

**CORRIGENDUM-02**

**ISSUE DATE: 25.02.2017**

**TENDER NO: BHE/RU/FES/2016-17/23 Dt- 02.02.2017**

This is to inform that the following changes in the tender enquiry has been made:

1. Page no 66 and 67 of Book 1 has been revised (Copy enclosed) for Reverse Auction procedure.
2. The due date of submission of the offers shall be till 03.03.2017.

(Signature of bidder with seal)

**VOLUME-IA PART – II**  
**CHAPTER - 1**  
**REVERSE AUCTION PROCEDURE**

**GENERAL TERMS AND CONDITIONS OF REVERSE AUCTION**

- A. BHEL reserves the right to go for Reverse Auction (RA) instead of opening the sealed envelope price bid, submitted by the bidder. This will be decided after techno-commercial evaluation. All bidders to give their acceptance for participation in RA. Non-acceptance to participate in RA may result in non-consideration of their bids, in case BHEL decides to go for RA.

Those bidders who have given their acceptance to participate in reverse auction will have to necessarily submit 'Process compliance form'(to the designated service provider)as well as 'online sealed bid' in the reverse auction. Non submission of the 'Process compliance form' or 'online sealed bid' by the agreed bidder(s) will be considered as tampering of the tender process and will invite action by BHEL as per the extant guidelines for suspension of the business dealings with the suppliers/contractors (as available on [www.bhel.com](http://www.bhel.com)).

The bidders have to necessarily submit online sealed bid less than or equal to their envelope sealed price bid already submitted to BHEL along with the offer. The envelope sealed price bid of successful L-1 bidder in RA, if conducted, shall also be opened after RA and the order will be placed on the lower of the two bids (RA closing price & envelope sealed price) thus obtained. The bidder having submitted this offer specifically agrees to this condition and undertakes to execute the contract on thus awarded rates.

If it is found that the L-1 bidder has quoted higher in online sealed bid in comparison to envelope sealed bid for any item(s), the bidder will be issued a warning letter to this effect. However, if the same bidder again defaults on this count in any subsequent tender in the unit, it will be considered as fraud and will invite action by BHEL as per extant guidelines for suspension of business dealings with suppliers/contractors (as available on [www.bhel.com](http://www.bhel.com))

1. For the proposed reverse auction, technically and commercially acceptable bidders only shall be eligible to participate.
2. Those bidders who have given their acceptance for Reverse Auction (quoted against this tender enquiry) will have to necessarily submit 'online sealed bid' in the Reverse Auction. Non-submission of 'online sealed bid' by the bidder for any of the eligible items for which techno-commercially qualified, will be considered as tampering of the tender process and will invite action by BHEL as per extant guidelines in vogue.
3. 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.

4. BHEL will inform the vendor in writing in case reverse auction, the details of service provider to enable them to contact and get trained.
5. Business rules like event date, time, start price, bid decrement, extensions, etc. also will be communicated through service provider for compliance.
6. Vendors have to fax the compliance form in the prescribed (provided by service provider) before start of Reverse auction. Without this the vendor will not be eligible to participate in the event.
7. BHEL will provide the calculation sheet (e.g.: EXCEL sheet) which will help to arrive at "Total Cost to BHEL".
8. Reverse auction will be conducted on schedule date & time.
9. At the end of reverse auction event, the lowest bidder value will be known on the network.
10. 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.
11. In case BHEL decides not to go for Reverse Auction procedure for this tender enquiry, the Price bids and price impacts, if any, already submitted and available with BHEL shall be opened as per BHEL"s standard practice.
12. Bidders shall be required to read the "Terms and Conditions" section of the auctions site of Service provider, using the Login IDs and passwords given to them by the service provider before reverse auction event. Bidders should acquaint themselves of the „Business Rules of Reverse Auction“, which will be communicated before the Reverse Auction.
13. 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*, shall be initiated by BHEL and the results of the RA scrapped/ aborted.
14. The Bidder shall not divulge either his Bids or any other exclusive details of BHEL to any other party.
15. In case BHEL decides to go for reverse auction, the H1 bidder (whose quote is highest in online sealed bid) may not be allowed to participate in further RA process.