

**GENERAL TERMS AND CONDITIONS FOR REVERSE AUCTION**

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 of 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 contractor in writing in case of reverse auction the details of service provider to enable them to contact and 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. Contractors have to fax the Compliance form in the prescribed format (provided by Service provider) before start of reverse auction. Without this the contractor 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 contractor 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 the contractor 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.

Signature of Contractor & Seal

Sr. Engineer(FCX/Plg.)