

25-11-2009

BHEL/EPD (A Govt. of India Enterprises) is desirous of entering in to rate contract for the supply of wooden crates, wooden boxes and wooden planks for packing the products being manufactured.

Sealed bids are invited under single part techno commercial bid system from the suppliers with sound technical and financial capabilities fulfilling the requirements stated in the bid document.

Interested and eligible suppliers may study the tender document carefully and offer their techno commercial bid ONLY.

The tendering for price bid will be conducted through "On line bidding" by "Reverse Auction". The Reverse Auction will be conducted only with those bidders who are TECHNO COMMERCIALLY qualified. The Web based tendering will be conducted by our service provider. Training for auctioning will be rendered by service provider. The single part Techno Commercial offer should be submitted in a sealed cover super scribing tender number & due date addressed to

AGM/MM

Bharat Heavy Electricals Ltd
Electro Porcelains Division
PB No: 1245, Science Institute Post

Bangalore – 560 012

So as to reach here within 2 P.M. on the due date and the tenders will be opened at 2-30 P.M. on the same date in the presence of those vendors or their authorised representatives who wish to be present.

- 1. Tender number: MM/PKG/CRATES, BOXES AND PLANKS/10-11
- 2. Qualifying requirement: Capacity to supply
 - 1) Minimum crates per month 1250 Cft,
 - 2) Minimum boxes per month 1500 Cft and
 - 3) Minimum planks per month is 300 Cft
- 3. Duration of contract: 2 years from the date of award of contract
- 4. Earnest money to accompany tender:

Rs 50000/=In the form of a crossed demand draft Favouring BHEL-EPD,Bangalore-12

- 5. Last date of receipt of Tender:14.00 hrs on 10-12-2009 at EPD, Bangalore
- 6. Tender will be opened on: 10-12-2009 at 15.00 hrs at EPD, Bangalore.

Please go through the contents carefully and only the Techno commercial offer along with other details as mentioned in this NIT (Notice inviting tender) needs to be dropped within the due date in to the Tender box earmarked which is kept at the reception

AGM/MM



TECHNO COMMERCIAL BID

TENDER REFERENCE: MM/PKG/CRATES, BOXES AND PLANKS/10-11

DATE OF ISSUE: 25-11-2009

LAST DATE FOR RECEIPT OF TENDER: 10-12-2009 BY 1.00 P.M OPENING OF TECHNO COMMERCIAL BID: 10-12-2009 AT 2.30 P.M **ESSENTIAL CRITERIA OF TECHNO COMMERCIAL OFFER**

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| SL.NO | PARAMETER | BHEL SPEC | VENDOR OFFER |
|-------|---|---|--------------|
| 1 | Name of Contact person | TO BE MENTIONED | |
| 2 | E-mail ID | TO BE MENTIONED | |
| 3 | Mobile number | TO BE MENTIONED | |
| 4 | Land line number | TO BE MENTIONED | |
| 5 | Fax number | TO BE MENTIONED | |
| 6 | Delivery Term | F.O.R-BHEL EPD STORES | |
| 7 | Payment terms | 45 days from the date of Goods Receipt for accepted quantity | |
| 8 | LD Clause | APPLICABLE @0.5% PER WEEK UPTO A MAXIMUM OF 5% | |
| 9 | Risk purchase clause | APPLICABLE | |
| 10 | Minimum Capacity/month to BHELfor wooden crates | Min Crates/ month – 1250 cft | |
| 11 | Minimum Capacity/month to BHEL for wooden boxes | Min Boxes/month – 1500 cft | |
| 12 | Minimum Capacity/month to BHEL for planks | Min planks/month-300cft | |
| 13 | Lead time | To mention | |
| 14 | Offer validity for Price after reverse auction | 90 DAYS FROM DATE OF TENDER OPENING | |
| 15 | Contract validity | 2 years from release of ARC. | |
| 16 | Tax and duty structure | Excise duty% | |
| | | E Cess% | |
| | | Central Sales Tax% | |
| | | VAT % | |
| | | Any other | |

