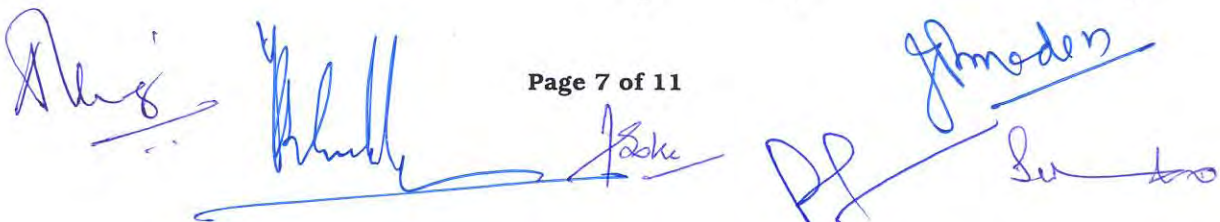


GENERAL TERMS AND CONDITIONS OF RA

Against this enquiry for the subject item/system with detailed scope of supply as per enquiry specifications, BHEL may resort to "REVERSE AUCTION PROCEDURE" i.e., ON LINE BIDDING ON INTERNET.

1. For the proposed reverse auction, technically and commercially acceptable bidders only shall be eligible to participate.
2. BHEL will engage the services of a service provider who will provide all necessary training and assistance before commencement of on line bidding on internet.
3. BHEL will inform the vendor in writing in case of reverse auction, the details of Service Provider to enable them to contact & get trained.
4. Business rules like event date, time, Start price, bid decrement, extensions etc. also will be communicated through service provider for compliance.
5. Vendors have to fax the Compliance form in the prescribed format (provided by Service provider) before start of Reverse auction. Without this, the vendor will not be eligible to Participate in the event.
6. BHEL will provide the calculation sheet (e.g., EXCEL sheet) which will help to arrive at "Total Cost to BHEL" like Packing & forwarding charges, Taxes and Duties, Freight charges, Insurance, Service Tax for Services and loading factors (for non-compliance to BHEL standard Commercial terms & conditions) for each of the vendor to enable them to fill-in the price and keep it ready for keying in during the Auction.
7. Reverse auction will be conducted on scheduled date & time.
8. At the end of Reverse Auction event, the lowest bidder value will be known on the network.
9. The lowest bidder has to Fax the duly signed Filled-in prescribed format as provided on case-to-case basis to BHEL through Service provider within 24 hours of Auction without fail.
10. Any variation between the on-line bid value and the signed document will be considered as sabotaging the tender process and will invite disqualification of vendor to conduct business with BHEL as per prevailing procedure.
11. In case BHEL decides not to go for Reverse Auction procedure for this tender enquiry, the Price bids and price impacts, if any, already submitted and available with BHEL shall be opened as per BHEL's standard practice.

The bottom of the page features several handwritten signatures in blue ink. On the left, there is a signature that appears to be 'Raj'. In the center, there is a signature that looks like 'Bhaskar'. To the right of the center, there is a signature that appears to be 'Sanku'. On the far right, there is a signature that looks like 'Suresh'. There are also some other scribbles and marks around these signatures.

Annexure II

Event Information

The "BHEL" has contracted -----(*Name of Service Provider*) to conduct this online bidding event. *Service Provider* shall answer all questions relating to the bidding process and conduct of the Reverse Auction Event.

1. Scheduled Date & Time of the event:

Date :
Start Time :
Close Time :

Any change in the scheduled time will be duly informed to you in advance.

2. Contact Information

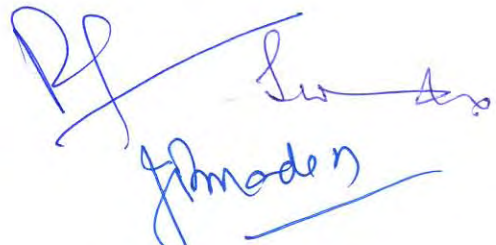
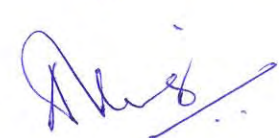
"BHEL"

General Contract related Queries Name: Designation: Tel Nos. E-mail ID:	
---	--

"Service Provider"

Software Related Queries/ Process related Queries	
Name: Designation: Tel Nos. E-mail ID:	



Process Compliance Form

To
Service Provider,

-----.

Sub: Agreement to the Process related Terms and Conditions

Dear Sir,

This has reference to the Terms & Conditions for the Reverse Auction mentioned in the RFQ document for -
----- (Items) against BHEL enquiry / RFQ no -----

This letter is to confirm that:

- 1) The undersigned is authorized official of the company.
- 2) We have studied the Reverse Auction Terms & Conditions and the Business rules governing the Reverse Auction as mentioned in your letter and confirm our agreement to them.
- 3) We also confirm that we have taken the training on the auction tool and have understood the functionality of the same thoroughly.

We, hereby confirm that we will honor the Bids placed by us during the auction process.

