

**OIL INDIA LIMITED**

(A Govt. of India Enterprise)

P.O. Duliagan-786602, Assam.

Fax No. 91-374-2800533, E-mail:material@oilindia.in**Tender No. & Date : DFS6633P10/01 22.01.2010**

Tender Fee : INR 4,500.00 OR USD 100.00  
 Bid Security Amount : INR 200,000.00 OR USD 4,300.00  
 (or equivalent Amount in any currency)

**Bidding Type : Single Bid (Composite Bid)**

Bid Closing On : 07.04.2010 at 13:00 hrs. (IST)

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Performance Guarantee : Applicable

OIL INDIA LIMITED invites Global tenders for items detailed below:

Item No./ Mat. Code	Material Description	Quantity	UOM
<b>10</b> 09018376	SEAMLESS STEEL LINE PIPE Steel line pipe, seamless, extra strong, nom. size50 mm (2"), O.D. 60.3mm (2.3/8"), wall thickness 5.54 mm (0.218"), weight 7.48 kg/m (5.02 lbs/ft), API 5L Grade B, Bevel Ends, in double random length (minimum acceptable length of pipes is 9/10 metres). Mill test pressure (Hydraulic) 172 kg/cm.sq. (2500PSI)	15000	M

- Standard Notes:**
- The offer should be valid for at least 3 (three) months from the Bid Closing date.
  - General terms and conditions of Global tender (document MM/GLOBAL/01/2005) is enclosed. Special attention to Bidders are drawn to the Section E of above document.
  - Clause No. 9.8.2 (under Exemption of Bid Security) of Section A of the General Terms & Conditions for Global Tender (Refer Document No. MM/GLOBAL/01/2005) stands deleted.
  - Indigenous Bidder must indicate handling charge to the nearest rail head. If any Indigenous Bidder does not indicate the handling charge to the nearest rail head, their offer will be liable for rejection.
  - The item qualifies for Nil duty / Deemed Export benefits. For Deemed Export benefits, please refer Addendum to the General terms and conditions for Global tender.
  - Performance Security is applicable against this tender. Please refer clause 10.0 of Section A of General Terms and conditions for Global Tender (MM/GLOBAL/01/2005)
  - To ascertain the substantial responsiveness of the bid OIL reserves the right to ask the bidder for clarification in respect of clauses covered under BRC also and such clarifications fulfilling the BRC clauses in toto must be received on or before the deadline given by the company, failing which the offer will be summarily rejected.

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**Special Notes : 1.0 Amendment to General Terms and Conditions for Global Tender (MM/GLOBAL/01/2005)**

**SECTION - A**

A. Please add following clause as para 7.1.8 of Section A of General terms and Condition for Global Tender (MM/GLOBAL/01/2005).

7.1.8 Bidder should submit copies of original documents defining the constitution or legal status, place of registration, and principal place of business; written power of the signatory of the Bid to commit the Bidder.

B. Clause 10.3 of Section A of General Terms and Condition of Global Tender (MM/GLOBAL/01/2005) has been amended as under :

The Performance Security shall be denominated in the currency of the contract or in the equivalent US Dollars converted at the B.C. Selling rate of State Bank of India on the order date shall be in the form of a Bank Guarantee or irrevocable Letter of Credit from:

- a) Any Scheduled Indian Bank or
- b) Any Indian branch of a foreign Bank or
- c) Any reputed foreign Bank having correspondent bank in India and the Bank Guarantee shall be encashable in India.

C. Please add following clause as para 13.3 of Section A of General terms and Condition for Global Tender (MM/GLOBAL/01/2005).

13.3 In the event of receipt of only a single offer against the tender within B.C. date, OIL reserves the right to extend the B.C. date as deemed fit by the company. During the extended period, the bidders who have already submitted the bids on or before the original B.C. date, shall not be permitted to revise their quotation.

D. Please add following clause as para 34.0 of Section A of General terms and Condition for Global Tender (MM/GLOBAL/01/2005).

**34.0 SET-OFF:**

34.1 Any sum of money due and payable to the contractor (including Security Deposit refundable to them) under this or any other contract may be appropriated by Oil India Limited and set-off against any claim of Oil India Limited (or such other person or persons contracting through Oil India Limited) for payment of a sum of money arising out of this contract or under any other contract made by the contractor with Oil India Limited (or such other person or persons contracting through Oil India Limited).