SIGNATURE OF THE TENDERER



The following are general requirements of Wooden crates, Wooden boxes and wooden planks to be supplied to BHEL / EPD, Bangalore under the rate contract

| SI No | Category/Item | Projected Annual requirement |
|-------|--|------------------------------|
| 1 | Wooden Crates for Disc Insulators up to and including 210 kN category | 70000 cft |
| 2 | Wooden Crates for hollow insulators and Disc insulators above 210 kN category and other products not mentioned elsewhere | 53000 cft |
| 3 | Wooden boxes with wood content up to 8 cft without ply wood parts | 17500 cft |
| 4 | Wooden boxes with wood content above 8 cft without ply wood parts | 25,000 cft |
| 5 | Wooden Planks ¾" thick,4" or more width,5' or more length | 4000 cft |
| 6 | Wooden Planks 1" thick,4" or more width,5' or more length | 4000 cft |

Quantities indicated above are tentative in nature and shall vary based on actual. Scope of supply:

- Wooden crates: Crates shall be supplied in fabricated condition in two halves. Unloading will be to BHEL's scope. Delivery requirement indicated in purchase orders shall be adhered unless and otherwise changes are communicated to them by BHEL in writing.
- 2. Wooden Boxes: Packing box material shall be supplied in knocked down condition i.e. in frames. Each set has to be bundled and delivered duly marked with drawing number for easy identification (excluding ply wood parts). Unloading, grove cutting and further assembly of frames to make the final packing product will be to BHEL's scope. Delivery requirement indicated in purchase orders shall be adhered unless and otherwise changes are communicated to them by BHEL.
- 3. In case of capacity constraint for the supply of crates/Boxes, BHEL-EPD may resort to buying shooks (planks cut to size and shape as per drawing and ready for nailing to make crate/box) from the vendors at the same rate as crates/Boxes but deduct the cost of conversion from the vendors' bills. In such cases, the shooks as per drawing shape and size are to be neatly stacked, bundled, fastened and delivered along with required wire nails. Each such bundle neatly secured should not contain more than 10 pieces per each bundle to enable easy handling



Purchasing Specification

Ref: Purchasing specification EL-PS-12-0004/00 dt 9-9-2009

1.0 General

- This specification governs the requirement of packing wood. The packing wood governed by this specification of BHEL-EPD shall generally be in compliance with the provision of IS 6662 :1993 and defect classification on DIN 55350-31 (1985 -12)

2.0 Scope

- All packing wood i.e. Planks, Crates and boxes.

3.0 Condition of delivery

- The crates and boxes shall be supplied in assembled/Semi fabricated conditions as per purchase order.

4.0 Dimensions and tolerances

- Shall confirm to relevant Crate or Box drawings.

5.0 General Specifications of Wood for Crates and Boxes

- 5.1 Generally, the drawings may specify the material of wood, which is used for Crates & Boxes, such as Mango, Rubber, Neem, Jack fruit, jungle woodetc or as specified in the Indian standard IS 6662 of 1993 group I and II.
- 5.2 Wood shall be generally free from defects, cracks and objectionable knots and shall also meet the requirement of specification. Dead wood shall not be used.
- 5.3 Depending on the moisture and nature of wood, the vendor shall provide for possible shrinkage allowance for wood to ensure the final dimensional requirement..
- 5.4 All dimensions given in the drawings are in "mm" unless exclusively specified. Proper care to be taken while cutting wood so that the required measurement shall be achieved.
- 5.5 No requests for tolerance/allowances beyond the specified limits will be entertained normally.
- 5.6 Proper care to be taken at the time of nailing of planks, boxes and crates.
- 5.7 Nails to be driven at 15 ⁰ inclination to vertical force line and parallel to both side surfaces of the plank where the nail end rests. All nails should lie within the thickness of the planks. No projection is allowed.
- 5.8 The nails of the specified size mentioned In the drawings shall be used.

Note: Any doubts regarding purchasing specification, please contact the concerned Executive /MM BHEL- EPD



6.0 Finish and workmanship

- 6.1 The quality of wood shall be free from defects mentioned in the specification.
- 6.2 The crates and boxes shall be properly assembled as per given drawing and nailed with required gauge wire nails. Boxes shall be assembled in the supplier's place wherever mentioned in the purchase order.
- 6.3 The sharp edges of nails shall not be projected to outside from the wood. Inside projected ends are to be bent to avoid damage or injury to the material and personnel.

7.0 Freedom from defects

The crates/boxes shall be free from defects like Knots, barks, Pin holes, seasonal cracks and other harmful defects like termite attack and dead wood. The size of holes shall not be greater than 20 mm dia and seasonal cracks shall not be greater than 20 mm length.

