



**NOTICE INVITING TENDER FOR ANNUAL RATE CONTRACT FOR THE  
SUPPLY OF HOOP IRON BOX STRAPPINGS**

11-5-2010

BHEL/CERAMIC BUSINESS UNIT (A Govt. of India Enterprises) is desirous of entering in to annual rate contract for the supply of 26 gauge box strapping (Hoop iron) for use in the packing of assembled porcelain Insulators

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

P.B. No 1245, Science Institute Post

Malleswaram

Bangalore- 560012

1. Tender number: MM/10-11 / 20001746 / Hoop iron/11-5-2010

2. Qualifying requirement: Sample submission of 2 metre length box strapping of each category (1/2" and 3/4") with proper identification of the brand offered and subsequent acceptance by BHEL after evaluation.

3. Duration of contract: 1 year from the date of award of purchase order.

4. After submitting tender document, 2 Metre length of free sample to be submitted within 15 days of tender opening.

5. Last date of receipt of Tender: .14.00 hrs on 1-6-2010 at EPD, Bangalore

6. Tender will be opened on : 1-6-2010 at 15.00 hrs at EPD, Bangalore.

7. Scope of supply: Box strappings are to be delivered to BHEL Stores. Unloading by party.

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

DGM/MM  
BHEL-EPD



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The following are general requirements of Hop iron (BOX STRAPPINGS) to be supplied to BHEL / EPD, Bangalore under the rate contract

Sl No	Category/Item	Projected Annual requirement
1	26 gauge 3/4" width hoop iron as per IS 5872	23,000 kg
2	26 gauge 1/2" width hoop iron as per IS 5872	18,000 kg

Quantities indicated above are tentative in nature and shall vary based on actual.

Scope of supply

Purchasing specification for tensional steel strappings:

Ref: EL-MS-015

1. General : This specification governs the quality of cold rolled steel strips (Flat) used as tensional strapping for packing purposes.
2. Compliance with : Material shall generally conform to IS 5872-1990 specification National standards for cold rolled steel strips (Box strapping)
3. Condition of Delivery : Strips shall be finished blue, adequately coated with rust preventive and supplied in coils securely packed in polyethylene lined bitumen impregnated hessian
4. Dimensional tolerances:

4.1 For thickness:	<u>Size in mm</u>	<u>Tolerance(+) in mm</u>
	Over 9.35, below or equal to 0.50	0.030
	Over 0.50, below or equal to 0.80	0.040
	Over 0.80, below or equal to 1.20	0.050
	Over 1.20	0.10

- 4.2 For width Tolerance shall be +/- 0.15 mm

5. Freedom from defects: The material shall be free from harmful defects such as sharp or cracked edges and improper surface finish.

6. Chemical analysis:

- 6.1 Ladle analysis: The ladle analysis of the steel used for the production of strips shall confirm to the following.

<u>Element</u>	<u>% by weight(Max)</u>
Carbon	0.17
Manganese	0.60
Sulphur	0.050
Phosphorous	0.050

- 6.2 Product (Check) analysis: Permissible tolerance for product analysis over the ladle analysis stipulated at 6.1 shall be followed.

<u>Element</u>	<u>% by weight(Max)</u>
Carbon	0.02
Manganese	0.03
Sulphur	0.005
Phosphorous	0.005



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### 7 Mechanical properties

- 7.1 Tensile strength: When tested in accordance with IS 1608-2005t(Method for tensile testing of steel sheet and strip of thickness 0.5 mm to 3 mm), the tensile strength of strips shall confirm to the specification laid therein...

N/mm <sup>2</sup>	685 to 930	290 to 440	440 to 590
(Kg/mm <sup>2</sup> )	(70 to 95)	(30 to 45)	(44 to 60)

### 7.

- 7.2 Hardness: The hardness shall be checked either on the Vicker's scale or on Rockwell "B" scale. The results of such hardness shall confirm to the following

Vickers's number	210 to 290	95 to 140	140 to 180
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Rockwell "B" number:	HRC 93 to HRC 28*	50 to 75	75 to 87
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- \* Hardness f found to be measuring above 98 on Rockwell "B" scale, the same shall be measured as per Rockwell "C" scale and repted in HRC number and not in HRB number.

- 7.3 Bend test: ( This test shall be applicable for those materials whose tensile strength is varying between 290 N/mm<sup>2</sup> to 590 N/mm<sup>2</sup> as well as Vickers number 95 to 180).

