



Oil India Limited
(A Govt. of India Enterprise)
P.O. DULIAJAN, DIST.: DIBRUGARH,
ASSAM, INDIA, PIN-786 602

CONTRACTS DEPARTMENT
FAX : (91) 374-2803549
TEL : (91) 374-2800548
Email: contracts@oilindia.in
Website: www.oilindia.nic.in

Money Receipt _____

Signature of Issuing Officer _____

Date of Issue _____

SECTION - I
Forwarding Letter

TENDER NO.: OIL/CCO/MAT/GLOBAL/229/2008
AIR CARGO CONSOLIDATION SERVICES

To,

Serial No.

Tender Fee: Rs 1,000.00

1.0 OIL INDIA LIMITED (OIL), a Government of India Enterprise, is a premier oil company engaged in exploration, production and transportation of crude oil & natural gas with its Headquarters at Duliajan, Assam. Duliajan is well connected by Air with nearest Airport being at Dibrugarh, 45 km away.

2.0 In connection with its operations, OIL invites tenders for ***Air Cargo Consolidation Services from India based Cargo handling agents having network throughout the Globe for Air-freighting of its cargoes imported from various countries.*** One complete set of bid document covering OIL's tender for hiring of above services is being forwarded herewith. Please submit your most competitive bid on or before the scheduled bid closing date and time. For your ready reference, few salient points (covered in detail in this Bid Document) are highlighted below:

- (i) TENDER NO. : **OIL/CCO/MAT/GLOBAL/229/2008**
- (ii) TYPE OF BID : Single Stage-Two Bid
- (iii) BID CLOSING DATE & TIME: 20/11/2008 (12.45 hrs)
- (iv) TECHNICAL BID OPENING DATE & TIME: 20/11/2008 (13.00 hrs.)
- (v) COMMERCIAL BID OPENING DATE & TIME: Will be intimated to the eligible bidders nearer the time.
- (vi) BID SUBMISSION PLACE : Office of the Head (Contracts),
Oil India Limited, Duliajan,
Assam (India)- 786602

- (vii) BID OPENING PLACE: Office of the Head (Contracts)
Oil India Limited
Duliajan – 786602, Assam, India
- (viii) BID SECURITY AMOUNT: Rs. 75,000.00
- (ix) AMOUNT OF PERFORMANCE: 10 % of the total estimated contract
GUARANTEE value
- (xi) DURATION OF CONTRACT : 2 years from the date of
(CONTRACT COMPLETION TIME) commencement of the contract with
option for extension by one year at the
same rates, terms and conditions at
OIL's discretion.
- (xii) BIDS TO BE ADDRESSED TO: **HEAD (CONTRACTS)**
OIL INDIA LIMITED
DULIAJAN - 786 602
ASSAM, INDIA

3.0 OIL now looks forward to your active participation in the tender.

Thanking you,

Yours faithfully,
OIL INDIA LIMITED

HEAD (CONTRACTS)
For **Executive Director(SS & SB)**

SECTION - II
INSTRUCTIONS TO BIDDERS

1.0 Bidder shall bear all costs associated with the preparation and submission of bid. Oil India Limited, hereinafter referred to as Company, will in no case be responsible or liable for those costs, regardless of the conduct or outcome of the bidding process.

A. BIDDING DOCUMENTS

2.0 The services required, bidding procedures and contract terms are prescribed in the Bidding Documents. This bidding document includes the following:

- (a) A forwarding letter highlighting the following points (Section I) :
 - (i) Company's Tender No.
 - (ii) Bid closing date and time.
 - (iii) Bid submission place.
 - (iv) Bid opening date, time and place.
 - (v) The amount of Bid Security.
 - (vi) The amount of performance guarantee.
 - (vii) Duration of contract
- (b) Instruction to Bidders (Section II)
- (c) General Conditions of Contract (Section III)
- (d) Terms of Reference/Technical specification (Section IV)
- (e) Schedule of Rates (Section V)
- (f) Bid Rejection criteria/Bid Evaluation Criteria (Section-VI)
- (g) Proforma Letter of Authority (Proforma I)
- (h) Statement of Compliance (Proforma II).
- (i) Bid Form (Proforma II A).
- (j) The Performance Security Form (Proforma II B).
- (k) The Contract Form (Proforma II C).
- (l) The Bid Security Form (Proforma II D).

2.1 The bidder is expected to examine all instructions, forms, terms and specifications in the Bidding Documents. Failure to furnish all information required in the Bidding Documents or submission of a bid not substantially responsive to the Bidding Documents in every respect will be at the Bidder's risk & responsibility and may result in the rejection of its bid.