8.0 Sampling for various tests

| SI No | Type of test/Inspection | BHEL's lot acceptance criteria |
|-------|-------------------------|---|
| 1 | Dimensional check | All planks, crates and boxes will be inspected as |
| | | per drawing dimensions with allowances |
| 2 | Visual inspection | 100% visual inspection by BHEL and inspection as |
| | | per IS 6662-1993 Group I & II and DIN 55350-31 (|
| | | 1985-12) |
| 3 | Load test | 1% sample may be tested for load tests(The |
| | | insulator shall be packed as per drawing inside |
| | | the crates and tested for load carrying capacity by rolling on ground). |
| | | Toming on groundy. |

DIN 55350- 31 (1985 -12) Defect classification Table

| Defect Class | Definition | Evaluation |
|---------------|--|-----------------------------|
| CD (Critical | Critical defects are those which make the | Packaging material not |
| dimension) | packing wood unfit for use, which | usable. |
| | jeopardize human health, safety and the | |
| | environment or which contravene legal | |
| | requirement or lead to destruction of or a | |
| | change in packaged condition | |
| MD (Minor | Minor defects are those which severely | Usability of packaging |
| Defect) | impair handling and use of the packaging | material markedly impaired. |
| | and lead to a loss of performance. | |
| Min D (Minor | Minor defects are those which represent | Usability of packaging |
| Defect) | a general lowering of quality but do not | material slightly impaired. |
| | limit the function of packing. | |



9.0 Inspection at Vendor's premises

BHEL's representative shall have free access to all parts of vendor's premises at all times when work on contract is being executed. The vendor shall offer BHEL's representative all reasonable facilities to convince the latter that the crates and boxes are being manufactured in accordance with this specification.

10 Visual acceptance norms for wooden packing crates and boxes.

10.1 Cracks

In two planks of one crate, seasonal crack of 30 mm length (Max) will be allowed.

10.2 Knots

Rotten knots not allowed.

One knot in one plank maximum of 20 mm diameter is allowed and maximum of two plank in one crate is allowed (Not on the ends and sids). 10.3 Clearance

Maximum clearance between two halves of crate is 6 mm.

10.4 Buckling of Planks

Not allowed.

10.5 Dead wood and Bark covered wood

Dead wood shall not be allowed in any kind of planks. Only, in some exceptional cases, part of dead wood about 1/4 th of total width of plank is allowed. Bark covered wood planks are not allowed.

10.6 Termite and Pin holes

Wood plank should be free from termite attacks and pin holes.

11 Rejection

Crates and boxes which are not conforming to the above specifications are liable to be rejected.

12.0 Nailing of Slit

Wherever slits occur during nailing, two extra nails to be provided on both sides of slits.



GENERAL TERMS AND CONDITIONS OF THE TENDER

The Techno Commercial offer should be submitted in a sealed cover super scribing tender number & due date addressed to

AGM/MM

Bharat Heavy Electricals Ltd Electro Porcelains Division PB No: 1245, Science Institute Post Bangalore – 560 012

So as to reach here within 2 P.M. on the due date and the tenders will be opened at 2-30 P.M. on the same date in the presence of those vendors or their authorised representatives who wish to be present.

The TECHNO-COMMERCIAL offer shall be put in a sealed cover along with the earnest money deposit of Rs 50,000/= and the cover should have the corresponding part name (Techno commercial bid), subject of tender, tender no. and due Date written on it. If the offer is found in opened condition, the same offer is liable to be rejected. The techno-commercial offer will be opened on the due date. The tenders meeting our techno-commercial requirements will be considered for online initial sealed bid auction at a later date for which eligible vendors will be intimated.

BHEL will consider only the initial sealed bids for determining the starting bid for REVERSE AUCTION. General Terms and Conditions of Reverse Auction are furnished in the Page No.8 to Page No.13. The terms and conditions specified herein are to be strictly adhered to for all the supplies of wooden crates, wooden boxes and planks under Rate Contract.

- Validity: The rates finalised for the rate contract shall be valid for TWO YEARS with effect from release of ARC for supply. The rate contract shall have provision for further extension on same terms & conditions.
- 2. The rates quoted shall be on F.O.R. BHEL-EPD Stores basis without unloading. The rates shall be exclusive of unloading charges but inclusive of freight and insurance. Duties and taxes applicable on date shall be explicitly mentioned. The taxes and duties will be paid extra as applicable on the date of supply.
- 3. <u>Capacity:</u> Vendor's minimum capacity to supply 1250 CFT per month of crates (i.e. around 2500 Numbers of crates per month), 1500 CFT of boxes per month and 300 CFT of wooden planks per month in each category implies vendor's ability to supply such quantities of items meeting the quality requirements and delivery schedules. Vendors shall intimate



only such capacity that can be allocated to BHEL and not their total capacity. Those who are not meeting this requirement, their offers are likely to be rejected. Vendors having capacity for any or all of the categories can quote.