- The material shall be tested in accordance with IS 1599-1985 (Method for simple bed testing of steel sheet and strip less than 3 mm thick). The strip sample shall be bent to "Flat" condition as indicated in IS 1599- 1985, i.e. the legs of the test piece shall be brought in to close contact with each other in the bend test. The strip sample when so tested shall not reveal cracks/ fissures on the outer convex surface of the bend.

- 8, Selection of samples: Sampling for various tests/inspections shall be as indicated in table below.

SI No	Type of test/Inspection	Sample plan
1	Dimensional check	5 measurement on each coil
2	Visual defects	Over a continuous length of 1 metre for each coil
3	Chemical analysis	1 sample for each size per consignment.
4	Tensile strength	2 samples(shall be from 2 different coils) for each size per consignment
5	Hardness and bend test	2 samples from each coil for each test

- 9 Certification: Vendor shall furnish the following along with each consignment.

- Original mill certificate for chemical analysis
- Vendor's certificate covering tensile strength, hardness, bend test. results and dimensional checks

10. Rejection: Material not conforming to the above stipulations shall be rejected. Also, in the event of the material proving defective in the course of any further processing, the same shall be rejected notwithstanding, any previous certification of satisfactory testing and / or inspection.



**NOTICE INVITING TENDER FOR ANNUAL RATE CONTRACT FOR THE  
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**FORMAT FOR PRE QUALIFICATION TECHNO COMMERCIAL BID**

TENDER REFERENCE: MM/10-11/ 20001746 /Hoop Iron/11-5-2010

DATE OF ISSUE: 11-5-2010

LAST DATE FOR RECEIPT OF TENDER: 1-6-2010

DATE & TIME OF TENDER OPENING: 1-6-2010 AT 2.30 PM ( Only Techno commercial bid)

DETAILS OF THE VENDOR:

a) NAME AND ADDRESS OF THE TENDERING FIRM, b) TELEPHONE NUMBER

c) E mail ID, d) FAX NUMBER

**REQUIREMENT:** PRE QUALIFICATION TECHNO COMMERCIAL BID SHOULD COVER ALL TECHNICAL QUALIFICATION DETAILS, EXPERIENCE DETAILS, AND CONTRACTUAL TERMS EXCLUDING PRICE AND INCLUDING THE FOLLOWING.

**ESSENTIAL CRITERIA**

SL NO	DESCRIPTION	BHEL REQUIREMENT	SUPPLIER'S OFFER
1	NAME OF THE CONTACT PERSON	TO PROVIDE	
2	E mail ID	TO PROVIDE	
3	MOBILE NUMBER	TO PROVIDE	
4	FAX NUMBER	TO PROVIDE	
5	BOX STRAPPING OF ½” AND ¾” WIDTH AS PER SPECIFICATION IS 5872 - 1990	TO SPECIFY THE BRAND NAME IN CONFIRMITY WITH THE SPECIFICATION	
6	CAPACITY TO SUPPLY	2 MT IN EACH VARIETY IN STAGGERED MANNER	
7	LEAD TIME REQUIRED FOR DELIVERY FROM PO DATE	TO SPECIFY IN NUMBER OF DAYS	
8	MATERIAL TEST CERTIFICATE & ED GATE PASS	TO ACCOMPANY THE SUPPLIES	
9	SALES TAX/VAT	%	
10	EXCISE DUTY/SERVICE TAX	%	
11	ANY OTHER TAXES	%	
12	PRICE	FIRM	
13	PAYMENT TERMS	45 DAYS CREDIT FROM THE DATE OF RECEIPT AT BHEL STORES	
14	DELIVERY TERMS	F.O.R. BHEL EPD STORES	
15	CAPACITY	TO SPECIFY TONS/MONTH	
16	LD CLAUSE	0.5% PER WEEK UP TO A MAXIMUM OF 10% OF THE VALUE FOR DELAYED DELIVERY	
17	RISK PURCHASE CLAUSE	AS PER BHEL NORMS	

**SIGNATURE AND SEAL OF TENDERER**

NOTE: PRE QUALIFICATION TECHNICAL BID WILL BE OPENED ON THE TENDER OPENING DAY IN THE PRESENCE OF TENDERERS WHO REPRESENT AT THE TIME OF TENDER OPENING. YOU HAVE TO PUT IN YOUR PRICES DURING INITIAL SEALED BID AUCTION FOLLOWED BY REVERSE AUCTION.



## **NOTICE INVITING TENDER FOR ANNUAL RATE CONTRACT FOR THE SUPPLY OF HOOP IRON BOX STRAPPINGS**

### **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 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 BOX STRAPPINGS under Annual Rate Contract.

