



Bharat Heavy Electricals Limited  
(A Govt. Of India Undertaking)  
PROJECT ENGINEERING MANAGEMENT  
NOTICE INVITING TENDER (NIT)

Enquiry No: PE/PG/SGL/E-6915/2021 dtd. 22.03.2022

Due Date: 01- April- 2022 12:30 PM

Subject: BHEL invites offers through Open Tender Enquiry as per following terms and conditions -

1. Mode of Enquiry	E - PROCUREMENT
2. Project	<b>1X660 MW SAGARDIGHI EXTN UNIT -V</b>
3. End Customer	WBPDCL
4. Package	Aux PRDS
5. Due Date & Time	As per e-procurement portal
6. Numbers of Part bid	<b>2-Part bid (Techno-commercial and price bid)</b>
7. Technical Scope	As per technical specification No. PE-TS-445-142-N101

Your best quotation/offer for the above requirement, in line with tender terms and conditions, should be submitted **online via e-procurement system (NIC portal)**. It shall be the responsibility of the bidder to ensure that the tender is submitted **on or before the due date by 12:30 PM**. Part-I bids shall be opened at **04:30 PM** on the due date. Kindly open the website only in Internet Explorer browser.

**Note:**Detailed tender documents have been uploaded on following websites: -

<https://eprocurebhel.co.in>, [www.bhel.com](http://www.bhel.com), [www.bhelpem.com](http://www.bhelpem.com) and [www.eprocure.gov.in](http://www.eprocure.gov.in)

**Bidders are requested to upload their best offer on <https://eprocurebhel.co.in> only.**

**Delivery Schedule:** Main supply- Within Six (06) months from date of CAT-1 approval of Primary drawing/documents, subjected to drawing/document submission/resubmission schedule as stipulated, in case of any delay in submission/resubmission in Primary drawing/documents, then same shall be reduced from the given delivery period. Delay in BHEL's comments/approval beyond 18 days shall also be considered for delay analysis.

**Mandatory spares-** Mandatory Spares shall be supplied within six (06) months from BHEL Manufacturing Clearance. Separate manufacturing clearance shall be accorded for mandatory spares.

**Supervision of E&C:** Vendor to deploy its Service Engineer/Supervisor at project site for supervision of E&C within 15 days from BHEL intimation.

**NOTE:**

- The end period specified is for completion of the deliveries. Deliveries to start progressively so as to meet the completion schedule.
- The delivery conditions specified are for contractual LD purposes, however BHEL may ask for early deliveries without any compensation thereof.
- Wherever schedule of drawings/documents submission / re-submission is stipulated in the Technical Specifications, same shall be superseded by delivery specified in NIT.
- Non-applicable drawings shall be decided during execution of the package.



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PROJECT ENGINEERING MANAGEMENT  
NOTICE INVITING TENDER (NIT)

8. Drawing documents submission and resubmission schedule shall be as per Annexure-A to this Enquiry.

9. Prices shall be Firm till completion of contract.

10. <b>CIF Content</b>	CIF is NOT applicable for this package.
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11. **Tender Evaluation - Evaluation shall be done on Total Cost to BHEL basis (excluding GST), project wise, as per Cl. No. 19.2 of Instruction to Bidders of GCC, Rev. 07.**

For RA, the loading (technical/commercial), if any, shall be added by bidder while submitting the bid in reverse auction portal.

Ordering shall be done after de-loading the commercial/ technical loading from bidder's final price.

The Evaluation Currency for this tender shall be INR.

12. Terms & Conditions: - All other terms & conditions shall be as per Notice Inviting Tender (NIT) conditions, GCC Rev-07 & SCC for **1X660 MW SAGARDIGHI EXTN UNIT -V**. Order of precedence shall be as per clause No 36.0 of GCC Rev. 07 (GENERAL COMMERCIAL TERMS & CONDITIONS).

13. Bidder to note that this is a Conditional Tender enquiry and the RA participation shall be subject to following condition:

- a) Qualifying technical PQR
- b) Techno-commercial recommendation by BHEL.
- c) Approval of bidder by End Customer.
- d) Offered item should mandatorily conform to PP-MII order provisions.

Note: Approval shall be taken up with end customer based on the latest credentials/reference list furnished by bidder. Accordingly, bidders are requested to submit credentials along with their technical bid as per the format enclosed with this enquiry.

The bidders who are not registered with BHEL-PEM may apply for registration in BHEL-PEM through Registration Portal available at [www.bhelpem.com](http://www.bhelpem.com)-->vendor section-->online supplier registration. All credentials and/or documents duly signed & stamped related to registration has to be uploaded on the website & submit the application for registration. One set of hard copy filled-up SRF downloaded from Online Registration Portal duly signed & stamped has to be submitted.

14. All corrigenda, addenda, amendments, time extensions, clarifications, etc. to the tender will be hosted on <https://eprocurebhel.co.in>. Bidders should regularly visit websites to keep themselves updated.

15. If bidder mentions Not Applicable / Not required / Not Quoted in BHEL price format, the same to be substantiated by the bidder. If such item is required to be supplied for system completion in future, same will be supplied free of cost.



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16. Standard pre-printed terms & conditions of the tenderers (other than BHEL format) shall not be valid and binding in any manner whatsoever.

17. Unsolicited fresh/revised price bid shall not be entertained.

18. Purchaser shall be under no obligation to accept the lowest or any other tender and shall be entitled to accept or reject any/all tender(s) in part or full without assigning any reason whatsoever.

19. Bid should be free from correction, overwriting, using corrective fluid etc. Any interlineation, cutting, erasure or overwriting shall be valid only if they are attested under full signature(s) of person(s) signing the bid else bid shall be liable for rejection.

20. Bidder participating in tender will necessarily have to buy class III DSCs issued by the certifying authorities in India. Basic procedure/checklist has been uploaded on [www.bhel.com](http://www.bhel.com) for participating in future tender enquiries through e procurement.

21. All other correspondence thereof shall be addressed to the undersigned by name & designation and sent at the following address:

**Tarun Arya / Dy. Mgr. – PG-I**  
**M/s Bharat Heavy Electricals Ltd.,**  
Project Engineering Management,  
Power Project Engineering Institute,  
HRD & ESI Complex,  
Plot No 25, Sector-16 A, Noida-201301  
**E-MAIL: tarunarya@bhel.in**  
**Ph. No. 0120-4368791**

**Ashish Kumar Gupta/Mgr. – PG-I**  
**M/s Bharat Heavy Electricals Ltd.,**  
**Project Engineering Management,**  
Power Project Engineering Institute,  
HRD & ESI Complex,  
Plot No 25, Sector-16 A, Noida-201301  
**E-MAIL: ashishkumargupta@bhel.in**  
**Ph. No. 0120-4368761**

22. In case of joint bidding, Bidders shall be required to furnish scope matrix which should be clearly defined between them along with the offer for the complete scope as per NIT.

23. Overall (%) variation in contract value (due to changes in the scope) for this package is +/- 5% which shall prevail over the variation of contract value clause no. 6.0 of GCC rev 07.

24. Bidders to quote freight charges in percentage of their quoted Total Ex-works Prices.

25. Due to COVID-19 pandemic condition prevailing in the country, BHEL/PEM may go for Remote Inspection of Offered items, if required. Vendors are requested to be equipped with the facilities/gadgets as indicated in the guidelines attached to take up the inspection REMOTELY.

26. In course of evaluation, if more than one bidder happens to occupy L-1 status, effective L-1 will be decided by soliciting discounts from the respective bidders. In case more than one bidder happens to occupy L-1 status even after soliciting discounts, the L1 bidder shall be decided by a toss / draw of lots, in the presence of respective bidder(s) or their representative(s). Ranking will be done accordingly. BHEL's decision in such situation shall be final and binding.