- Lead time: Offers shall indicate minimum and maximum lead-time required to execute the orders for the capacity indicated. Quantities can be supplied progressively and for such supplies, minimum time required to start supplies and maximum time required to complete the order may be indicated.
- 5. Required quantities indicated against each item are only projected figures and procurement shall be made only for actual requirement and not the indicated quantities. The said quantities will be shared among eligible vendors after due negotiation.
- Quantities of materials ordered from time to time shall be dependent on actual requirement. Delivery dates indicated in the purchase orders shall be adhered to.
- 7. Each of our purchase order specifies the drawing number and revision number clearly. Wooden Crates and Wooden boxes to the drawing of the latest revision number only will be accepted.
- 8. The orders will be placed against rate contract in phases depending on Vendor's position in comparative statement of original offers (Reverse auction) subject to acceptance of counter offered rates, vendor performance ratings/quality and delivery performance of running supplies, vendor capacity and BHEL requirement during the period of contract. The vendors with consistent good performance will be preferred over poor performing vendors and encouraged with more order share.
- 9. **INSPECTION AND ACCEPTANCE:** The routine inspection of material shall be done at BHEL EPD Stores and acceptance thereof.

10. Quality of Materials

Reference of Clause 4.6 of IS specification No 6662/1993 is adopted for quality requirement which reads as follows.

"The component for a particular design shall be of even thickness. The timber shall be seasoned to a moisture level of 18%. The timber shall be free from centre heart (Pith), Insect attack, any kind of decay (rot). Objectionable Knots, Warping (Bend), Splits and any other defects which may reduce the strength of usefulness of the packing case or any of its components. Pin holes (dead



OF WOODEN CRATES, BOXES AND PLANKS

infestation) shall be permissible provided they are not powder post beetles and are reasonably scattered.

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11. **REJECTIONS**:

- a. BHEL quality personnel will conduct sample inspection at our Stores and if the sample fails to meet our specified standards, the whole lot will be rejected.
- b. Segregation of the lot and re inspection may be done by the vendor at vendors' cost. If the rejected lots are not cleared from the stores within the specified time (15 days), it will be treated as scrap and no claim on such rejected material will be entertained.
- c. No rework is permissible within EPD premises.
- d The rejected material shall be treated as scrap and cleared from our stores by the vendors at their own cost within 15 days from the date of such rejection / intimation.
- e Cleanliness has to be maintained by the vendors in the Packing/Dispatch Area. Scrap materials are to be removed and Shop floor of Shipping Section to be kept clean at the end of each day. Cut Pieces / Scrap belonging to vendors' materials to be removed and taken back within fifteen days from the date of rejection with necessary paper works after duly certified by concerned executive failing which no claim shall be entertained.
- 12. The lowest price received against BHEL tender need not be commercially lowest price (L1) and BHEL reserves the right to NEGOTIATE the same
- 13. BHEL reserves the right/option to REFLOAT the tender if L1 price is not the lowest acceptable price to BHEL.
- 14. Price Comparison: Prices shall be considered on LANDED COST BASIS (COST TO BHEL). Landed cost shall be worked out on price quoted including freight, excise duty, sales tax after taking out CENVAT and VAT Benefit, as applicable. The comparative statement shall be worked out on landed cost basis for EACH ITEM. The comparative statement of the prices prepared on the reference date shall remain firm throughout the execution period. Any change in duty & tax structure during execution of the contract will not be considered for re-ranking of vendors.



15. Earnest Money deposit (EMD)

The quotation must be submitted along with Earnest Money (EMD) in form of Demand draft/ Pay order for Rs 50000/= payable in favour of BHEL,EPD, Bangalore. Tenders without Earnest Money Deposit are liable to be rejected/will not be considered.

The Tenderer is not entitled for any interest on the Earnest Money Deposit nor any right for award of the contract. The EMD amount will be forfeited if the tenderer after submitting his tender, withdraws his offer or modifies the terms and conditions thereof or fails to take up the work within two weeks of awarding the contract. EMD given by all unsuccessful tenderers shall be refunded within 15 days of acceptance of award of work by successful tenderer, after taking a decision on the tender. In the case of successful tenderers the EMD will be retained as part of the security deposit.

