

## **BIDDING PROCEDURE**

### **1. General**

- a) Bidding will be held under Section 19 of PEMRA Ordinance 2002, when the number of applicants exceeds the number of satellite TV channel licences for respective category.
- b) The bidding process shall be conducted by the Bidding Committee constituted by the Authority.
- c) Bidding shall be held at such time, place and date as determined by the Committee separately for respective category of the licence.
- d) Only authorized attorneys of the applicant company (as per **Annex-I**) shall be allowed to participate in the bidding process and make bids on behalf of the applicant company.
- e) Bids shall be made on the form provide in **Annex-II** of this bidding procedure.
- f) The bidding shall consist of following two rounds:
  - First Round:** Through Sealed Bids.
  - Second Round:** Through open outcry.

### **1. First Round: Sealed Bids**

- a) The Authority shall invite the shortlisted bidders to submit the sealed bids for the satellite TV broadcast station licence.
- b) Base price for various categories of satellite TV broadcast station licences is given in the **Schedule B**.
- c) Shortlisted bidders shall submit **Earnest Money** not less than **15%** of the Base Price for the respective category of licence in the form of Pay Order or Demand

Draft drawn on PEMRA along with the Sealed Bids (valid for a minimum period of ninety days).

- d) Bids without required earnest money shall be rejected.
- e) Bid offered less than the base price shall not be accepted.
- f) The sealed bids shall be dropped in the box reserved for this purpose along with Earnest Money in presence of the Bidding Committee.
- g) No subsequent addition, deletion and alteration in the sealed bid shall be acceptable.
- h) The Bidding Committee shall open sealed bids in the presence of authorized representatives of the bidders. The Bidding Committee shall announce:
  - i. The Offered /Quoted price of each bidder;
  - ii. The Highest Bid Price; and
  - iii. The names of Qualified Bidders for the Next Round
- i) The bids shall be given in Pak Rupees.
- j) Conditional bids, having '**ifs**' and '**buts**', shall out-rightly be rejected.

## 2. **Second Round-Open Outcry**

- a) The qualified bidders of the first round shall be eligible to participate in the second round (open outcry).
- b) The highest bid amount concluded in the first round for a particular category of satellite TV licence shall be the base price for open outcry bidding for that category in the second round.
- c) To make a bid, the minimum incremental value for next higher bid shall be multiple of Rupees Five Hundred Thousand.

- d)** Each eligible bidder shall raise hand before offering the bid.
- e)** Each bidder shall cry-out his bid, write it on a prescribed form (**Annex-II**) duly signed by the authorized representative and hand it over to the Bidding Committee who shall announce it.
- f)** Authorized Representative of a Bidder shall not be allowed to participate in any activity on behalf of any other Bidder during the bidding process.
- g)** The Bidding Committee shall continue the open outcry session till the time it is not further contested.
- h)** Each highest bid will get a maximum time of three minutes comprising three announcements each of one minute duration. Only once during the entire bidding process, each bidder may be granted a timeout not exceeding ten minutes, if requested.
- i)** The Bidding Committee shall have the right to change the above time duration before start of bidding process with prior announcement.
- j)** When the bid offered by a bidder is not contested within given time, the Bidding Committee shall announce the highest bid and bidder.
- k)** The highest bidder in a particular category shall be considered successful bidder and the amount quoted shall become 'Applicable Licence Fee (ALF)' for that category of licence.
- l)** The Earnest Money of the successful bidder or bidders as the case may be, for any particular category shall be adjusted towards the applicable licence fee (ALF) while the Earnest Money of the unsuccessful bidders shall be released on request within thirty (30) working days of the bidding date without bearing any liability by the Authority towards interest, indexation, inflation etc.

- m)** The successful bidder for a particular category shall deposit the difference between the earnest money already deposited and **15%** of the ‘Applicable Licence Fee’ as balance earnest money within fifteen (15) working days from the date of bidding. The mathematical representation is as follows:

Balance Earnest Money to be Deposited w/in 15 days After Bidding = 15% of the Applicable Licence Fee “minus” Earnest Money (15 % of Base Price) already deposited

- n)** The successful bidder for a particular category shall be obliged to deposit the balance ‘Applicable Licence Fee’ along with Security Deposit equal to 03% of the Applicable Licence Fee as per schedule notified by the Authority. Security deposit shall be refundable after successful operation of one year.
- o)** In case the successful bidder fails to meet the requirement of clause (m) or (n), he shall be considered in-eligible and the deposited earnest money and all other amount paid in this regard shall be forfeited and the Company and its Directors shall be black listed for future licensing.
- p)** Highest bids for any particular category of satellite TV licence shall be valid for a period of two years from the date of bidding. No claim whatsoever shall be entertained /maintainable after this period.
- q)** The satellite TV broadcast station licences shall be awarded to successful bidders after completion of all the legal requirements, including, inter alia, security clearance from the Ministry of Interior, Consultation with the Provincial Government of the Province where the Station is to be established, Public Hearing, content presentation, approval of the Authority and payment of licence fee and security deposit.