**SECTION - 'D'**

Please add following clauses as para 4.1 of Section D of General terms and Condition for Global Tender (MM/ GLOBAL/01/2005).

4.1 OIL reserves the right to allow Small Scale Sectors registered with NSIC purchase preference facility as admissible as per existing Government Policy. The bidders are requested to check the latest position on the subject on their own and OIL does not accept any liability whatsoever, on this account.

**SECTION - 'E'**

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A. Please add following clauses in para 7.0 of Section E (BID REJECTION CRITERIA) of General terms and Condition for Global Tender (MM/GLOBAL/01/2005).

(vi) Manufacturer's Experience:- In case the bidder is a Manufacturer of the offered item, he should satisfy the following along with documentary evidence i.e. copies of purchase order, B/L, invoice, etc., which should be enclosed along with the techno-commercial bid:

(a) Minimum 5 (five) years of experience of manufacturing similar material (Same or higher outer diameter, with same or high wall thickness irrespective of grade of the material). For this purpose the period reckoned shall be the period prior to the date of opening of the techno-commercial bid.

(b) Should have manufactured / supplied similar material (same or higher outer diameter with same or higher wall thickness irrespective of grade of the material) at least 50% of tendered quantity to various companies/ Oil and Gas specific companies during the last 5 (five) Years. However, domestic manufacturers that have satisfactorily executed development orders placed by OIL for similar items (same or higher outer diameter with same or higher wall thickness irrespective of grade of the material) and are established sources for supply would be considered acceptable.

(c) In case the bidder is not a manufacturer, then the bidder is required to obtain documentary evidence in respect of the above (a) & (b) from the Manufacturer whose product has been offered and submit the same along with the techno-commercial bid.

## **2.0 GENERAL NOTES FOR LINE PIPES ( SEAMLESS)**

### **1.0 SPECIFICATION :**

1.1 Line pipes ( **Seamless**) must be manufactured as per API Spec. 5L, latest edition and must bear API monogram. A valid API Spec 5L certificate from the manufacturer shall be submitted along with the offer.

1.2 The pipes shall be brand new, unused, and of prime quality.

1.3 Coupling : Couplings shall be as specified in API Spec. 5L (not applicable for bevel end pipe ).

1.4 Coating : Coating shall be done as per API Spec. 5L and adequately oiled to withstand sea voyage / road transit.

1.5 Pipe ends : Ends must be prepared as per relevant API specifications. Suitable end protectors as specified shall be used to protect the ends.

1.6 The offer must contain detailed description of the materials. Insufficient description will lead to rejection of the offer.

### **2.0 MILL INSPECTION/CERTIFICATION :**

All line pipes shall be manufactured, tested and certified in accordance with the relevant API Spec. 5L, latest edition.

### **3.0 PHYSICAL/CHEMICAL TESTS :**

The following tests shall be carried out on each heat of steel from which the pipes are manufactured as per API spec.5L and test results thereof shall be submitted to OIL.

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- i) Chemical Analysis
- ii) Heat Analysis
- iii) Product Analysis
- iv) Recheck Analysis
- v) Mill-Control Check Analysis
- vi) Tensile tests
- vii) Yield strength tests
- viii) Mill control tensile tests
- ix) Flattening tests
- x) Guided bend tests/tensile elongation tests
- xi) Weld ductility tests
- xii) Dimension and weight tests including drift and straightness.

( Note : ix, x and xi are required for ERW pipes only )

3.1 While conducting the above tests if any one of them fails, retest of the same shall be carried out as per API Spec. 5L.

3.2 Hydrostatic Test :

Each joint of pipe shall be tested hydrostatically to the recommended pressure at the mill in accordance with the relevant API specifications.

3.3 End threading, gauging and thread inspection : Threading, gauging and thread inspection shall be done as per API Spec. 5B ( not applicable for bevel end pipes ).

3.4 Non-Destructive Tests : Non-destructive tests shall be carried out as specified in API Spec 5L.

3.6 Bidders should give details of mills inspection and QC methods available. OIL may require such details in case of an order.

4.0 IDENTIFICATION MARKING :

4.1 Marking is to be done on each joint as per API Spec 5L covering, manufacturer's mark/name, API monogram, size, weight, grade, manufacturing process, heat treatment, test pressure, length, thread identification. Marking should be in metric unit.