16.0 **Security Deposit**

Successful tenderer will have to furnish a Security Deposit of Rs 1,00,000/=(which includes the EMD amount retained as part of security deposit) immediately after award of the contract. The Security deposit will be forfeited in the event of breach of contract conditions by the contractor.

Security deposit is accepted in any one of the following methods.

- a) Pay order, Demand draft in favour of BHEL, EPD
- b) Local cheque of Scheduled Banks, subject to realisation.
- c) EMD of the successful tenderer shall be converted and adjusted against the security deposit.
- d) The Security deposit shall not carry any interest.
- e) The security deposit shall become payable / returned on completion of the contract period.

17. Price & Load Share:

The rates quoted for the supply of crates and boxes will be FIRM and having validity of two years from the date of rate contract.

18.0 Load sharing

18.1 Crates: As far as possible, the loading on the annual basis shall be made among 8 successful vendors in the ratio of 19:17:15:13:11:10:8:7, subject to acceptance of negotiated L1 rates.



However, if sufficient vendors are not accepting L1 rates, order will be distributed in following ratios.

60:40 among two successful vendors

50:30:20 among three successful vendors

40:30:20:10 among four successful vendors.

30: 25:20:15:10 among five successful vendors

25:21:18:15:12:9 among six successful vendors

21:19:16:14:12:10:8 among seven successful vendors

18.2 Boxes: As far as possible, the loading on the annual basis shall be made among 5 successful vendors in the ratio of 30:25:20:15:10, subject to acceptance of negotiated L1 rates.

However, if sufficient vendors are not accepting L1 rates, order will be distributed in following ratios.

60:40 among two successful vendors

50:30:20 among three successful vendors

40:30:20:10 among four successful vendors.

18.3 Planks: As far as possible, the loading on the annual basis shall be made among 2 successful vendors in the ratio of 60:40, subject to acceptance of negotiated L1 rates.

However, if sufficient vendors are not accepting L1 rates, 100% order will be distributed on L1 vendor.

- 19. **Payment Terms**: 45 days credit after receipt of material at BHEL stores(for accepted quantity) along with relevant documents.
- **20.** Risk Purchase Clause: BHEL at its option will be entitled to terminate the contract and/or purchase elsewhere at the risk and cost of the seller either the whole of the goods or any part which the seller fails to deliver within the stipulated time. The seller shall be liable for any loss, which BHEL may sustain by such risk purchases. The loss may be recovered from the vendor's outstanding bills with the concerned unit or any sister unit.
- 21. In case of unsatisfactory performance of quality / delivery BHEL will have right to discontinue the contract in part or full.
- 22. Appropriate care has to be taken while shipping the wooden crates, wooden boxes and planks to avoid transit damages / losses. It is safer to transport a maximum of 300 crates/trip to avoid transit damage. In the event of any damages the supplier is liable to replace the goods.



23. Loading factor for terms of payment and delivery basis.

If any deviation exists between stipulation made in our tender to that in the Offer loading factor on price shall be applied as follows.

Interest @ 10.5% per annum will be loaded for the differential credit period (Specified credit period offered by supplier) and the differential amount (amount of payment specified-amount of payment asked for in the offer stage-wise).

In case, the delivery basis stipulated by the Tender is different from that sought for, loading for the corresponding elements viz: freight, insurance etc shall be made as per prevailing BHEL contract rates existing as on the date of tender opening. Finally, vendor must agree to delivery term of FOR-BHEL-Stores and Payment term as per clause 15 and no deviation shall be allowed.

- 24. Acknowledgement of BHEL Stores shall be only legal document towards receipt of material
- 25. The vendors will have to follow all the legal and statutory requirements and BHEL norms. BHEL will not be responsible in any way if the vendor is fined or penalized due to non-fulfillment of these requirements by any government agency like Sales Tax, Excise etc
- **26. Arbitration:** Settlement of dispute, if any arises, at anytime between the BHEL and the vendors upon or in relation to or in connection with the vendor, the same shall be referred to the sole arbitration of the Head of BHEL unit or to person appointed by him. The award of the arbitrator shall be final and binding on both BHEL and the vendor
- **27. LD Clause**: In case of delayed delivery, LD @ 0.5% per week up to a maximum of 5% will be levied on the defaulting quantity for the delayed period as per the corresponding PO.
- **<u>28. Legal Jurisdiction</u>**: In case of any legal proceedings, area of jurisdiction will be Bangalore in case of EPD.
- 29. The latest IT returns, Balance sheet/Annual report, Sales tax validity certificate is compulsory to be furnished along with your offer. The units registered under SSI should also furnish the validity certificate for the same. Excise authority certificate should also be furnished.
- 30. The tender not meeting the above conditions may not be entertained.