With regards

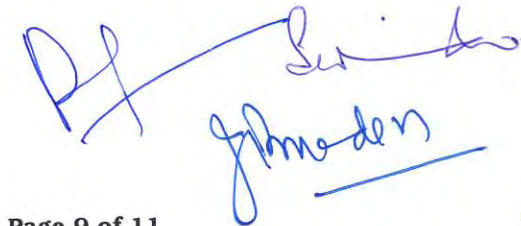
Signature with company seal

Name –

Company / Organization –

Designation within Company / Organization –

Address of Company / Organization –

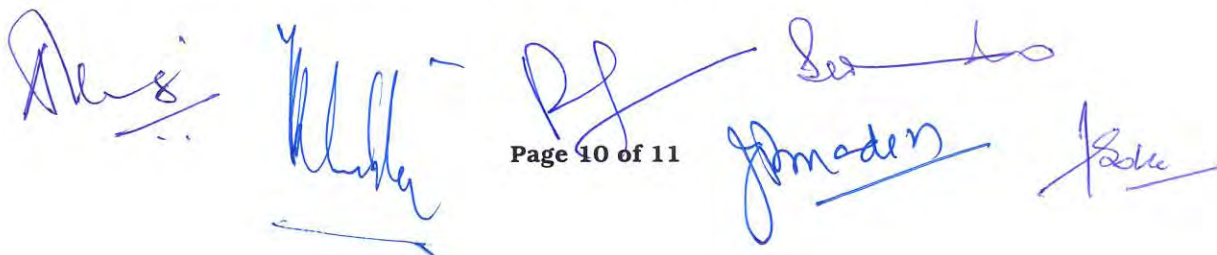


Reverse Auction Terms & Conditions

1. **LOG IN NAME & PASSWORD:** Each Bidder is assigned a Unique User Name & Password by Service Provider The Bidders are requested to change the Password and edit the information in the Registration Page after the receipt of initial Password from Service Provider All bids made from the Login ID given to the bidder will be deemed to have been made by the bidder.
2. **BIDS PLACED BY BIDDER:** The bid of the bidder will be taken to be an offer to sell. Bids once made by the bidder cannot be cancelled. The bidder is bound to sell the material as mentioned above at the price that they bid. Should any bidder back out and not make the supplies at per the rates quoted, BHEL and / or Service Provider shall take action as appropriate.
3. **LOWEST BID OF A BIDDER:** In case the bidder submits more than one bid, the lowest bid will be considered as the bidder's final offer to sell
4. **AUCTION TYPE:** English No Ties Reverse (Refer Bidder Manual)
5. **VISIBILITY TO BIDDER:** The Bidder shall be able to view the following on his screen along with the necessary fields:
 - Leading Bid in the Auction
 - Bid Placed by him
6. **AUCTION WINNER:** At the end of the Reverse Auction, BHEL will evaluate all the bids submitted and will decide upon the winner.
7. **GENERAL TERMS & CONDITIONS:** Bidders are required to read the "Terms and Conditions" section of the auctions site ----- using the Login ID and passwords given to them.
8. **OTHER TERMS & CONDITIONS:**
 - The Supplier / Bidder shall not involve himself or any of his representatives in Price manipulation of any kind directly or indirectly by communicating with other suppliers / bidders.
 - The Bidder shall not divulge either his Bids or any other exclusive details of BHEL to any other party.
 - BHEL's decision on award of Contract shall be final and binding on all the Bidders.
 - BHEL along with Service Provider can decide to extend, reschedule or cancel any Auction. Any changes made by BHEL and / or Service Provider after the first posting will have to be accepted if the Bidder continues to access the site after that time.
 - Service Provider shall not have any liability to Bidders for any interruption or delay in access to the site irrespective of the cause.
 - Service Provider is not responsible for any damages, including damages that result from, but are not limited to negligence. Service Provider will not be held responsible for consequential damages, including but not limited to systems problems, inability to use the system, loss of electronic information etc.

N.B.

- All the Bidders are required to submit the Agreement Form duly signed to Service Provider By -----(date). After the receipt of the Agreement Form, Log in ID & Password shall be allotted to the suppliers (bidders).
- After the completion of the Auction event, all the Bidders have to submit the Price Breakup immediately to Service Provider for further proceedings.

 Several handwritten signatures in blue ink are present at the bottom of the page. One signature is clearly legible as 'S. Madan'.

Annexure III (Page 3/3)
Business Rules for Reverse Auction

2. **MATERIAL FOR BID:** Item to Procured with specifications
3. **SCHEDULE FOR REVERSE AUCTION:** The Reverse Auction is scheduled on dd/mm/yy.
 - **Auction Start Time:** ----- hrs
 - **Auction Close Time:** ----- hrs
4. **AUCTION EXTENSION TIME:** If a bidder places a Bid in the last -- minutes of Closing of the Auction, the auction shall get extended automatically for another 10 minutes. In case, there is no Bid in the last 10 minutes of closing of Auction, the Auction shall get closed automatically without any extension.
5. **BID PRICE:** The Bidder has to quote the Total cost to BHEL for the Items specified

Calculation sheet to arrive at the Total cost to BHEL will be provided by BHEL).
6. **BIDDING CURRENCY AND UNIT OF MEASUREMENT:** Bidding will be conducted in Indian Rupees per -----(Unit) of the item.
7. **OPENING PRICE:** Shall be provided before the start of the event
8. **BID DECREMENT:** Shall be provided before the start of the event
9. **The technical & commercial terms are as per BHEL Enq.No. ----- dtd.-----Vendors technical and commercial bid and subsequent correspondences/mutual agreement between BHEL and the vendors regarding commercial terms & conditions.**
10. **VALIDITY OF BIDS:** The Bid Price shall be firm for a period of 90 days and shall not be subjected to any change whatsoever.
11. **POST AUCTION PROCEDURE:** BHEL will proceed with the Lowest Bid in the Reverse Auction as per the normal procedure.