27. Eligibility of Suppliers

Class 1 Local Supplier, As per para no. 3 (a) of Public Procurement (Preference to Make in India), (PPP-MII) Order 2017 dt. 16/09/2020 issued by DPIIT



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PROJECT ENGINEERING MANAGEMENT  
NOTICE INVITING TENDER (NIT)

28. Minimum Local Content required for qualifying a bidder as "Class I/ Class II Local Supplier"	As per para no. 5 of Public Procurement (Preference to Make in India), (PPP-MII) Order 2017 dt. 16/09/2020 issued by DPIIT.
29. Nature of Package	Not Divisible for MII order provisions
30. Purchase Preference	NA for LCLC case
<p>31. "BHEL shall be resorting to Reverse Auction (RA) (Guidelines as available on www.bhel.com) for this tender. RA shall be conducted among all the techno-commercially qualified bidders. Price bids of all techno-commercially qualified bidders shall be opened and same shall be considered as initial bids of bidders in RA. In case any bidder(s) do(es) not participate in online Reverse Auction, their sealed envelope price bid along with applicable loading, if any, shall be considered for ranking."</p> <p>Vendors to note that above RA clause will supersede clause no 13 of "Instruction to Bidders" of GCC Rev 07.</p>	
<p>32. The Bidders has to quote the Single Price (i.e. Total Cost to BHEL) in Reverse Auction. Price are to be inclusive of Packing &amp; Forwarding charges, all the routine &amp; type tests as per tender scope, Freight as applicable, including loading (if any). De-loading (if any) shall be done in line with NIT terms.</p>	
<p>33. All the above terms and conditions, post-bid agreements/MOMs (during Techno- Commercial evaluation) shall automatically become a part of the Order/Contract after its finalisation.</p>	
<p>34. Bidders to,</p> <ul style="list-style-type: none"><li>• ensure compliance to Ministry of Power (MoP) Order No. 25-11/6/2018-PG dt. 02/07/2020 &amp; Order No. 11/05/2018-Coord. dt. 23/07/2020, if applicable.</li><li>• ensure compliance of Ministry of Finance (MoF) Order (Public Procurement No. 1 &amp; 2) F. No. 6/18/2019/PPD dt. 23/07/2020.</li><li>• to submit "Model Certificate for Tenders" as per Annexure-III of Ministry of Finance (MoF) Order (Public Procurement No. 1 &amp; 2) F. No. 6/18/2019/PPD dt. 23/07/2020.</li></ul> <p>Note: Subsequent orders/circulars to be checked and to be complied.</p>	
<p>35. Performance Bank Guarantee value shall be 5%.</p> <p><i>"Bidder agrees to submit performance security required for execution of the contract within the time period mentioned. In case of delay in submission of performance security, enhanced performance security which would include interest (SBI rate+6%) for the delayed period, shall be submitted by the bidder. Further, if performance security is not submitted till such time the first bill becomes due, the amount of performance security due shall be recovered from the bills along with due interest"</i></p>	
<p>36. For detailed instructions, please see clause no. 2 of "Instructions to Bidders of GCC Rev. 07".</p>	
<p>37. It shall be the responsibility of the bidder to ensure that the tender is uploaded on or before the due date and time. Late offers shall not be accepted.</p>	



Bharat Heavy Electricals Limited  
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38. The Bidder declares that they will not enter into any illegal or undisclosed agreement or understanding, whether formal or informal with other Bidder(s). This applies in particular to prices, specifications, certifications, subsidiary contracts, submission or non-submission of bids or any other actions to restrict competitiveness or to introduce cartelization in the bidding process.

In case, the bidder is found having indulged in above activities, suitable action shall be taken by BHEL as per extant policies/guidelines.

39. Service charges like Supervision, Inspection etc consequent or incidental to supply are envisaged in tender, such charges should not exceed 2% of the total contract value. If any bidder's prices are found more than 2% of total contract value, same shall be restricted to 2%.

40. For this procurement, the local content to categorize a supplier as a Class I Local Supplier / Class II Local Supplier / Non Local supplier and Purchase preference to Class I local supplier, is as defined in Public Procurement (Preference to Make in India), (PPP-MII) Order 2017 dt. 16/09/2020 issued by DPIIT. In case of subsequent orders issued by the nodal ministry, changing the definition of local content for the items of the NIT, the same shall be applicable even if issued after issue of this NIT, but before opening of Part-II bids against this NIT.

Regarding verification of local content, the local supplier at the time of tender, bidding or solicitation shall be required to provide certification as per para 9 of PP-MII order revision dated 16.09.2020.

41. "This Item/ Package/ System falls under the list of items defined in para 3 of Ministry of Finance Guideline dated 20.09.2016 (procurement of items related to public safety, health, critical security operations and equipment's, etc.) & hence criteria of prior experience/ turnover shall be same for all the bidders including start up/ MSME."

42. Bidders to note that offers shall be submitted strictly in accordance with the requirements of tender documents. Bidders shall upload their complete offer meeting the requirements of the tender documents on e-procurement portal <https://eprocurebhel.co.in/nicgep/app>.

Following documents need to be uploaded:

- Certificate (as per enclosed format) as per Order no-F6/18/2019-PPD dated 23.07.2020 issued by Ministry of Finance.
- Un-price bid, annexure-II (Cost of Withdrawal of Deviation) and Price bid along with annexure-II on BHEL e-procurement portal (<https://eprocurebhel.co.in/>)

43. Integrity Pact: Integrity pact is not applicable for subject package.

Note - In case you are not making an offer against this enquiry, you are requested to send a regret letter so as to reach us on or before the due date

Thanking You.

For and on behalf of BHEL

Tarun Arya

Dy. Manager/PG-I



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Enclosures:

1. Corrigenda 01 to GCC Rev. 07, GCC rev. 07 (available at [www.bhelpem.com](http://www.bhelpem.com))
2. SCC of **1X660 MW SAGARDIGHI EXTN UNIT -V**.
3. Technical Specifications.
5. Technical PQR
6. RA Guidelines 2021 (<https://www.bhel.com/guidelines-reverse-auction-2021>)
7. Guidelines for Remote Inspection.

**1 X 660 MW WBPDCS SAGARDIGHI EXTN UNIT V  
Annexure-A - Delivery Schedule  
Package-Aux PRDS**

SI. No	Package Code	Package name	DEPTT	BHEL Drawing No	Drawing Title	Primary/Secondary	Drg Sch for Vendors	Standard Delivery Terms for Supply Portion	Scope of Services, (if any, as per Indent) and corresponding schedule for rendering the services
1	142-11000-A	APRDS	MSE	PE-V1-XXX-142-N102	DATA SHEETS	Primary	R-0 within 21 days from PO & subsequent revisions within 10 days of comments received from BHEL. BHEL shall furnish comments / approval on each submission within 18 days from receipt.	Within Six (06) months from date of CAT-1 approval of Primary drawing/documents, subjected to drawing/document submission/re-submission schedule as stipulated, in case of any delay in submission/re-submission in Primary drawing/documents, then same shall be reduced from the given delivery period. Delay in BHEL's comments/approval beyond 18 days shall also be considered for delay analysis.  Mandatory Spares :- Mandatory Spares shall be supplied within Six (06) months from BHEL Manufacturing Clearance. Separate manufacturing clearance shall be accorded for mandatory spares.	Supervision of E&C: Vendor to depute its service engineer for Supervision of E&C within 15 days from BHEL's intimation (for deputing service engineer). For delay in deputing service engineer, LD on Supervision of E&C portion shall be applicable @ ½% of the total Supervision of E&C portion contract value (excluding element of taxes) per week or part thereof, with applicable GST. However, total LD (supply + Supervision of E&C) shall be limited to 10% of cumulative total contract value excluding taxes and freight (supply + Supervision of E&C).
				PE-V1-XXX-142-N103	CALCULATION SHEETS	Primary			
				PE-V1-XXX-142-N104	GA DRAWINGS- CONTROL VALVES & DESUPERHEATER.	Primary			
				PE-V1-XXX-142-N105	INSTALLATION DRAWINGS	Primary			
				PE-V1-XXX-142-N107	EDGE PREPARATION DETAILS	Primary			
				PE-V1-XXX-142-N108	QUALITY PLAN	Primary			
				PE-V1-XXX-142-N101	BILL OF MATERIALS	Secondary	R-0 within 21 days from PO & subsequent revisions within 10 days of comments received from BHEL. BHEL shall furnish comments / approval on each submission within 18 days from receipt.		
				PE-V1-XXX-142-N109	O&M MANUAL	Secondary	within 30 days of issuance of MDCC.		