GENERAL TERMS AND CONDITIONS OF REVERSE AUCTION

Against this enquiry for SUPPLY OF Wooden crates, wooden boxes and wooden Planks with GENERAL TERMS & CONDITIONS OF SUPPLY, General Terms & Conditions of "REVERSE AUCTION PROCEDURE" i.e., ON LINE BIDDING ON INTERNET are detailed below:

- 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 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.



Event Information

The "BHEL" has contracted 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:

Tentative Date: will be intimated

Start Time : 13-30 hrs Close Time : 15-30Hrs

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

2. Contact Information

"BHEL"

| Jayadev Baglodi Manager/MM 080-22182265/2306 baglodi@bhelepd.com |
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| |

"Service Provider"

| Software Related Queries/ Process related Queries | | |
|---|-----------------------|--|
| | TO BE INTIMATED LATER | |
| Name: Designation: Tel Nos. E-mail ID: | | |



<u>Process Compliance Form (To be submitted to the service provider on hearing from them).</u>

| 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 document for (Items) against BHEL Tender MM/PKG/CRATES, BOXES A PLANKS/10-11 | |
| This letter is to confirm that: | |
| 1) The undersigned is authorized official of the company. | |
| We have studied the Reverse Auction Terms & Conditions and the Business is governing the Reverse Auction as mentioned in your letter and confirm our agreement them. | |
| We also confirm that we have taken the training on the auction tool and have unders the functionality of the same thoroughly. | tood |
| 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-

- 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 as per the rates quoted, BHEL and / or Service Provider shall take action as appropriate.
- 3. Auction Start price & Decremental Value: The start price & Decremental value applicable in the on line reverse auction will be decided by BHEL after evaluating the bids received from the vendors in the on line initial sealed bid auction and will be available to the vendors on the bidding screen of the online reverse auction.
- 4. 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. The bidders to note that the first appreciable bid that comes in the system must be equal to or less than the auction start price which the bidder can view at the start of reverse auction and subsequent bids shall conform to minimum decremented value or multiples of the decremented value.
- **5. AUCTION TYPE:** English No Ties Reverse (Refer Bidder Manual)
- **6. VISIBLITY TO BIDDER:** The Bidder shall be able to view the following on his screen along with the necessary fields:
 - Rank of the bidder
 - Lowest bid in the reverse auction
 - Bid Placed by him
- 7. **AUCTION WINNER:** At the end of the Reverse Auction, BHEL will evaluate all the bids submitted and will decide upon the winner.
- **8. 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.

9. 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.
- BHEL/Service Provider shall not have any liability to Bidders for any interruption or delay in access to the site for the reasons which include Power supply interruption, System failure, non availability of WEB/Screen etc.
- BHEL/Service Provider is not responsible for any damages, including damages that result from, but are not limited to negligence. BHEL / 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.

<u>NB:</u> All the Bidders are required to submit the Agreement Form duly signed to Service Provider. 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.

Business Rules for Reverse Auction

- 1. MATERIAL FOR BID: Wooden crates, wooden boxes and wooden Planks
- 2. SCHEDULE FOR REVERSE AUCTION: Will be intimated.

Auction Start Time: 13.00 hrs
 Auction Close Time: 15.30 hrs

- 3. **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.
- 4. 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).

- 5. **BIDDING CURRENCY AND UNIT OF MEASUREMENT:** Bidding will be conducted in Indian Rupees per ----- (Unit) of the item.
- 6. OPENING PRICE: Shall be provided before the start of the event
- 7. BID DECREMENT: Shall be provided before the start of the event



- 8. The technical & commercial terms are as per BHEL Tender No. MM/PKG/Crates, Boxes and Planks/ dated 25.11.2009. Vendor's technical and commercial bid and subsequent correspondences / mutual agreement between BHEL and the vendors regarding commercial terms & conditions.
- **9. VALIDITY OF BIDS:** The Bid shall be valid for a period of 90 days and shall not be subjected to any change whatsoever.
- **10. POST AUCTION PROCEDURE:** BHEL will proceed with the Lowest Bid in the Reverse Auction as per the normal procedure.