



भारत हेवी इलेक्ट्रिकल्स लिमिटेड

(भारत सरकार का उपक्रम)

BHARAT HEAVY ELECTRICALS LIMITED

(A Govt. of India Undertaking)

CORRIGENDUM

Ref: BHEL/AA/CTM/JV/C2C/TA dt. 4th January 2023

Date: 13.01.2023

Job	Appointment of a Transaction Advisor for the "Formation of Joint Venture Company" in India with a Central Public Sector Enterprise (CPSE) for Coal to Chemicals business
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With reference to above, following points/documents, relevant to RfP, may please be noted and complied with while submitting the offer.

1. Pre –Bid Clarifications are attached vide Annexure-A to this Corrigendum
2. The due date for submission has been extended. The revised due date for submission is 30th January 2023 1500 Hrs IST. The revised date & time of opening of Part-A unpriced bid is 30th January 2023 15:30 IST at BHEL House, Siri Fort, New Delhi or as informed on tender portal. Date & time of opening of Part-B price bid will be intimated to techno- commercially acceptable bidders in due course.
3. Annexure-8 & Annexure-9 in reference to 3.1(b) & 3.1(c) respectively can be signed by Authorized Signatory.
4. All other terms & conditions shall remain unchanged.

Thanking you,

Yours faithfully,
for BHARAT HEAVY ELECTRICALS LTD

Encl: As above.

**RfP for Appointment of a Transaction Advisor for the "Formation of Joint Venture Company" in India
with a Central Public Sector Enterprise (CPSE) for Coal to Chemicals business**

Ref: BHEL/AA/CTM/JV/C2C/TA dt. 4th January 2023

CLARIFICATION TO BIDDER'S PRE-BID QUERIES

Sl. No	Reference clause of tender document	Bidder's Query	BHEL's Clarification
1	2.2 (Corporate Overview and the context - Transaction)	What is the proposed JV structure? What is the proposed terms of agreement? What are the broad terms of Offtake agreement?	The proposed JV will set up and operate a coal to 2000 TPD Ammonium Nitrate Project at an identified location in India. <u>The terms of agreements between BHEL, JV Partner</u> Relevant summary of Pre-feasibility report (PFR) will be provided only in pdf format, to successful bidder
2	2.3.2 (Scope of Work - Pre-Feasibility/ Business Plan)	Whether the business plan will be an excel? The excel file will be utilized to prepare financial model Whether the total project CAPEX (ISBL and OSBL) and OPEX (including mass balance, energy balance, manpower, etc.) data for the proposed 2,000 TPD Ammonium Nitrate plant (including gasification, ammonia, and nitric acid plants) will be provided.	Relevant extract of Total Project cost, details for Raw material & Utility and manpower, as indicated in the Pre-feasibility report will be provided to successful bidder
3	2.3.2 Scope of Work - Additional work (page 9)	What kind of additional work is envisaged?	Any unforeseen work related to formation of Joint Venture Company
4	2.3.2 Scope of Work- Proposed structure	The RFP document refers to the extant of BHEL's role in supply of equipment. What is BHEL looking for?	Advisory, scenario analysis etc. with respect to BHEL's scope of work in the coal to 2000 TPD ammonium nitrate project
5	2.3.2 Scope of Work- Valuation of Assets	In terms of valuation of assets, what kinds of assets needs to be valued? Is PwC expected to issue any report?	Valuation of assets like land etc. allotted to the JVC.
6	2.3.2 Scope of Work- Negotiation and finalization of Definitive Agreements	How many review and negotiation sessions are envisaged? We understand that the agreements would be limited to (i) JV agreement, (ii) offtake agreement (iii) AOA and (iv) MOA. Kindly confirm the nature of any other agreements anticipated to be agreed upon.	The number of negotiation sessions cannot be quantified in advance We anticipate an agreement between JVC & JV Partner for supply of coal. The terms of sourcing of equipment between JVC & BHEL may be captured in
7	2.3.2 Scope of Work - Presentation for Board and Sub-Committee	How many presentations are envisaged to be prepared?	We anticipate that presentations would be required for taking approval of BHEL Board of Directors and Sub-Committees.
8	2.3.2 (v) Scope of Work – Assist in preparing documentation for obtaining approvals	We understand that the approvals and clearances that are required would only be limited to - organizing necessary project inputs such as land, coal, water, etc. as well as clearances, offtake of output against mutually decided considerations. Please confirm our understanding that such approvals would not be in the nature of statutory approvals like – factory licenses, labor authorities etc.	We would like to clarify that by "various approvals from Indian Government/Government Authorities and other agencies" mentioned in the RfP we mean agencies like NITI AAYOG, Ministry of Heavy Industries, Cabinet Committee on Economic Affairs, Government of India etc.
9	3.1 b Pre- Qualification criteria	Turnover requirement of the Client of Rs. 7500 cr may be reduced to Rs. 1800 cr or less. Alternatively, the requirement can be relaxed and experience of similar works for Indian CPSE may be allowed under this criteria. This will allow more bidders to participate and create healthy competition	No changes
10	3.1 c List of Team Members	Please confirm if we can use External CVs for bidding and deploy the same member post award of work	No changes
11	5.4 Due Date	Since Profit and Loss Statement of the Client is sought along with the Bid, it is requested to extend the Bid Due Date by minimum 10 days i.e. until 28th January 2023	Kindly refer corrigendum to the RfP for extension of due date for bid submission
12	2.3.2 Para 6 Final Report	Since various deliverables will be finalised during the course of the mandate, it is understood that this report would capture a summary thereof. Please confirm.	Yes
13	3.1. b. Pre-Qualification criteria Documents to be submitted	1. Given the limited availability of CEO, it is suggested that certification by duly Authorised Signatory may be accepted under (i). 2. Profit & Loss Statement may not be available or readily available for the following reasons: The Client may not be a listed company; or The client may be an institution other than a corporate entity (e.g. Ministry) Hence it is suggested that requirement for submission of Profit & Loss Account may be removed.	Kindly refer corrigendum to the RfP
14	3.1. c. Para 2 Pre-Qualification criteria CVs	Given the limited availability of CEO, it is suggested that certification of CV by duly Authorised Signatory may be accepted	Kindly refer corrigendum to the RfP
15	3.1. c.ii Pre-Qualification criteria	It is pertinent to note that certain advisors like legal advisory firm and tax advisor would be required for executing the mandate. Hence consortium bidding may be allowed as otherwise the competition is likely to be curtailed	No changes
16	3.1. c.v Pre-Qualification criteria	The requirement to deploy fulltime staff at site and work fulltime may be infeasible to meet as the mandate would be delivered by a team comprising of senior, middle and junior level executives, it may kindly be noted that multiple officials, having varied skill sets, shall be involved at different points of time in this Assignment. Flexibility to operate from Consultant/ Sub-consultant premises shall be more productive and time-saving. Also, flexibility to take up other projects should be provided to the team members.	No changes
17	3.1.1 Price Bid evaluation	It is proposed that bid evaluation criteria may be changed from "lowest cost basis" to "80:20 Technical: Commercial evaluation" with appropriate weightages for credentials and Approach & Methodology	No changes
18	4.9 Work Timings	As mentioned above, the requirement to deploy resources at site may be removed.	No changes
19	4.11 Para 2 Rights of BHEL	The proviso for claw-back of fees paid to other consulting firms from the Advisor may be removed. Further, the Advisor's maximum aggregate liability (including any third-party liability) hereunder should be limited to the extent of fees actually received by the Advisor from the Client.	No changes