**a. The end period specified is for completion of the deliveries. Deliveries to start progressively so as to meet the completion schedule.**

**b. The delivery conditions specified are for contractual LD purposes, however BHEL may ask for early deliveries without any compensation thereof.**

**c. Non-applicable drawings shall be decided during execution of the package.**

**d. Wherever schedule of drawings/documents submission / re-submission is stipulated in the Technical Specifications, same shall be superseded by delivery specified in NIT.**

## वासव महाजन / Vasav Mahajan

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**From:** C.Venkat Rao <cvr@bhel.in>  
**Sent:** 10 March 2021 12:48  
**To:** rakesh.singh@bhel.in; 'vagrawal'; 'mohan'; 'prawat'; 'rbabu'; 'ajaysharma'; pravi@bhel.in; 'prchiwarkar'; 'ev'; asim.mishra@bhel.in; 'bsandipan'; 'atul pandey'; 'avnaga'; 'mandvi'; 'kumarrakesh'; 'ashuani'; 'rksaxena'; 'minocha'; 'nalini'; 'Amit Shrivastav, Addl GM/MKT\_MM/CFFP'; 'Ajay Jain, Dy GM/CMM/PS-PEM'; 'ARUN KUMAR-HEEP'; 'rprabha'; 'dvkrds'; 'sunilhaldia'; rlnagar@bhel.in; 'patelsm'; S Chandrashekar(Addl GM/CS,MM,Comml,Insulator & Ceralin/CS140000/FSIP)  
**Cc:** prr@bhel.in; sgulati@bhel.in; jps@bhel.in; btalwar@bhel.in; ratnav@bhel.in; akjain1@bhel.in; csdeolika@bhel.in; anandac@bhel.in; ksm@bhel.in; amitkerketta@bhel.in; snair@bhel.in; gs@bhel.in; pjreddy@bhel.in; shakil@bhel.in; kaushika@bhel.in; ganesh.k@bhel.in; aniljoshi@bhel.in; pgupta@bhel.in; r\_singh@bhel.in; tsmurali@bhel.in; tlal@bhel.in; rt1@bhel.in; ykrajesh@bhel.in; sanju@bhel.in; satyan@bhel.in; sameer@bhel.in; rajeeva@bhel.in; bani@bhel.in; 'A B Gupta, Genl Manager/COM/CO'; sk.agarwal@bhel.in; 'Rakesh Kumar Chokhani, General Manager/HPVP\_OPS/HPVP'; vkchugh@bhel.in; 'Vasav Mahajan, Dy Manager/COM-SS&P/CO'; ashwanisahu@bhel.in; 'R Padmanabhan(Executive Director/ER&D/CO)'; meshram@bhel.in; rsharma@bhel.in; 'Pravin Chandra Jha(Genl Manager/VIG/CO)'  
**Subject:** Guidelines for Reverse Auction - 2021 amdt01- Circular No. 45 of 2020-21  
**Attachments:** Guidelines for Reverse Auction - 2021 amdt01 - Circular no. 45 of 2020-21.pdf

### (Circular No. 45 of 2020-21)

#### **Sub: Guidelines for Reverse Auction – 2021**

Pursuant to the issue of Circular no. 44 of 2020-21 dated 08.03.2021 on Guidelines for Reverse Auction - 2021, following is to be noted with respect to clause 10.1:

1. In case of two or three techno-commercially qualified bidders, there shall be no elimination of H1 bidder (whose quote is highest in sealed envelope price bid).
2. In case of four qualified bidders, H1 bidder to be eliminated whereas in case of five qualified bidders, H1 and H2 bidders are to be eliminated.

Accordingly, Clause 10.1 of Guidelines for Reverse Auction - 2021 has been amended and the document is enclosed along with the Circular.

*Thanks and Regards,*

*C Venkat Rao  
GM / S S & P  
Corporate Office, BHEL,  
New Delhi*

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**From:** C.Venkat Rao [<mailto:cvr@bhel.in>]

**Sent:** 08 March 2021 21:01

**To:** [rakesh.singh@bhel.in](mailto:rakesh.singh@bhel.in); 'vagrawal' <[vagrawal@bhel.in](mailto:vagrawal@bhel.in)>; 'mohan' <[mohan.k@bhel.in](mailto:mohan.k@bhel.in)>; 'prawat' <[prawat@bhel.in](mailto:prawat@bhel.in)>; 'rbabu' <[rbabu@bhel.in](mailto:rbabu@bhel.in)>; 'ajaysharma' <[ajaysharma@bhel.in](mailto:ajaysharma@bhel.in)>; [pravi@bhel.in](mailto:pravi@bhel.in); 'prchiwarkar' <[prchiwarkar@bhel.in](mailto:prchiwarkar@bhel.in)>; 'ev' <[ev@bhel.in](mailto:ev@bhel.in)>; [asim.mishra@bhel.in](mailto:asim.mishra@bhel.in); 'bsandipan' <[bsandipan@bhel.in](mailto:bsandipan@bhel.in)>; 'atul pandey' <[atul.pandey@bhel.in](mailto:atul.pandey@bhel.in)>; 'avnaga' <[avnaga@bhel.in](mailto:avnaga@bhel.in)>; 'mandvi' <[mandvi@bhel.in](mailto:mandvi@bhel.in)>; 'kumarrakesh'

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Cc: prr@bhel.in; sgulati@bhel.in; jps@bhel.in; btalwar@bhel.in; ratnav@bhel.in; akjain1@bhel.in; csdeollikar@bhel.in; anandac@bhel.in; ksm@bhel.in; amitkerketa@bhel.in; snair@bhel.in; gs@bhel.in; pjreddy@bhel.in; shakil@bhel.in; kaushika@bhel.in; ganesh.k@bhel.in; aniljoshi@bhel.in; pgupta@bhel.in; r\_singh@bhel.in; tsmurali@bhel.in; tlal@bhel.in; rt1@bhel.in; ykrajesh@bhel.in; sanju@bhel.in; satyan@bhel.in; sameer@bhel.in; rajeeva@bhel.in; bani@bhel.in; 'A B Gupta, Genl Manager/COM/CO' <abgupta@bhel.in>; sk.agarwal@bhel.in; 'Rakesh Kumar Chokhani, General Manager/HPVP\_OPS/HPVP' <chokhani@bhel.in>; vkchugh@bhel.in; 'Vasav Mahajan, Dy Manager/COM-SS&P/CO' <vasav@bhel.in>; ashwanisahu@bhel.in; 'R Padmanabhan(Executive Director/ER&D/CO)' <rpadmanabhan@bhel.in>; meshram@bhel.in; rsharma@bhel.in; 'Pravin Chandra Jha(Genl Manager/VIG/CO)' <pcjha@bhel.in>

**Subject:** Guidelines for Reverse Auction - 2021 - Circular No. 44 of 2020-21

## **(Circular No. 44 of 2020-21)**

### **Sub : Guidelines for Reverse Auction – 2021**

Guidelines for Reverse Auction (RA) were last revised in March 2020. Based on implementation feedback from Units/ Regions and deliberation with various agencies, the revised RA guidelines are attached herewith.