- r) In case of any dispute during the bidding process, decision of the Bidding Committee shall be final.

#### **4. Disqualification:**

Without prejudice to any other remedy that may be available to it, the Authority reserves the right, on the recommendation of the Bidding Committee, to disqualify any Bidder and forfeit its deposited amounts, for any of the following reasons:

- a) If a Successful Bidder abandons the bid or fails to deposit the balance amount of earnest money equal to 15% of the Applicable Licence Fee within fifteen (15) days of the bidding date;
- b) Inaccuracy or misrepresentation of any fact in any part of the Expression of Interest/Application/Bid;
- c) Indiscipline, disruption during the bidding process, or indulgence in improper attempts to influence the outcome, or delay the process;
- d) Any “corrupt practice” meaning the offering, giving, receiving or soliciting of anything of value to influence any official of the Authority in relation to the bidding process; or
- e) Any fraudulent practice or misrepresentation of facts in order to influence the results of the bidding process;

#### **5. Reservation of Rights**

- a) The Authority reserves the right to reject any or all the bids after recording reasons in writing.
- b) The Authority reserves the right, in its sole discretion, to take any action, which it deems necessary to ensure that the Bid process occurs in a fair, open and transparent

manner, in accordance with law and discourage collusion and destructive bidding that may block the entry of potential bidders into the bidding process.

- c) No suit, prosecution or other legal proceeding shall lie against the Authority or any member of Bidding Committee or employee of the Authority in respect of anything done or intended to be done by the Authority in good faith in connection with bidding process.

**SCHEDULE-B**

<b>S.No.</b>	<b>Category</b> <b>(1)</b>	<b>Base Price Rs. In</b> <b>Million</b> <b>(2)</b>	<b>No. of licenses to be</b> <b>awarded</b>
1	News & Current Affairs	<b>63.5</b>	<b>8</b>
2	Entertainment	<b>48.5</b>	<b>27</b>
3	Sports	<b>30</b>	<b>5</b>
4	Education	<b>10.5</b>	<b>12</b>
5	Agriculture	<b>10.5</b>	<b>2</b>
6	Health	<b>10</b>	<b>4</b>
7	Regional Language	<b>10</b>	<b>12</b>

AGAR = Annual Gross Advertisement Revenue

**AUTHORITY LETTER**

**POWER OF ATTORNEY**

*(To be submitted on Stamp Paper of Rs. 100 accompanied with Board Resolution)*

*(Reference /Eligibility Criteria for the award of satellite TV broadcast station Licence for the \_\_\_\_\_ category)*

M/s \_\_\_\_\_ (the Company) hereby authorizes Mr/Ms \_\_\_\_\_ S/o/d/o \_\_\_\_\_, holding CNIC No. \_\_\_\_\_ Chief Executive Officer/Director of the Company, to submit licence application for grant of satellite TV licence to PEMRA and make any statement/give any undertaking on behalf of the company. The said Mr/Ms \_\_\_\_\_, is fully authorised to participate in the bidding process and to take such on-the-spot decision or give bids which shall be binding on the Company.

\_\_\_\_\_  
(Authorised Attorney of the Company)

Designation \_\_\_\_\_

Seal/Stamp of the Company

Date: \_\_\_\_\_

Witnesses:

1. \_\_\_\_\_

2. \_\_\_\_\_

**BIDDING PROCESS FOR THE AWARD OF SATELLITE TV BROADCAST STATION  
LICENCE**

**Bid Form (Out-cry) for the award of Satellite TV Broadcast Station licence**

Name of Bidder /Company

\_\_\_\_\_

Name of Authorized Representative

\_\_\_\_\_

Bid Amount in Figures

Rs. \_\_\_\_\_

Bid Amount in Words

Rs. \_\_\_\_\_

I solemnly declare that this bid for the grant of satellite TV broadcast station licence is unconditional, irrecoverable and is valid for Two years from the date of submission of this bid, and bidder undertakes to comply with all other conditions of the bidding process.

\_\_\_\_\_

**Signature of Authorized Representative**

Date: \_\_\_\_\_