3.0 AMENDMENT OF BIDDING DOCUMENTS:

3.1 At any time prior to the deadline for submission of bids, the company may, for any reason, whether at its own initiative or in response to a clarification requested by a prospective Bidder, modify the Bidding Documents by the issuance of an Addendum.

3.2 The Addendum will be sent in writing or by Fax to all prospective Bidders to whom Company has issued the bid documents. The company may, at its discretion, extend the deadline for bid submission, if the Bidders are expected to require additional time in which to take the Addendum into account in preparation of their bid or for any other reason.

B. PREPARATION OF BIDS

4.0 **LANGUAGE OF BIDS**: The bid as well as all correspondence and documents relating to the bid exchanged between the Bidder and the company shall be in English language, except that any printed literature may be in another language provided it is accompanied by an English translated version, which shall govern for the purpose of bid interpretation.

5.0 **DOCUMENTS COMPRISING THE BID**: The bid submitted by the Bidder shall comprise of the following components:

A. TECHNICAL BID

- (i) Complete details of the services offered.
- (ii) Documentary evidence established in accordance with Para 9.0.
- (iii) Bid Security furnished in accordance with Para 10.0.
- (iv) Statement of compliance as per **Proforma-II**.
- (v) Letter of Authority as per Proforma I.

B. COMMERCIAL/PRICE BID

- (i) Bid Form as per Proforma IIA,
- (ii) Price schedule as per Section V.

6.0 **BID FORM**: The bidder shall complete the Bid Form and the appropriate Price Schedule furnished in the Bid Document.

7.0 **BID PRICE**:

7.1 Unit prices must be quoted both in words and in figures.

7.2 Price quoted by the successful bidder must remain firm during its performance of the Contract and is not subject to variation on any account.

7.3 All duties (except customs duty in India which will be borne by Company) and taxes including Corporate Income Taxes and other levies payable by the successful bidder under the Contract for which this Bidding Document is being issued, shall be included in the rates, prices and total Bid Price submitted by the bidder, and the evaluation and comparison of bids shall be made accordingly. For example, personal taxes and/or any corporate taxes arising out of the profits on the contract as per rules of the country shall be borne by the bidder.

8.0 **CURRENCIES OF BID AND PAYMENT**:

8.1 A bidder expecting to incur its expenditures in the performance of the Contract in more than one currency (Including Indian Rupees), and wishing to be paid accordingly, shall so indicate in the bid. In such a case, the bid shall be expressed in different currencies and the respective amounts in each currency shall together make up the total price. However, currency once quoted will not be allowed to be changed.

9.0 DOCUMENTS ESTABLISHING BIDDER'S ELIGIBILITY AND QUALIFICATIONS: These are listed in Section VI.

10.0 BID SECURITY:

10.1 Pursuant to Para 5.0 the Bidder shall furnish as part of its Technical bid, Bid Security in the amount as specified in the "Forwarding Letter".

10.2 The Bid Security is required to protect the Company against the risk of Bidder's conduct, which would warrant the security's forfeiture, pursuant to subpara 10.7.

10.3 The Bid Security shall be for the amount as specified in the forwarding letter ie. Section I, and shall be in one of the following form:

- (a) A bank guarantee or irrevocable Letter of Credit issued by a bank located in India in the form provided in the Bidding Documents or another form acceptable to the Company and valid for 30 days beyond the validity of the bids. The bank guarantee, letter of credit should be so endorsed that it can be invoked at any of the following Banks located at Duliajan, Assam, India:
 - (i) State Bank of India;
 - (ii) Allahabad Bank;
 - (iii) United Bank of India;
 - (iv) United Commercial Bank.
- (b) A cashier's cheque or demand draft drawn on OIL INDIA LIMITED and payable at Duliajan.

10.4 Any bid not secured in accordance with subpara 10.1 and / or 10.3 shall be rejected by the Company as non-responsive.

10.5 Unsuccessful Bidder's Bid Security will be discharged and/or returned within 30 days of expiry of the period of bid validity.

10.6 Successful Bidder's Bid Security will be discharged upon the Bidder's signing of the contract and furnishing the performance security.

10.7 The Bid Security may be forfeited:

- (a) If any Bidder withdraws their bid during the period of bid validity (including any subsequent extension) specified by the Bidder on the Bid Form, or
- (b) If a successful Bidder fails:
 - i) to sign the contract within reasonable time and within the period of bid validity, and /or
 - ii) to furnish Performance Security.