Following are the major changes:

1. Start price for RA to be L1 of e-bid/ sealed envelope price bids.
2. Minimum two techno-commercially qualified bidders are required to conduct RA.
3. Wherever six or more techno-commercially qualified bidders are available, RA would be conducted amongst first 50% of the bidders arranged in the order of prices from lowest to highest. Number of bidders eligible for participating in RA would be rounded off to next higher integer value if number of techno-commercially qualified bidders is odd (e.g. if 7 bids are technically qualified, then RA will be conducted amongst lowest four bidders). However, there will be no elimination of bidders who are MSE or qualifying under PPP-MII Order, 2017.

These revised guidelines shall be applicable for:

- (a) all NITs issued on or after 15 days from the date of issue of the circular,
- (b) NITs already issued with upfront declaration of RA and where techno-commercial bids (Part-I) are yet to be opened by issuing suitable corrigendum, if required

All other ongoing cases would be dealt as per existing guidelines.

The Circular and the revised guidelines are attached herewith.

*Thanks and Regards,*

*C Venkat Rao  
GM / S S & P  
Corporate Office, BHEL,  
New Delhi*

**SOURCING STRATEGY & POLICY  
CORPORATE OPERATIONS MANAGEMENT  
BHEL – NEW DELHI**

AA:SSP:RA:05:amdt01

Dated: 10.03.2021

**(Circular No. 45 of 2020-21)**

**Sub: Guidelines for Reverse Auction - 2021**

Pursuant to the issue of Circular no. 44 of 2020-21 dated 08.03.2021 on Guidelines for Reverse Auction - 2021, following is to be noted with respect to clause 10.1:

1. In case of two or three techno-commercially qualified bidders, there shall be no elimination of H1 bidder (whose quote is highest in sealed envelope price bid).
2. In case of four qualified bidders, H1 bidder to be eliminated whereas in case of five qualified bidders, H1 and H2 bidders are to be eliminated.

Accordingly, Clause 10.1 of Guidelines for Reverse Auction - 2021 has been amended and the document is enclosed.

Based on above, Units/ Regions may issue/ modify necessary work instructions/ departmental procedures etc.

This issues with the approval of Competent Authority.

  
10/03/21

(C. Venkat Rao)  
GM/ SS&P

**Distribution:**

- All Heads of Units/ Regions
- All Heads of MM of Units/ Regions
- SS&P page on Corporate Office intranet - <http://intranet.bhel.in>
- CVO - for kind info please
- SA to Director (Fin)/(E, R&D)/(HR)/(IS&P)/(Power) - for kind info of Director
- SA to CMD - for kind info of CMD

**SOURCING STRATEGY & POLICY  
CORPORATE OPERATIONS MANAGEMENT  
BHEL – NEW DELHI**

AA:SSP:RA:05  
Dated: 08.03.2021

**(Circular No. 44 of 2020-21)**

**Sub: Guidelines for Reverse Auction – 2021**

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2. Minimum two techno-commercially qualified bidders are required to conduct RA.
3. Wherever six or more techno-commercially qualified bidders are available, RA would be conducted amongst first 50% of the bidders arranged in the order of prices from lowest to highest. Number of bidders eligible for participating in RA would be rounded off to next higher integer value if number of techno-commercially qualified bidders is odd (e.g. if 7 bids are technically qualified, then RA will be conducted amongst lowest four bidders). However, there will be no elimination of bidders who are MSE or qualifying under PPP-MII Order, 2017.

These revised guidelines shall be applicable for:

- (a) all NITs issued on or after 15 days from the date of issue of the circular,
- (b) NITs already issued with upfront declaration of RA and where techno-commercial bids (Part-I) are yet to be opened by issuing suitable corrigendum, if required

All other ongoing cases would be dealt as per existing guidelines.

  
08/03/21

Based on above, Units/ Regions may issue/ modify necessary work instructions/ departmental procedures etc.

This issues with the approval of Competent Authority.



(C. Venkat Rao)  
GM/ SS&P

**Distribution:**

- All Heads of Units/ Regions
- All Heads of MM of Units/ Regions
- SS&P page on Corporate Office intranet - <http://intranet.bhel.in>
- CVO - for kind info please
- SA to Director (Fin)/(E, R&D)/(HR)/(IS&P)/(Power) - for kind info of Director
- SA to CMD - for kind info of CMD



# **GUIDELINES FOR REVERSE AUCTION - 2021**

**(AA:SSP:RA:05 dated 08.03.2021)**

<b>Amendment No.</b>	<b>Date of issue</b>	<b>Remarks</b>
01	10.03.2021	Clause 10.1 modified

**SOURCING STRATEGY & POLICY  
CORPORATE OPERATIONS MANAGEMENT  
BHEL, New Delhi**

# Guidelines for Reverse Auction – 2021

Doc. No. AA:SSP:RA:05  
Dated: 08.03.2021

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## 1.0 Scope

This document describes the guidelines to be followed by each Unit/ Division/ Region for conducting Reverse Auction (RA) for procurement of material/ works/ services. These guidelines will be applicable for all purchases/ contracts to be awarded under Purchase/ Works policy and the RA shall follow the philosophy of English Reverse (No ties). Based on these guidelines, Units/ Divisions/ Regions (hereinafter referred as 'units') may issue their own Departmental Procedures without changing the intent and spirit of the guidelines contained in this document. These guidelines will supersede earlier guidelines issued vide AA:SSP:RA:04 dated 04.03.2020.

English Reverse (No ties) is a type of auction where the starting price and bid decrement are announced before start of online reverse auction. The interested bidders can thereupon start bidding in an iterative process wherein the lowest bidder at any given moment can be displaced by an even lower bid of a competing bidder, within a given time frame. The bidding is with reference to the current lowest bid in the reverse auction. All bidders will see the current lowest quoted price and their rank. The term 'No ties' is used since more than one bidder cannot give an identical price, at a given instant, during the reverse auction. In other words, there shall never be a tie in the bids.

## 2.0 Intent of Reverse Auction

To derive maximum benefit in cost savings through competitive bidding.

## 3.0 Upfront declaration in NIT

Wherever it is felt that procurement may be done through Reverse Auction, the bids shall be invited in two parts/ three parts or single part bid (Price Bid) where Techno-Commercial MoU already exists. Wherever, the evaluation is done for individual line item, separate sealed envelope price bid for each line item shall be taken.

Decision to go for RA would be taken before floating of the tender. In case it is decided to go for RA, same shall be declared upfront in NIT by inserting the following **clause**:

*"BHEL shall be resorting to Reverse Auction (RA) (Guidelines as available on [www.bhel.com](http://www.bhel.com)) for this tender. RA shall be conducted among the techno-*

## Guidelines for Reverse Auction – 2021

Doc. No. AA:SSP:RA:05  
Dated: 08.03.2021

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commercially qualified bidders.

*Price bids of all techno-commercially qualified bidders shall be opened and same shall be considered for RA. In case any bidder(s) do(es) not participate in online Reverse Auction, their sealed envelope price bid along with applicable loading, if any, shall be considered for ranking."*

### 4.0 Aspects to be considered for RA

Following aspects may be considered by the competent authority (empowered to approve the ordering) to decide before floating of the tender if RA is to be conducted for that particular tender:

- a) Number of techno-commercially qualified bidders in previous tender for same/ similar class of item
- b) Price volatility of the item(s) under consideration
- c) Past purchase experience of similar item(s)
- d) Tender Value of the item(s) under procurement
- e) Any other aspect which may be specific to tender

Note: Decision to go for RA or not will be on case to case basis with recorded reasons.