1. Validity: The rates finalised for the rate contract shall be valid for ONE YEAR 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 **including unloading**. The rates shall be inclusive of unloading charges, 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. **Capacity:** Vendor's minimum capacity to supply 4 MT of box strappings per month 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. **Only those vendors having capacity for these categories can quote.**



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4. **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.
6. Quantities of materials ordered from time to time shall be dependent on actual requirement. Delivery dates indicated in the purchase order shall be adhered to.
7. Our purchase order specifies the items and quantities clearly.

L1 will be arrived through Reverse auction on landed cost basis. The price negotiations if considered necessary will be done with L1 bidder only. The load will be distributed among 2 most competitive vendors in the ratio of 60:40. The eligible vendors will be asked to match negotiated L1 price.. However the load sharing is subject to acceptance of counter offer that is calculated with reference to the L1 price arrived through Reverse auction and linked with the vendor performance and capacity. In case of more than one vendor having same ranking, the load share corresponding to the ranking and the next ones will be clubbed together and will be equally distributed among such vendors. H1 will not be considered for distribution of order unless there is any capacity constraint with other eligible vendors or to avoid single source dependence. In case, any eligible vendor does not accept the counter offer, opportunity will be given to the next ranking vendor.

Order will be distributed in following ratio.

If two vendors (including L1 vendor) are accepting L-1 rate, order will be distributed in the ratio of 60:40.

If no other vendor is accepting L-1 rate, total 100% order will be given to L-1 Vendor only.

8. The purchase orders will be placed against rate contract depending on Vendor's position in the 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.



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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 IS specification No 5872/1990 is adopted for quality requirement.

### **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.**
  - d. 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. Scrap belonging to vendors to be 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.

**15. 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.

### **16. Price & Load Share:**

The rates quoted for the supply of Hoop iron will be FIRM and having validity of one year from the date of rate contract.



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### **17.0 Load sharing**

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.

18. **Payment Terms:** 45 days credit after receipt of material at BHEL stores (for accepted quantity) along with relevant documents.

19. **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.

20. In case of unsatisfactory performance of quality / delivery, BHEL will have right to discontinue the contract in part or full.

### **21. 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.

Lending nterest of SBI+ 2.0 % 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 19 and no deviation shall be allowed.**

22. Acknowledgement of BHEL Stores shall be the only legal document towards receipt of material

23. 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





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**24. 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

**25. LD Clause:** In case of delayed delivery, LD @ 0.5% per week up to a maximum of 10% will be levied on the defaulting quantity for the delayed period as per the corresponding PO.

**26. Legal Jurisdiction:** In case of any legal proceedings, area of jurisdiction will be Bangalore in case of EPD.

27. 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.

28/. The tender not meeting the above conditions may not be entertained.



## **NOTICE INVITING TENDER FOR ANNUAL RATE CONTRACT FOR THE SUPPLY OF HOOP IRON BOX STRAPPINGS**

### **GENERAL TERMS AND CONDITIONS OF REVERSE AUCTION**

Against this Enquiry for the subject item/system with detailed scope of supply as per our specification, BHEL-EPD may resort to "REVERSE AUCTION PROCEDURE" i.e. **ON LINE BIDDING on INTERNET.**

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 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. Vendors have to fax the compliance form in the prescribed (provided by service provider) form 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 packing & forwarding charges, Taxes and duties, Freight charges, Insurance, Service tax for services and loading factors (for non-compliance to BHEL standard Commercial terms and 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 schedule 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 action without fail.
10. Any variation between the on-line bid value and 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.
11. Only those vendors, who participate in the Online Initial Sealed Bid, will be eligible to participate in the subsequent Online English Reverse Auction.



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### **Business Rule for finalisation of the procurement .**

BHEL shall finalise the procurement of the item against this Tender through reverse auction mode. BHEL has made arrangement with service providers, who shall be BHEL's authorized service provider for the same. Please go through the guidelines given below and submit your acceptance to the same along with your Commercial Bid.

1. Computerized reverse auction shall be conducted by BHEL, on pre-specified date, while the vendors shall be quoting from their own offices/ place of their choice. Internet connectivity shall have to be ensured by vendors themselves. In extreme case of failure of Internet connectivity, (due to any reason whatsoever may be) it is the bidders responsibility / decision to send fax communication immediately to the service provider. Furnishing the price the bidder wants to bid online with a request to the service provider to upload the faxed price on line so that the service provider will up load that price on line on behalf of the Bidder. It shall be noted clearly that the concerned bidder communicating this price to service provider has to solely ensure that the fax message is received by the service provider in a readable / legible form and also the Bidder should simultaneously check up with service provider about the clear receipt of the price faxed. It shall also be clearly understood that the bidder shall be at liberty to send such fax communications of prices to be up loaded by the service provider only within the closure of Bid time and under no circumstance it shall be allowed beyond the closure of Bid time / reverse auction. It shall also be noted that the service provider should be given a reasonable required time by the bidders, to upload such prices online and if such required time is not available at the disposal of the Service provider at the time of receipt of the fax message from the bidders, the service provider will not be uploading the prices and either BHEL or the service provider are not responsible for this unforeseen circumstances. In order to ward-off such contingent situation 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 at the premises of vendors 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 the service provider is responsible for such eventualities.
2. The service provider shall arrange to train your nominated person (s), without any cost to you. They shall also explain you, all the Rules related to the Reverse Auction / Business Rules Document to be adopted



