STANDARD OPERATING PROCEDURE- e-Bidding

- Process for E-bidding starts only after the following pre requisites are met
  - RFQ & advertisement process is over
  - Bids are received from all the vendors and all of them are evaluated
  - All vendors are techno-commercially brought at par

- The buyer should then take a preliminary confirmation from all the vendors regarding their participation in the online e-bidding process.

- After the confirmation from the vendors, the buyer should compile the following details for each e-bidding:
  - Details of all the vendors
    - Vendor Code
    - Vendor Name
    - Contact Person Name
    - E-mail Id
    - Contact Number (Landline & Mobile)
    - Quotation Reference Number
  - Technical details for e-Bidding
    - PR NO.
    - Item Code
    - List of Items with complete Technical specifications
    - Item Category
    - Unit of Measure
    - Total Quantity
    - Total Weight
    - Delivery Schedule
    - Packing Instructions
    - Special Terms (if any)
    - Payment Terms
    - Currency of Bidding (In case of multiple currencies their conversion rate)

A template for the same is shown in Annexure I
• The compiled data has to sent to the third party vendor (Indiamarkets.com) at least 3 (three) working days prior to the desired date of auction. This time is required for:
  o Rules and Regulation of the process to be sent to all vendors
  o Acceptance of the rules and regulations to be received by the third party
  o Training the vendor and familiarizing them with the system using a demo market environment

• As of now three types of auctions are conducted
  o Open auction – In this type of auction, all vendors are allowed to bid freely and vendors get to see their ranks only during the auction

  o Open auction with a reserve bid price- In this type of auction, all vendors are allowed to bid freely but a reserve bid price is being put in the auction by the administrator. This leads to a situation where all the vendors try to reach the reserve bid price

  o Auction with start bid price – In this type of auction , the buyers specifies a price and bids from vendors are allowed only if they are below the start bid price

In all of the above cases buyer needs to provide the minimum bid decrement that should be allowed. In the last two cases , the buyers has to specify the reserve bid price and start bid price in the last two types respectively.

• Buyer should facilitate the process of communication from the third party vendor i.e. Indiamarkets.com to our vendors and sort out issues, if any.

• During the auction, buyers need to monitor the auction along with the system administrator. He must ensure that all the vendors who have agreed to participate in the process have logged in and are bidding

• Once the auction is over, buyers need to send communication to all the vendors requesting them to provide their item wise price break up for the package
e-Bidding process steps:-

- Each group company will nominate two e-bidding coordinators who will coordinate with their buyers and the central coordinator.
- Both coordinators will be trained by Global Supplies at Mumbai regarding the process and related procedure.

Pre-Auction Setup
- Coordinator will have to collect the all relevant data (As per template developed) for e-bidding from the buyer.
- For each company, a list of the cases scheduled for online auction has to be maintained by the concerned coordinator (as per annexure provided). This list needs to be constantly updated
- Coordinators should give special reference nos. to the cases for easy identification. E.g. EOL/11 or ESTL/10
- Buyers have to confirm to coordinator that they have taken necessary confirmation from the vendor for e-Bidding.
- Once a certain case is complete in all parameters for E-Bidding, coordinator would send the e-Bidding data to central coordinator at Mumbai.
- Coordinators should compile all the cases received on a particular day and the send the data only once in day (preferably 1730 hours ) to the central coordinator
- Central coordinator will decide the date for e-Bidding in consultation with India Market.
- At least 3-5 working days prior notice is required for any case.
- The auction details to be communicated to the vendors by coordinator.

During the Auction
- Coordinator in consultation with buyer will ensure that all vendors for e-bidding log into the system
- Site coordinator will provide necessary help to Buyer / vendors for the cases

Post Auction
- Collect the auction report from India Market.
- Make summary report of Auction and related saving etc.
- Distribute the report to respective buyer.
- Coordinate with vendors for individual price breakup.

Rev – 0
Dated 22 Jan’09
## ANNEXURE I

### ITEM DETAILS

<table>
<thead>
<tr>
<th>PR NO.</th>
<th>Item Code</th>
<th>List of Items with complete Technical specifications</th>
<th>Item Category</th>
<th>Unit of Measure</th>
<th>Total Quantity</th>
<th>Total Weight</th>
<th>Delivery Schedule</th>
<th>Packing Instructions</th>
<th>Special Terms (if any)</th>
<th>Payment Terms</th>
<th>Currency of Bidding</th>
<th>Duration of Auction</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>&lt;Complete List to be provided in Sheet named &quot;ItemDetails&quot;&gt;</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>* INR only when all vendors are from India. Incase of vendors other than India, bid currency to be decided</td>
<td>60 minutes</td>
</tr>
</tbody>
</table>

### INCOTERMS

Vendor details and Acceptance

<table>
<thead>
<tr>
<th>Sl.No</th>
<th>Vendor Code</th>
<th>Vendor Name</th>
<th>Contact Person</th>
<th>Mobile No.</th>
<th>Email</th>
<th>Vendor Country</th>
<th>Technical Approval</th>
<th>Commercial Terms &amp; Conditions</th>
<th>Agreed For E-Bid</th>
<th>Quotation Reference</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>2</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>3</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>4</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>5</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
</tbody>
</table>

Rev – 0  
Dated 22 Jan’09