### 5.0 RA Committee

Purchase/ Tender committee, if already in place, shall also act as RA committee. Purchase representative will be the convener. In case Purchase/ Tender committee has not been formed, the Product Manager/ MM Head/ Department Head, shall constitute RA committee consisting of representatives (*rank as per DoP of tender/ negotiation committee*) from departments of Engineering/ Indenter/ User, Purchase and Finance. This committee will work for a specific tender. The role of RA committee shall be as below:

- To vet the comparative statement comprising sealed envelope price bids received, MSE status, qualification against Public Procurement (Preference to Make in India), Order 2017 (PPP-MII, Order 2017) of all techno-commercially qualified bidders, loading etc. before sending it to the service provider for RA.
- To decide and record the 'Start-Price' and 'Bid Decrement'.
- To observe the RA process and declare RA as successful.

# Guidelines for Reverse Auction – 2021

Doc. No. AA:SSP:RA:05  
Dated: 08.03.2021

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## 6.0 Business rules for RA

Model Business rules (annexure I) and other annexures II to VI are attached. MM shall prepare and fill in the required details in the annexures at appropriate places like:

- Enquiry/ Request for Quotation (RFQ) number
- Name and Addresses of the bidders
- Items description, quantities/ weight, Specification
- Date and time of opening and closing of RA
- Extension conditions
- Loading Criteria/ Formulae
- Foreign Exchange (FE) rates for evaluation
- Taxes & Duties
- Freight & Insurance
- Bidders' training, if required, etc.

The calculation sheet e.g. excel sheet (which will help to arrive at 'Total Cost to BHEL') which is communicated to respective bidders of RA, will be prepared by MM and vetted by Finance. This calculation sheet will be finalized based on the evaluation criteria specified in the NIT and will be same based on which sealed envelope price bids have been evaluated.

MM shall issue a mandate (annexure II) to the service provider covering business rules etc. and inform about event, calculation sheet etc. to all techno-commercially accepted bidders.

## 7.0 Role of Service Provider

- Acknowledge the receipt of mandate from BHEL.
- Contact the bidders, provide business rules and train them, as required.
- Get the process compliance form (annexure III) signed by all the participating bidders before RA event.
- Conduct the event as per the contract and business rules.
- Submit the Login Reports, Results, History sheet and authorized final bid from the bidders.
- To obtain price breakup from successful bidder and submit the same to BHEL.

## 8.0 Start price for RA shall be lowest of sealed envelope price bid.

Note: Wherever more than one lowest sealed envelope price bids are identical, RA committee shall declare the start price by reducing the lowest sealed envelope price bid by maximum of one decrement.

## Guidelines for Reverse Auction – 2021

Doc. No. AA:SSP:RA:05

Dated: 08.03.2021

amdt01 dated 10.03.2021

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### 9.0 Witnessing Auction

Access to witness the RA shall be available to the concerned officials of BHEL (Indenter/ Finance Officials/ Purchase Officials), nominated by Head MM/ Purchase/ Contracts.

### 10.0 Reverse Auction Process

10.1 Reverse Auction will be conducted if two or more bidders are techno-commercially qualified. In case of two or three qualified bidders, there shall be no elimination of H1 bidder (whose quote is highest in sealed envelope price bid). In case of four qualified bidders, the H1 bidder shall be eliminated whereas in case of five qualified bidders, H1 & H2 bidders shall be eliminated. However, in case of six or more qualified bidders are available, RA would be conducted amongst first 50% of the bidders arranged in the order of prices from lowest to highest. Number of bidders eligible for participating in RA would be rounded off to next higher integer value if number of qualified bidders is odd (e.g. if 7 bids are qualified, then RA will be conducted amongst lowest four bidders). However, there will be no elimination of qualified bidders who are MSE or qualifying under PPP-MII, Order 2017, irrespective of the number of bidders qualifying techno-commercially.

In case of multiple H1 bidders, all H1 bidders (excluding MSEs and bidders qualifying under PPP-MII, Order 2017) shall be removed provided minimum two bidders remain in fray, else no H1 removal.

10.2 The lowest bidder in sealed envelope price bid shall be shown as current L1 automatically by the system. System shall have the provision to indicate this bid as current L1 for further bidding. This price can be displaced by an even lower bid of a competing bidder.

If the start price is lower than the lowest sealed envelope price bid (in line with clause 8.0), on acceptance of such start price by any bidder this bid would be indicated as current L1 for further bidding. However, if no bidder accepts the start price, RA shall be treated as cancelled for the respective line item(s) and the tender shall be processed accordingly.

In case of no further bidding, RA will be deemed to have been successful with current L1 bidder. During RA, all bidders will see their rank and current L1 price on the screen. Once the RA is done, the ranking status would be based on the last quoted price of the bidder(s) irrespective of the quote received in RA or sealed envelope price bid.

## Guidelines for Reverse Auction – 2021

Doc. No. AA:SSP:RA:05  
Dated: 08.03.2021

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- 10.3 No bidder shall be allowed to lower its bid below the current L1 by more than 5 decrements at one go.

### 11.0 Processing of case after RA

- 11.1 Wherever the evaluation is done on total cost basis, after Reverse Auction, prices of individual line items shall be reduced on pro-rata basis.
- 11.2 In case of splitting requirement, bidders who were removed from participation in RA may also be considered for counter offer if the pre-stated (NIT) numbers of suppliers do not accept the counter offer. However, principle of splitting to N-1 bidder shall be maintained in line with extant Purchase Policy/ Work Policy.
- 11.3 Reasonability of rates received through RA to be ascertained as per extant Policy provisions.

### 12.0 Payment to the Service Provider

Payment shall be made as per the agreed terms of the Framework Agreement with the service provider based on the mandate issued and service provider's invoice certified by the respective MM. If the RA event is conducted as per the mandate given by BHEL and agreed procedure, payment shall be made to the service provider irrespective of the auction outcome.

### 13.0 Others

- 13.1 If RA is being conducted for multiple line items and L1 is to be decided for individual items, number of items in single screen be restricted to 10 (ten) to avoid scrolling by the bidders.
- 13.2 In case of enquiry through e-Procurement, the sealed electronic price bid (e-bid) is to be treated as sealed envelope price bid.
- 13.3 BHEL will inform bidders the details of service provider who will provide business rules, all necessary training and assistance before commencement of online bidding.
- 13.4 Bidders will be advised to read the 'Business Rules' indicating details of RA event carefully, before reverse auction event.
- 13.5 Model annexures are enclosed. However, to suit specific requirement of the Units changes in the annexures may be done with the approval of respective MM Head of Unit. Such changes shall specifically be communicated to the service provider before the RA event.

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# Guidelines for Reverse Auction – 2021

Doc. No. AA:SSP:RA:05

Dated: 08.03.2021

## Business Rules for Reverse Auction

### Annexure – I

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This has reference to tender no **{tender number....date...}**. BHEL shall finalise the Rates for the supply of *{item name}* through Reverse Auction mode. BHEL has made arrangement with M/s. *{Service provider}*, who shall be BHEL's authorized service provider for the same. Bidders should go through the instructions given below and submit acceptance of the same.

The technical & commercial terms are as per (a) BHEL Tender Enq. No. {...} dated {...}, (b) Bidders' technical & commercial bid (in case of two part bid) and (c) subsequent correspondences between BHEL and the bidders, if any.