11.0 PERIOD OF VALIDITY OF BIDS:

11.1 Bids shall remain valid for 180 days after the date of bid opening prescribed by the Company.

11.2 In exceptional circumstances, the Company may solicit the Bidder's consent to an extension of the period of validity. The request and the response thereto shall be made in writing (or by Fax). The bid Security provided under para 10.0 shall also be suitably extended. A Bidder may refuse the request without forfeiting its Bid Security. A Bidder granting the request will neither be required nor permitted to modify their bid.

12.0 FORMAT AND SIGNING OF BID:

12.1 The Bidder shall prepare four copies of the bid clearly marking original "ORIGINAL BID" and rest "COPY OF BID". In the event of any discrepancy between them, the original shall govern.

12.2 The original and all copies of the bid shall be typed or written in indelible inks and shall be signed by the Bidder or a person or persons duly authorised to bind the Bidder to the contract. The letter of authorisation (as per Proforma I) shall be indicated by written power of attorney accompanying the bid. All pages of the bid, except for un-amended printed literature, shall be initialed by the person or persons signing the bid.

12.3 The bid should contain no interlineations, white fluid erasures or overwriting except as necessary to correct errors made by the Bidder, in which case such correction shall be initialed by the person or persons signing the bid.

C. SUBMISSION OF BIDS:

13.0 SEALING AND MARKING OF BIDS:

13.1 The tender is being processed according to a single stage - Two bid procedure. Offers should be submitted in two parts viz. Technical bid and Commercial bid each in quadruplicate (One original and 3 copies).

13.2 The Bidder shall seal the original and each copy of the bid duly marking as "ORIGINAL" and "COPY".

13.3 The cover containing the Technical Bid (Original and 3 copies) should be in one sealed cover bearing the following on the right hand top corner.

- (i) Envelope No.1 Technical bid
- (ii) Tender No. _____.
- (iii) Bid closing date _____.
- (iv) Bidder's name _____.

13.4 The cover containing the Commercial Bid (Original and 3 copies) should be in a separate sealed cover bearing the following on the right hand top corner.

- (i) Envelope No.2 Commercial bid
- (ii) Tender No. _____.
- (iii) Bid closing date _____.
- (iv) Bidder's name _____.

13.5 The above mentioned two separate covers containing Technical and Commercial bids should then be put together in another envelope bearing the following details on the top and the envelope should be addressed to the person(s) as mentioned in the " Forwarding Letter".

- (i) Tender No. _____.

- (ii) Bid closing date _____.
- (iii) Bidder's name _____.

13.6 This offer should contain complete specifications, details of services and equipment/accessories offered together with other relevant literature/ catalogues of the equipment offered. The Bid Security mentioned in para 10.0 should be enclosed with the Technical Bid. **The price Schedule should not be put in the envelope containing the Technical Bid.**

13.7 All the conditions of the contract to be made with the successful bidder are given in various Sections of this document. Bidders are requested to state their compliance/ non-compliance to each clause as per **PROFORMA II**. This should be enclosed with the technical bid.

13.8 Timely delivery of the bids is the responsibility of the Bidder. Bidders should send their bids as far as possible by Registered Post or by Courier Services. Company shall not be responsible for any postal delay/ transit loss.

13.9 Cable/ Fax/E-mail/ Telephonic offers will not be accepted.

14.0 **DEADLINE FOR SUBMISSION OF BIDS:** Bids must be received by the company at the address specified in the "Forwarding Letter" not later than 12-45 Hrs. (Indian Standard Time) on the bid closing date mentioned in the "Forwarding Letter".

15.0 **LATE BIDS:** Any Bid received by the Company after the deadline for submission of bids prescribed by the Company shall be rejected.

16.0 **MODIFICATION AND WITHDRAWAL OF BIDS:**

16.1 The Bidder after submission of bid may modify or withdraw its bid by written notice prior to bid closing.

16.2 The Bidder's modification or withdrawal notice shall be prepared sealed, marked and despatched in accordance with the provisions of para 13.0. A withdrawal notice may also be sent by fax but followed by a signed confirmation copy, postmarked not later than the deadline for submission of bids.

16.3 No bid can be modified subsequent to the deadline for submission of bids.

16.4 No bid may be withdrawn in the interval between the deadline for submission of bids and the expiry of the period of bid validity specified by the Bidder on the Bid Form. Withdrawal of a bid during this interval shall result in the Bidder's forfeiture of its Bid Security.