CLARIFICATION TO BIDDER'S PRE-BID QUERIES

Sl. No	Reference clause of tender document	Bidder's Query	BHEL's Clarification																
20	4.16.e Conflict of Interest	As per standard industry practice, the Advisor may be permitted to provide investment banking, commercial banking and financial advisory services with respect to Client and any party involved in the transaction.	No changes																
21	4.23 Liabilities	It may be clarified that the maximum aggregate liability (including any third-party liability) will be limited to the extent of fees actually received by the Advisor from the Client.	No changes																
22	4.26 Change in character of the bidder	Envisaged changes in corporate structure would most likely be confidential in nature, and so, cannot be always intimated in advance. Hence, a period of three weeks post the change may be allowed for intimation to Client.	No changes																
23	4.33 Office at site	As mentioned above, the requirement to deploy resources at BHEL Office in Delhi-NCR may be removed.	No changes																
24	5.4 Due date	Bid submission date may kindly be extended by one week, i.e., to 25th January 2022.	Kindly refer corrigendum to the RfP for extension of due date for bid submission																
25	5.15 Contract period	It is suggested that additional time on account of extension at the behest of Client may be compensated on pro-rata basis	No changes																
26	5.16 Travel Expenses	Information on eligibility of E7, E6, AND E5 Levels may be provided	<table> <tr> <th colspan="4">LODGING CHARGES FOR STAY IN HOTELS</th></tr> <tr> <th>Level</th><th>Delhi/ Mumbai/ Bangalore</th><th>Chennai/ Kolkata/ Hyderabad</th><th>Others</th></tr> <tr> <td>E6 & E7</td><td>7500</td><td>7000</td><td>5500</td></tr> <tr> <td>E5</td><td>4800</td><td>4000</td><td>3000</td></tr> </table>	LODGING CHARGES FOR STAY IN HOTELS				Level	Delhi/ Mumbai/ Bangalore	Chennai/ Kolkata/ Hyderabad	Others	E6 & E7	7500	7000	5500	E5	4800	4000	3000
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E5	4800	4000	3000																
27	5.18 Global Resource Sharing	It is suggested that only the designated team would be required to be available for the project	No changes																
28	5.21.b Taxes & duties	The Tax Invoices would be submitted by the Advisor. However, the Advisor should not have to bear any liability for inability by Client to avail of input tax credit. Hence, this clause may be removed	No changes																
29	Annexure-1 Checklist Sl. 4	It is recommended that instead of the specific queries submitted by the Bidder, responses to queries from all bidders can be signed off by each Bidder as submitted, as an acknowledgement thereof	Kindly refer the corrigendum to the RfP and BHEL's replies to bidders' queries																
30	Annexure-1 Checklist Sl. 11	May be removed as Non-disclosure Agreement would be signed by the Successful Bidder	Non-disclosure Agreement is to be signed by the Successful Bidder																
31	Annexure-1 Checklist Sl. 12	It is understood that Bank Guarantee is not required to be submitted by the Bidder. May please be confirmed	Bank Guarantee is to be submitted by successful bidder																
32	Annexure-1 Checklist Sl. 13	Is submission of Shareholding Pattern sufficient w.r.t. Proof of Arrangement with the parent?	Yes																
33	Annexure-Power of Attorney	It is requested that relevant document (BR or PoA) authorizing the signatory would be submitted by the Bidder in their won format.	No changes																
34	Kindly allow another one-week's extension to prepare a responsive bid as we need to take several approvals internally		Kindly refer corrigendum to the RfP for extension of due date for bid submission																