#### 1. Procedure of Reverse Auctioning

- i. Price bids of all techno-commercially qualified bidders shall be opened.
- ii. **Reverse Auction:** The 'bid decrement' will be decided by BHEL.
- iii. The lowest bidder in sealed envelope price bid shall be shown as current L1 automatically by the system and no acceptance of that price is required. System shall have the provision to indicate this bid as current L1.
- iv. Bidders by offering a minimum bid decrement or the multiples thereof can displace a standing lowest bid and become "L1" and this continues as an iterative process. However, no bidder shall be allowed to lower its bid below the current L1 by more than 5 decrements at one go.
- v. After the completion of the reverse auction, the Closing Price shall be available for further processing.
- vi. Wherever the evaluation is done on total cost basis, after Reverse Auction, prices of individual line items shall be reduced on pro-rata basis.

**2. Schedule for reverse auction:** The Reverse Auction is tentatively scheduled on *{date}*: *{start time}*: *{Close Time}*: *}*.

**3. Auction extension time:** If a bidder places a bid in the last {...} minutes of closing of the Reverse Auction and if that bid gets accepted, then the auction's duration shall get extended automatically for another {...} minutes,

# Guidelines for Reverse Auction – 2021

Doc. No. AA:SSP:RA:05

Dated: 08.03.2021

## Business Rules for Reverse Auction

### Annexure – I

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for the entire auction (i.e. for all the items in the auction), from the time that bid comes in. Please note that the auto-extension will take place only if a bid comes in those last {...} minutes and if that bid gets accepted as the lowest bid. If the bid does not get accepted as the lowest bid, the auto-extension will not take place even if that bid might have come in the last {...} minutes. In case, there is no bid in the last {...} minutes of closing of Reverse Auction, the auction shall get closed automatically without any extension. However, bidders are advised not to wait till the last minute or last few seconds to enter their bid during the auto-extension period to avoid complications related with internet connectivity, network problems, system crash down, power failure, etc.

The above process will continue till completion of Reverse Auction.

Complaints/ Grievances, if any, regarding denial of service or any related issue should be given in writing thru e-mail/ fax to M/s. {Service provider} with a copy to BHEL within 15 minutes prior to initial closing time of Reverse Auction.

4. **Bid price:** The Bidder has to quote the {...} Price inclusive of Packing & Forwarding charges, all the routine & type tests as per tender scope, taxes, duties, freight and insurance as specified in tender document, including loading (if indicated by BHEL due to deviations in technical/ commercial terms) for the Items specified. Details are as shown in Excel Sheet for calculation of total cost to BHEL (To be specified by Unit as per NIT conditions).
5. **Bidding currency and unit of measurement:** Bidding will be conducted in *Indian Rupees per Unit* of the material as per the specifications {...}

In case of foreign currency bids, exchange rate (TT selling rate of State Bank of India) as on scheduled date of tender opening (Part-I bid) shall be considered for conversion in Indian Rupees. If the relevant day happens to be a Bank holiday, then the forex rate as on the previous bank (SBI) working day shall be taken.

6. **Validity of bids:** Price shall be valid for {... days} from the date of reverse auction. These shall not be subjected to any change whatsoever.

# Guidelines for Reverse Auction – 2021

Doc. No. AA:SSP:RA:05  
Dated: 08.03.2021

## Business Rules for Reverse Auction

### Annexure – I

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7. **Lowest bid of a bidder:** In case the bidder submits more than one bid, the lowest bid at the end of Reverse Auction will be considered as the bidder's final offer to execute the work.
  8. Unique user IDs shall be used by bidders during bidding process. All bids made from the Login ID given to the bidders will be deemed to have been made by the bidders/ bidders' company.
  9. **Post auction procedure:** BHEL will proceed with the Lowest Bid in the Reverse Auction for further processing.
  10. Any commercial/ technical loading shall be separately intimated to respective bidders prior to RA. The excel sheet provided in this regard shall cover all these aspects. Commercial/ technical loading if any, shall be added by the respective bidder in its price during Reverse Auction. Modalities of loading & de-loading shall be separately intimated to the bidders. The responsibility for correctness of total cost to BHEL shall lie with the bidders.
  11. Reverse auction shall be conducted by BHEL (through M/s {Service Provider}), on pre-specified date, while the bidders shall be quoting from their own offices/ place of their choice. Internet connectivity shall have to be ensured by bidders themselves.

During the RA process if a bidder is not able to bid and requests for extension of time by FAX/ email/ phone then time extension of additional 15 minutes will be given by the service provider provided such requests come before 5 minutes of auction closing time. However, only one such request per bidder can be entertained.

In order to ward-off contingent situation of connectivity failure bidders are requested to make all the necessary arrangements/ alternatives whatever required so that they are able to circumvent such situation and still be able to participate in the reverse auction successfully. Failure of power or loss of connectivity at the premises of bidders during the Reverse auction cannot be the cause for not participating in the reverse auction. On account of this, the time for the auction cannot be extended and neither BHEL nor M/s. {Service provider} is responsible for such eventualities.

# Guidelines for Reverse Auction – 2021

Doc. No. AA:SSP:RA:05

Dated: 08.03.2021

## Business Rules for Reverse Auction

### Annexure – I

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- 12.** Proxy bids: Proxy bidding feature is a pro-bidder feature to safe guard the bidder's interest of any internet failure or to avoid last minute rush. The proxy feature allows bidders to place an automated bid in the system directly in an auction and bid without having to enter a new amount each time a competing bidder submits a new offer. The bid amount that a bidder enters is the minimum that the bidder is willing to offer. Here the software bids on behalf of the bidder. This obviates the need for the bidder participating in the bidding process until the proxy bid amount is decrementally reached by other bidders. When proxy bid amount is reached, the bidder (who has submitted the proxy bid) has an option to start participating in the bidding process.

The proxy amount is the minimum amount that the bidder is willing to offer. During the course of bidding, the bidder cannot delete or change the amount of a proxy bid.

Bids are submitted in decrements (decreasing bid amounts). The application automates proxy bidding by processing proxy bids automatically, according to the decrement that the auction originator originally established when creating the auction, submitting offers to the next bid decrement each time a competing bidder bids, regardless of the fact whether the competing bids are submitted as proxy or standard bids. However, it may please be noted that if a manual bid and proxy bid are submitted at the same instant manual bid will be recognized as the L1 at that instant.

In case of more than one proxy bid, the system shall bid till it crosses the threshold value of 'each lowest proxy bid' and thereafter allow the competition to decide the final L1 price.

Proxy bids are fed into the system directly by the respective bidders. As such this information is privy only to the respective bidder(s).

- 13.** Bidders are advised to get fully trained and clear all their doubts such as refreshing of Screen, quantity being auctioned, tender value being auctioned etc from M/s {Service provider}.
- 14.** M/s. {Service provider}, shall arrange to demonstrate/ train the bidder or bidder's nominated person(s), without any cost to bidders. M/s. {Service provider}, shall also explain the bidders, all the business rules related to the

# Guidelines for Reverse Auction – 2021

Doc. No. AA:SSP:RA:05

Dated: 08.03.2021

## Business Rules for Reverse Auction

### Annexure – I

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Reverse Auction. Bidders are required to submit their acceptance to the terms/ conditions/ modalities before participating in the Reverse Auction in the process compliance form as enclosed. Without this, the bidder will not be eligible to participate in the event.