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along with bid manual. You are required to give your compliance on it before start of bid process.

3. **MATERIAL FOR BID:** As per the specifications and scope of supply finalized with you against Enq No. MM/10-11 / 20001746 / Hoop iron/11-5-2010 by BHEL.
4. **Starting Bid/Bid Decrement:** The opening price shall be the lowest price of online sealed bids and the bid decrement shall be available to the bidders before 05 minutes of the start of the auction and same shall be displayed on the site.
5. **BIDDING CURRENCY AND UNIT OF MEASUREMENT:** Bidding will be conducted in **Indian Rupees (INR)** of the item. The price bid placed during the "Sealed Bid Auction" as well as "Reverse Auction" shall be the total price for "1 NO".
6. **BID PRICE:** The Bidder has to quote the Total cost to BHEL for the items specified. Calculation (Excel) sheet to arrive at the Total cost to BHEL will be provided by BHEL.
7. The technical & commercial terms are as per BHEL Tender No: MM/10-11 / 20001746 / Hoop iron/11-5-2010 commercial bid and subsequent correspondences between BHEL and the vendors regarding commercial terms & conditions.
8. **VALIDITY OF BIDS:** The Bid price shall be firm for a period of 60 days (or as specified in Process compliance form) and shall not be subjected to any change whatsoever.
9. At the end of the reverse auction, bidder has to provide a detail break up for his lowest offer.
10. **Procedure of Reverse Auctioning**
  - i. **Sealed bid Reverse Auction:** The opening bid (In the initial auction) of the bidders shall place a bid which shall be same as that quoted in their Final Sealed price submitted to BHEL or less. The bidders shall confirm in writing to BHEL that their opening bid shall be same as that quoted in their final sealed price bid submitted against Enq No. MM/10-11 / 20001746 / Hoop iron/11-5-2010.
  - ii. **English Reverse (no ties) {Reverse Auction}:** BHEL will declare its **Opening Price (OP)**, which shall be visible to the all vendors during the start of the reverse Auction.



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You will be required to start bidding after announcement of Opening Price and decrement amount. Also, please note that the start price of an item in the online reverse auction is open to all the online reverse auction, from the start price itself. If the start price is your own Online Initial Sealed Bid price, you still need to bid in the online reverse auction. Moreover, please note that the first online bid that comes in the system during the online reverse auction can be equal to the auction's start price, Or lesser than the auction's start price by one decrement, Or lesser than the auction's start price by multiples of decrement. The second online bid and onwards will have to be lesser than the L1 rate by one decrement value, Or lesser than the L rate by multiples of the decrement value.

- iii. Online Initial Sealed Bid auction will be for **30 minutes** and Online English Reverse (no ties) shall be for a **period of one hour**. If a bidder places a Bid in the last 10 minutes of Closing of the Auction and If that bid gets accepted, then the auction's duration shall get extended automatically for another 10 minutes 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 10 minutes and if that bid gets accepted. If the bid does not get accepted, the auto-extension will not take place even if that bid might have come in the last 10 minutes. In case, there is no Bid in the last 10 minutes of closing of Reverse Auction, the Auction shall get closed automatically without any extension. However, Vendors 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.
- iv. The bid decrement amount shall be specified by BHEL before start of bidding.
- v. Any commercial loading shall be intimated to bidders in advance and it shall be added to price during dynamic auction process. For evaluation purpose, commercial loading if any, shall be added to the quoted price of respective bidder. However for ordering only the final bid placed by you shall be considered.