4.2 Additionally, 'OIL' logo, and the purchase order number shall be die stamped or paint stencilled on each joint.

5.0 THIRD PARTY INSPECTION :

5.1 Inspection by an independent third party to cover the following shall be required against line pipes.

- (i) Material Identification.
- (ii) Stage inspection at random visit basis during manufacturing.
- (iii) Audit and endorsement of all chemical analysis and physical test reports.
- (iv) Witness dimensional checks.
- (v) Witness mechanical tests (10% or 10 nos. whichever is maximum).
- (vi) Witness NDT.
- (vii) Witness hydrostatic tests
- (viii) Visual inspection for imperfections.
- (ix) Longitudinal defect identification.

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- (x) Transverse defect identification.
- (xi) Wall thickness measurement.
- (xii) Joint inspection & Grade confirmation.
- (xiii) End area defect identification.
- (xiv) Inspection of end bevelling / threading (pipe & coupling).
- (xv) Check and verify length of each joint.
- (xvi) Issue of certificate.

Note : Proper Tally sheet (in Original) indicating length of each joint of line pipe with heat number of the joint should be furnished to OIL. The Tally sheet should be duly signed & stamped by the Manufacturing Mill and will be endorsed (certified) by the third party inspection agency. A soft copy of tally sheet in MS Excel format to be submitted alongwith the despatch document in the event of placement of order. Bidder to confirm the same while quoting.

5.2 Third Party Inspection should also cover the followings :

Manufacturer will carry out physical/chemical/mechanical/hydrostatic, NDT tests etc. for raw material and finished pipes as per relevant API specification (latest edition) for all the pipes i.e., 100% (hundred percent). Third party will check & verify manufacturer's test data, records, reports, etc. of raw materials and finished tubes in respect of all the pipes i.e., 100% (hundred percent). Over and above checking and verification of records and reports, third party will carry out inspection for the followings on the percentage basis given below in his presence.

a) Raw Material Inspection for Chemical Composition & Mechanical Properties :

10% of number of heats and plates of raw materials will be tested at random by the third party. If the percentage of number of heats/plates for manufacture of a particular item is 5 (five) or less, then all the raw materials will be tested for chemical composition and mechanical properties as per relevant codes.

b) Finished Tube Inspection :

i) Checking dimensions, wall thickness, quality, end bevelling (for bevel ended pipes), threads of pipe ends & coupling (for screwed & coupled pipes), surface imperfections etc. - 5% of the tubes at random will be checked/tested by Third Party.

ii) Checking chemical composition and mechanical properties - 5% of the tubes will be tested by the third party.

c) Witnessing NDT through ultrasonic testing/magnetic particles method/other methods.

i) Longitudinal Defects : 5% of the tubes at random will be tested by third party.

ii) Transverse Defects : 1% of the tubes at random will be tested.

d) Hydraulic Testing : 10% of the tubes at random will be tested by third party.

5.3 The third party inspection is to be carried out by an internationally reputed inspection Agency. Bidders must indicate the availability of such a Third Party Inspection Agency in their area furnishing following information.

(i) Name of the Inspecting Agency (OIL's clearance has to be obtained prior to engagement except M/s. Lloyds, M/s Bureau Varitas, M/s VETCO Tuboscope, M/s DNV, M/s. Rites, M/s. I.R.S.).

(ii) All inclusive charges for Third Party Inspection per metre (to be indicated separately).

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5.4 Road/Rail transportation will be carried out as per API-RP-5L1 (latest edition).

**3.0:- SUBMISSION OF OFFER :**

Offers should be sent in triplicate in double sealed envelope. The original offer in bidders own original letterhead duly signed by authorised signatory and stamped should be marked as ORIGINAL and the two copies as DUPLICATE & TRIPLICATE. All the three copies of offer should be put in a sealed envelope bearing the following details on the left hand top corner:

- i) Oil India Ltd.'s Enquiry No.
- ii) Bid closing date
- iii) Brief Description of materials
- iv) Bidder's Name, official address with Phone Nos. & Email address.

NOTE : Bidder's Name, Address, Phone Nos., Email address as described above should be indicated on the inner envelope to enable OIL INDIA LTD to return the late bid to the bidder, if necessary.

1.1 The sealed inner envelope containing the offers should then be put in another envelope bearing the following address:

**Head- Materials  
Materials Department  
Oil India Limited  
P. O. Duliajan - 786 602  
ASSAM (INDIA)**

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