15. Successful bidder shall be required to submit the final prices (L1) in prescribed format (Annexure – VI) for price breakup, quoted during the Reverse Auction, duly signed and stamped as token of acceptance without any new condition (other than those already agreed to before start of auction), after the completion of auction to M/s. {Service provider} besides BHEL within two working days of Auction without fail.
16. Any variation between the final bid value and that in the confirmatory signed price breakup document will be considered as tampering the tender process and will invite action by BHEL as per extant guidelines for suspension of business dealings (as available on [www.bhel.com](http://www.bhel.com)).
17. Bidders' bid will be taken as an offer to execute the work/ supplies the item as per enquiry no. {...} dt. {...}. Bids once made by the bidder, cannot be cancelled/ withdrawn and bidder shall be bound to execute the work as mentioned above at bidder's final bid price. Should bidder back out and not execute the contract as per the rates quoted, BHEL shall take action as per extant guidelines for suspension of business dealings (as available on [www.bhel.com](http://www.bhel.com)).
18. Bidders shall be able to view the following on their screen along with the necessary fields during Reverse Auction:
  - a. Leading (Running Lowest) Bid in the Auction (only total price of package)
  - b. Bid Placed by the bidder
  - c. Start Price
  - d. Decrement value
  - e. Rank of their own bid during bidding as well as at the close of auction.
19. BHEL's decision on award of contract shall be final and binding on all the Bidders.
20. BHEL reserves the right to extend, reschedule or cancel the Reverse Auction process at any time, before ordering, without assigning any reason, with

# Guidelines for Reverse Auction – 2021

Doc. No. AA:SSP:RA:05

Dated: 08.03.2021

## Business Rules for Reverse Auction

### Annexure – I

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intimation to bidders.

21. BHEL shall not have any liability to bidders for any interruption or delay in access to the site irrespective of the cause. In such cases, the decision of BHEL shall be binding on the bidders.
22. Other terms and conditions shall be as per bidder's techno-commercial offers and other correspondences, if any, till date.
23. If there is any clash between this business document and the FAQ available, if any, in the website of M/s. {*Service provider*}, the terms & conditions given in this business document will supersede the information contained in the FAQs. Any changes made by BHEL/ service provider (due to unforeseen contingencies) after the first posting shall be deemed to have been accepted if the bidder continues to access the portal after that time.
24. Bidder shall not divulge either his Bids or any other exclusive details of BHEL to any other party. If the Bidder or any of his representatives are found to be involved in Price manipulation/ cartel formation of any kind, directly or indirectly by communicating with other bidders, action as per extant BHEL guidelines for suspension of business dealings (as available on [www.bhel.com](http://www.bhel.com)), shall be initiated by BHEL.

# Guidelines for Reverse Auction – 2021

Doc. No. AA:SSP:RA:05  
Dated: 08.03.2021

## Mandate to Service Provider

## Annexure – II

**Ref :**

**Date :**

To,

M/s. {Service provider}

Sub: Providing of Services for Reverse Auction.

Ref: No {...} date {...}

Dear Sir,

Please conduct Reverse Auction as per the following details:

- **Scope:** Auction event management with training of BHEL and its bidders.
- Seek process compliance form from all the bidders provided by BHEL before start of RA event. In case of postponement of event to some other date, ensure acknowledgement from each bidder.
- Price: Rs. {.....}/- . No other duties, Taxes, levies etc. except service tax @ {.....}% shall be payable for conducting reverse auction. This price is firm.
- Payment Terms: 100% payment after successful completion of Auction.
- Start Price: L1 as per the CST (Comparative statement) of the envelope sealed bid shall be marked as L1 automatically by the system at the start of the auction, provided the L1 bidder participates in the RA by submitting the process compliance form. In case the Process Compliance form is not submitted by the L1 bidder, still its price has to be mapped as start price of RA for further bidding in RA.

Wherever there are more than one L1 in CST, the start price shall be the L1 price reduced by one decrement and the same shall be accepted by the interested bidder(s) for start of RA process.

- Completion of Auction Process: The auction process shall be deemed to have been successfully completed on receipt and acceptance of final report including hard copy/ email of the final bid with price break up, duly signed by the successful bidder who has participated in the reverse auction. The bill shall be submitted along with the completion report to the undersigned.
- Business Rules of the Reverse Auction are as per Annexure – I.
- The list of bidders with their contact details is given in Annexure – IV. and the details of the item (s) to be Reverse Auctioned are as per Annexure – V.
- Please acknowledge receipt of this letter order and also confirm that final report (duly signed and stamped by M/s. {Service provider}) including hard copy/ email of the final bid with breakup of prices duly signed by the successful bidder (duly endorsed by M/s. {Service provider}) shall be submitted within **four** working days of conclusion of auction.

**Yours sincerely,**

(for and on behalf of BHEL)

# Guidelines for Reverse Auction – 2021

Doc. No. AA:SSP:RA:05  
Dated: 08.03.2021

## Mandate to Service Provider

## Annexure – II

**Note:**

If the event has been conducted as per mandate, you shall be paid irrespective of RA outcome.

<b>Buyer Name</b>	<ul style="list-style-type: none"><li>- Name of BHEL Unit</li><li>- Full postal address</li><li>- Fax:</li><li>- Phone:</li><li>- Email:</li><li>- Contact person name:</li><li>- Phone:</li><li>-</li></ul>
<b>Auction to be conducted by</b>	<ul style="list-style-type: none"><li>- Name of Service provider</li><li>- Full postal address</li><li>- Fax:</li><li>- Phone:</li><li>- Email:</li><li>- Contact person name:</li><li>- Phone:</li><li>-</li></ul>
<b>Date of Auction</b>	<ul style="list-style-type: none"><li>- Date of Auction</li><li>- Reverse auction time:</li><li>- Auction website:</li><li>-</li></ul>
<b>Documents Attached: (To be sent to the bidders)</b>	<ol style="list-style-type: none"><li>1) Business rules for Reverse Auction (<u>Annexure-I</u>)</li><li>2) Process Compliance Form (<u>Annexure-III</u>)</li><li>3) Details of item (s) to be Reverse Auctioned (<u>Annexure-V</u>)</li><li>4) Post RA Price confirmation by bidder (<u>Annexure-VI</u>)</li></ol>

# Guidelines for Reverse Auction – 2021

Doc. No. AA:SSP:RA:05

Dated: 08.03.2021

## Process Compliance Form

### Annexure – III

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**(The bidders are required to print this on their company's letterhead and sign, stamp before RA)**

To

- M/s. {Service provider}
- Postal address}

### **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.{.....} dt. {.....} This letter is to confirm that:

- 1) The undersigned is authorized official/ representative of the company to participate in RA and to sign the related documents.
- 2) We have studied the Reverse Auction guidelines (as available on www.bhel.com), 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.
- 4) We also confirm that, in case we become L1 bidder, we will FAX/ email the price confirmation & break up of our quoted price as per Annexure - VI within **two** working days (of BHEL) after completion of RA event, besides sending the same by registered post/ courier both to M/s. BHEL and M/s. {Service provider.}

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

- **Sign this document and FAX/ email it to M/s {Service provider} at {.....} prior to start of the Event.**

## Guidelines for Reverse Auction – 2021

Doc. No. AA:SSP:RA:05

Dated: 08.03.2021

### List of bidders and their address/ contact person details

#### Annexure – IV

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<b>Sl. No.</b>	<b>Address</b>	<b>Contact Person</b>
1	<ul style="list-style-type: none"><li>- Name of bidder</li><li>- Full postal address</li><li>- Fax:</li><li>- Phone:</li><li>- Email:</li></ul>	<ul style="list-style-type: none"><li>- Contact person name:</li><li>- Phone:</li><li>- Email:</li></ul>
2		
3		
..		
..		

# Guidelines for Reverse Auction – 2021

Doc. No. AA:SSP:RA:05  
Dated: 08.03.2021

## Details of item (s) for Reverse Auction

Annexure – V

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1. *{Details of items including quantity, specification, Enquiry no. & date*

- 1.
- 2.
- ..
- ..
- ..
- ..
- }

# Guidelines for Reverse Auction – 2021

Doc. No. AA:SSP:RA:05

Dated: 08.03.2021

## RA price confirmation and breakup (To be submitted by L1 bidder after completion of RA)

Annexure – VI

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**To**

- M/s. Service provider
- Postal address

CC: M/s BHEL  
{Unit-  
Address-}

Sub: **Final price quoted during Reverse Auction and price breakup**

Dear Sir,

We confirm that we have quoted.