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- vi. After the completion of English Reverse (no ties), the **Closing Price (CP)** shall be available. In case, any commercial loading was made to L1 bidder's price, it shall be de-loaded from the closing price of L1 bidder (**CP**) for further processing.
11. Successful vendor shall be required to submit the final prices, quoted during the English Reverse (no ties) exactly in Excel format issued by BHEL/Service provider after the completion of Auction to BHEL, duly signed and stamped as token of acceptance without any new condition other than those already agreed to before start of auction.
12. During English Reverse (no ties), if no bid is received within the specified time, BHEL, at its discretion, may decide to revise Opening price / scrap the reverse auction process / proceed with conventional mode of tendering.
13. Your bid will be taken as an offer to supply. Bids once made by you, cannot be cancelled / withdrawn and you shall be bound to supply as mentioned above at your final bid price. **Should you back out and not supply as per the rates quoted, BHEL shall take action as appropriate.**
14. You shall be assigned a **Unique User Name & Password** by the service provider. You are advised to change the Password and edit the information in the Registration Page after the receipt of initial Password from BHEL / service provider, to ensure confidentiality. All bids made from the Login ID given to you will be deemed to have been made by your company.
15. You will be able to view the following on your screen along with the necessary fields in the English Reverse (no ties) {Reverse Auction}:  
a. Leading Bid in the Auction (only total price)  
b. Bid Placed by you  
c. Opening Price.
16. At the end of the Reverse Auction, BHEL will decide upon the winner. BHEL's decision on award of Contract shall be final and binding on all the Bidders.
17. BHEL shall be at liberty to cancel the reverse auction process / tender at any time, before ordering, without assigning any reason.



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18. BHEL shall not have any liability to bidders for any interruption or delay in access to the site irrespective of the cause.
19. Other terms and conditions shall be as per your techno-commercial offers and other correspondences till date.
20. You are required to submit your acceptance to the terms/ conditions/ modality given above before participating in the reverse auction.

**Terms & Conditions of Reverse Auction**

1. **LOG IN NAME & PASSWORD:** Each Bidder is assigned a Unique User Name & Password by the 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 the 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 execute the work. Bids once made by the bidder cannot be cancelled. The bidder is bound to execute the work as mentioned above at the price that they bid. Should any bidder back out and not make the supplies at per the rates quoted, BHEL and / or the service provider shall take action as appropriate.
3. **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 execute the work
4. **AUCTION TYPE:** 1). Sealed bid Reverse Auction  
2). English Reverse No Ties
5. **DURATION OF AUCTION:** The duration of Auction will be for one hour. If a bidder places a bid in the **last 10 minutes** of closing of the Reverse Auction and if that bid gets accepted, then the auction's duration shall get extended automatically for another 10 minutes, 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 10 minutes and if that bid gets accepted. If the bid does not get accepted, the auto-extension will not take place even if that bid might have come in the last 10 minutes. In case, there is no bid in the last 10 minutes of closing of Reverse Auction, the auction shall get closed automatically without any extension. However, vendors are advised not to wait till the last minute or last few seconds to enter their



## **NOTICE INVITING TENDER FOR ANNUAL RATE CONTRACT FOR THE SUPPLY OF HOOP IRON BOX STRAPPINGS**

bid during the auto-extension period to avoid complications related with internet connectivity, network problems, system crash down, power failure, etc. (THIS SCHEDULE IS TENTATIVE. IF ANY CHANGE IN SCHEDULE, THE SAME SHALL BE COMMUNICATED TO YOU)

6. **BID DECREMENT:** The minimum Bid decrement shall be available to the Bidders at the start of the auction. The bidder can view the same by clicking on the Item details at the start of the auction. The bidder can bid lower than the Lowest Bid in the auction by a decrement, multiple of the minimum Bid decrement or at least of minimum bid decrement plus multiple of Bid Decrement. Also, please note that the start price of an item in the online reverse auction is open to all the participating bidders. Any bidder can start bidding, in the online reverse auction, from the start price itself. If the start price is your own Online Initial Sealed Bid price, you still need to bid in the online reverse auction. Moreover, please note that the first online bid that comes in the system during the online reverse auction can be equal to the auction's start price, or lesser than the auction's start price by one decrement, or lesser than the auction's start price by multiples of decrement. The second online bid and onwards will have to be lesser than the L1 rate by one decrement value, or lesser than the L1 rate by multiples of the decrement value.
7. **VISIBILITY TO BIDDER:** The Bidder shall be able to view the following on his screen along with the necessary fields during English Reverse – NO ties Auction:
  - Leading Bid in the Auction
  - Bid Placed by him
8. **AUCTION WINNER:** At the end of the Reverse Auction, BHEL will evaluate all the bids submitted and will decide upon the winner.
9. **PROXY BIDS:** Proxy bidding feature is a pro-supplier feature to safeguard the supplier's interest of any Internet failure or to avoid last minute rush. The Proxy feature allows Bidders to place an automated bid against other Bidders in an auction and bid without having to enter a new amount each time a competing Bidder submits a new offer.