sector Undertakings, Urban Local Bodies and Universities. The initiative has delivered demonstrable benefits like cost savings to the user departments, significant reduction of tender process time, efficiency in procurement processes and transparency.

2. Most of the departments are requesting for the e-auction services also for disposal of their scrap, sale of the produces for better efficiency and transparency in procurement. Few PSUs like TTD, TRANSCO, Singareni Collieries Company Ltd are already utilizing the e-Auction services through MSTC and delivered demonstrable benefits.

3. In view of the above, vide reference read above, the Government have entered into the Memorandum of Understanding with M/s MSTC Limited, (a Government of India Enterprise) to cater the needs of all the Departments in Telangana State for the period of (03) Three Years or till Go-Live of New version of eProcurement platform, whichever is earlier.

4. Government after careful examination, hereby issues the following orders for providing e-auction services by M/s MSTC Ltd., for the period of (03) Three years or till Go-Live of New version of eProcurement platform, whichever is earlier.

- a) All departments, PSU's undertakings and local bodies of Government of Telangana are requested to utilize the e-Auction services in consultation with the IT,E&C department.
- b) The participating departments shall issue necessary amendments / changes in the existing procedure, as deemed necessary for switching over from the conventional / existing Auction process to equivalent of e-Auction process.
- c) All the existing codal rules, Government of India evaluation instructions for processing of the auction are applicable to the eAuction also.

P.T.O.,

- d) M/s MSTC Ltd shall provide e-Auction services for sale of scrap, rejected/condemned/obsolete material/ store (Ferrous and nonferrous), used and condemned Plant & Machinery, condemned vehicles etc through forward e-Auction.
- e) M/s MSTC Ltd shall provide e-Auction services for sale of products like Ores & Minerals, Forest Produce, Agricultural Produce, Human Hair, immovable properties including Government Land Parcels, Industrial Products etc., through forward eAuction.
- f) M/s MSTC Ltd shall provide e-Reverse Auction services for purchase of any type of goods, plant, machinery, equipments, spares, finished/ semi-finished product, agricultural products etc as may be assigned by the Buyer/Principal from time to time according to its requirement through Reverse Auction.
- g) M/s MSTC Ltd shall take up customization and training of the departments in consultation with ITE&C Dept
- h) M/s MSTC Ltd shall be entitled to the following service charge/ transaction fee, in consideration of the services to be provided:-
  - (i) For e-Auction of scrap, Seller shall pay M/s MSTC Ltd service charges @ 1.60% of the value of materials disposed, arrived on the basis of the value of the Delivery Order (D.O.). In addition, service tax and Education Cess and Higher Education Cess as applicable on service tax will be payable extra. The amount of service charge, service tax and other levies shall be deducted by M/s MSTC Ltd from the amount received from the buyer before forwarding the balance to the Seller. Bills and receipts of amount so deducted by M/s MSTC Ltd towards its service charges shall be sent to the Seller by the seventh day of the succeeding month.
  - (ii) For e-Auction of produces, Seller shall pay M/s MSTC Ltd service charges @ 0.5% of the amount shown as sold in the e-auction Bid Sheet subject to a maximum of Rs.75,00,000/- (Rupees Seventy five lakhs only) per e-auction. In addition, service tax and Education Cess and Higher Education Cess as applicable on service tax will be payable extra. The amount of service charge, service tax and other levies shall be deducted by M/s MSTC Ltd from the EMD amount of successful bidders before forwarding the balance to the Seller. Bills and receipts of amount so deducted by M/s MSTC Ltd towards its service charges shall be sent to the Seller by the seventh day of the succeeding month.

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- (iii) For reverse e-Auction, supplier shall pay M/s MSTC Ltd a transaction fee @ 0.03% of the estimated / starting price from each bidder for every event subject to a maximum of Rs.10,000/- per lot per bidder (payable through payment gateway directly to M/s MSTC Ltd) Service tax and Education Cess and Higher Education Cess as applicable on transaction fees will be payable extra.

This order shall come in to force with immediate effect. Copy of the G.O. is available at <http://goir.telangana.gov.in>

(BY ORDER AND IN THE NAME OF GOVERNOR OF TELANGANA)

DR. RAJIV SHARMA  
**CHIEF SECRETARY TO GOVERNMENT**

To,  
All the Special Chief Secretaries/Principal Secretaries/Secretaries to Government,  
Government of Telangana.  
The Commissioner, Endowments Dept.  
The Commissioner of Food, Civil Supplies and Consumer Dept.

Copy to:

1. PS to the Chief Secretary to Government, Government of Telangana, Secretariat
2. PS to Secretary to Government, IT,E&C Dept, Government of Telangana, Secretariat
- 3 . The Accountant General (Audit), A.P. & T.S. Hyderabad.
4. The Accountant General (Accounts), A.P. & T.S. Hyderabad.
5. M/s MSTC Ltd.
6. SF/Spare.

// FORWARDED BY ORDER //

SECTION OFFICER