**Rs.{\_\_ in value & in words \_\_\_\_} for item(s) covered under tender enquiry  
No. {...} dt.{...}**

Total price of the items covered under above cited enquiries is inclusive of {Packing & forwarding, GST, E.D., C.S.T., freight and insurance charges up to {.....} District,{.....} State and Type Test Charges etc., (exclusive of service tax), other as per NIT}

as our final landed prices as quoted during the Reverse Auction conducted today {date} which will be valid for a period of {\_\_ in nos. & in words \_\_} days.

The price break-up is as given below.

Total =====  
- Rs. **in value & in words**  
=====

Yours sincerely,

For \_\_\_\_\_

**Name:**  
**Company:**  
**Date:**  
**Seal:**

**ANNEXURE II**  
**1X660 MW SAGARDIGHI EXTN UNIT -V**  
**AUX PRDS**

**Letter head of Company**

Ref.....

Date.....

To,  
Bharat Heavy Electricals Limited  
PEM, PPEI Building, Plot No 25,  
Sector -16A, Noida (U.P)-201301

**Subject: - Land border sharing certificate**

This has reference to tender enquiry number PE/PG/SGI/6915/2021 dtd. 22.03.2022

1. Our offer for "Aux PRDS" as per Technical Specifications No. PE-TS-445-142-N101 for **1X660 MW SAGARDIGHI EXTN UNIT -V** against BHEL Tender No.....

2. Order no. F.No. 6/18/2019-PPD dt. 23.07.2020 issued by Ministry of Finance, Department of Expenditure Public Procurement Division.

I have read the clause regarding restriction on procurement from a bidder of a country which shares a land border with India; I certify that M/s (Company Name \_\_\_\_\_) is not from such a

country,

or,

if from such a country, has been registered with the competent authority. [\(Strike through if not applicable\)](#)

I hereby certify that M/s (Company Name \_\_\_\_\_) fulfil all requirements in this regard

and is eligible to be considered for procurement on GeM.

[where applicable, evidence of valid registration by the competent authority shall be attached]

Thanking You,  
Yours faithfully,

Director/Proprietor/Partner  
M/s \_\_\_\_\_

**1X660 MW SAGARDIGHI EXTN UNIT -V**  
**AUX PRDS**

**Letter head of Company**

Ref.....

Date.....

To,  
Bharat Heavy Electricals Limited  
PEM, PPEI Building, Plot No 25,  
Sector -16A, Noida (U.P)-201301

**Subject: - Certification regarding local content**

Reference: Tender Enquiry No:- PE/PG/SGI/6915/2021 dtd 22.03.2022

Name of Package: AUX PRDS

It is certified that items offered by M/s..... for "Aux PRDS" as per Technical Specifications No. PE-TS-445-142-N101 for **1X660 MW SAGARDIGHI EXTN UNIT -V** has local content of \_\_\_\_%

Further, it is also certified that the local content % certified above is in line with definition of local content given in Public Procurement (Preference to Make in India), Order 2017-revision, having ref no. P45021/2017/-PP (BEII) dtd. 04.06.20 & 16.09.20 and M/s..... qualify as Class\_\_\_\_ supplier.

It is further confirmed that address of the location at which the local value addition is made will be as follows:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Yours very truly

..... (authorized signatory of company)

..... (firm name)

authorized signatory  
of company

## Guidelines for Remote Inspection of PEM BOIs

### 1) OBJECTIVE:

To lay down the procedure for carrying out Remote Inspection of Bought-out Items (BOIs) for PEM suppliers wherever applicable.

### 2) SCOPE:

It will cover suppliers for packages of PEM BOIs for various project requirements.

Invitation is sent to the suppliers for remote inspection on applications like MS Teams, Webex, etc. by BHEL.

### 3) MINIMUM REQUIREMENTS AT SUPPLIER'S WORKS:

- i. Uninterrupted internet services
- ii. Good internet bandwidth (Min 100 Mbps)
- iii. Good resolution camera (2 nos) – one preferably CCTV (static at one place) and one hand hold (moving)
- iv. Smart phone with minimum 8MPi camera front and back both with optical zoom facility suitable for using web applications like Webex, MicroSoft (MS) Teams, etc.
- v. Computer and Scanner with good resolution
- vi. Digital signatures of supplier's Quality Engineer
- vii. Availability of web applications like Webex, MicroSoft (MS) Teams, as required.
- viii. All Test certificates, internal test reports, calibration reports, etc. for the items offered for inspection.
- ix. Availability of the above to be submitted to BHEL two days in advance before inspection.
- x. Dedicated team from supplier side for facilitating inspection requirements.
- xi. For ensuring proper visibility, the suggested Portable lighting sources (torch/ electric LED bulb of minimum 15 W) with no glare is to be ensured at offered job, location for remote inspection/testing. This is to be verified before start of the inspection.
- xii. The GPS location co-ordinates or any method to locate inspection location shall be captured indicating the location of the Vendor-Premises of remote inspection/testing.

### 4) MINIMUM REQUIREMENTS AT BHEL and CUSTOMER LOCATION :

- i. Uninterrupted internet services
- ii. Suitable internet bandwidth
- iii. Digital signatures wherever required.
- iv. Availability of web applications like Webex, MS Teams, etc. as required.
- v. Clearance from customer for conducting remote inspection

### 5) PROCEDURE:

- i. Supplier will raise the inspection call in BHEL - CQIR portal.
- ii. Supplier shall ensure availability of minimum requirements at supplier's works as mentioned above at point 3.

- iii. Before starting the inspection, the supplier shall submit the documents (TCs, internal test reports and calibration certificates as per approved QAP) two days before the date of inspection for review by BHEL and supplier shall coordinate with BHEL and if found satisfactory, inspection shall be considered for remote.
  - iv. Prior to commencement of remote inspection a pre inspection meeting shall be organised by BHEL inspector with supplier to ascertain the readiness for remote inspection.
- 6) During inspection, supplier shall share the location on Google maps for verifying the address of the manufacturer. Location may be captured by BHEL as screenshot.
- i. Inspection shall be on the basis of approved Quality Plans and associated reference documents mentioned.
  - ii. For witnessing inspection, supplier shall bring the mobile video camera near to the surface of the equipment or as per requirement of the inspector for clarity in viewing the test/ equipment which shall be the responsibility of supplier. Supplier shall ensure that proper lighting is available during live video streaming.
  - iii. Before start of the inspection, inspector shall ensure that all instruments shall have valid calibration report. Supplier shall ensure use of digital instruments preferably for inspection to the extent possible.
  - iv. Details of suppliers's dedicated team handling the remote inspection shall also be incorporated in the CQIR.
  - v. All details of inspection/ testing referred documents shall be mentioned in the CQIR. Recording of remote inspection shall be maintained by the BHEL inspector and this recording (unedited) shall be maintained at BHEL system for a minimum period of 3 years or till the warranty period whichever is later.
  - vi. PEM (Engineering) shall accord final technical clearance, in case of any deviation in inspected item noticed during inspection.
  - vii. Inspection shall be conducted by PEM-Q&BE assigned inspector along with PEM-Engg (if required). CQIR shall be prepared and maintained by PEM-Q&BE.
  - viii. PG will issue MDCC on the basis of acceptance of inspected items along with accepted packing photographs as per contract provisions.
- 7) **UNDERTAKING BY VENDOR:** Material inspected through remote inspections is meeting all technical requirements of BHEL. In case of any discrepancy from the above procedure/ material inspected, if found later, vendor will replace the materials without any cost implication to BHEL.
- 8) Vendor shall provide the signed and stamped of the above guidelines to BHEL as a token of acceptance.