17.0 BID OPENING AND EVALUATION:

17.1 Company will open the Bids, including submission made pursuant to para 16.0, in the presence of Bidder's representatives who choose to attend at the date, time and place mentioned in the Forwarding Letter. However, an authorisation letter from the bidder must be produced by the Bidder's representative at the time of bid opening. Unless this letter of authorisation is presented, the representative will not be allowed to attend the bid opening. The

Bidder's representatives who are allowed to attend the bid opening shall sign a register evidencing their attendance. Only one representative against each bid will be allowed to attend.

17.2 Bid for which an acceptable notice of withdrawal has been received pursuant to para 16.0 shall not be opened. Company will examine bids to determine whether they are complete, whether requisite Bid Securities have been furnished, whether documents have been properly signed and whether the bids are generally in order.

17.3 At bid opening, Company will announce the Bidder's names, written notifications of bid modifications or withdrawal, if any, the presence of requisite Bid Security, and such other details as the Company may consider appropriate.

17.4 Company shall prepare, for its own records, minutes of bid opening including the information disclosed to those present in accordance with the subpara 17.3.

17.5 To assist in the examination, evaluation and comparison of bids the Company may at its discretion, ask the Bidder for clarifications of its bid. The request for clarification and the response shall be in writing and no change in the price or substance of the bid shall be sought, offered or permitted.

17.6 Prior to the detailed evaluation, Company will determine the substantial responsiveness of each bid to the requirement of the Bidding Documents. For purpose of these paragraphs, a substantially responsive bid is one, which conforms to all the terms and conditions of the Bidding Document without material deviations or reservation. A material deviation or reservation is one which affects in any way substantial way the scope, quality, or performance of work, or which limits in any substantial way, in-consistent way with the bidding documents, the Company's right or the bidder's obligations under the contract, and the rectification of which deviation or reservation would affect unfairly the competitive position of other bidders presenting substantial responsive bids. The Company's determination of bid's responsiveness is to be based on the contents of the Bid itself without recourse to extrinsic evidence.

17.7 A Bid determined as not substantially responsive will be rejected by the Company and may not subsequently be made responsive by the Bidder by correction of the non-conformity.

17.8 The Company may waive minor informality or nonconformity or irregularity in a bid, which does not constitute a material deviation, provided such waiver, does not prejudice or affect the relative ranking of any Bidder.

18.0 OPENING OF COMMERCIAL/PRICE BIDS:

18.1 Company will open the Commercial Bids of the technically qualified Bidders on a specific date in presence of interested qualified bidders. Technically qualified Bidders will be intimated about the bid opening date in advance.

18.2 The Company will examine the Price quoted by Bidders to determine whether they are complete, any computational errors have been made, the documents have been properly signed, and the bids are generally in order.

18.3 Arithmetical errors will be rectified on the following basis. If there is a discrepancy between the unit price and the total price (that is obtained by multiplying the unit price and quantity) the unit price shall prevail and the total price shall be corrected accordingly. If any Bidder does not accept the correction of the errors, their bid will be rejected. If there is a discrepancy between words, and figures, the amount in words will prevail.

18.4 **CONVERSION TO SINGLE CURRENCY:** While evaluating the bids, the closing rate of exchange declared by State Bank of India on the day prior to price bid opening will be taken into account for conversion of foreign currency into Indian Rupees. Where the time lag between the opening of the price bids and final decision exceeds three months, the rate of exchange declared by State Bank of India on the date prior to the date of final decision will be adopted for conversion.

19.0 **EVALUATION AND COMPARISON OF BIDS:** The Company will evaluate and compare the bids as per Section-VII of the bidding documents.

20.0 **EXCHANGE RATE RISK:** Company will not be compensating for any exchange rate fluctuations in respect of the services.

21.0 **CONTACTING THE COMPANY:**

21.1 Except as otherwise provided in para 17.0 above, no Bidder shall contact Company on any matter relating to its bid, from the time of the bid opening to the time the Contract is awarded except as required by Company vide para 17.5.

21.2 An effort by a Bidder to influence the Company in the Company's bid evaluation, bid comparison or Contract award decisions may result in the rejection of their bid.

D. **AWARD OF CONTRACT:**

22.0 **AWARD CRITERIA:** The Company will award the Contract to the successful Bidder whose bid has been determined to be substantially responsive and has been determined as the lowest evaluated bid, provided further that the Bidder is determined to be qualified to perform the Contract satisfactorily.

23.0 **COMPANY'S RIGHT TO ACCEPT OR REJECT ANY BID:** Company reserves the right to accept or reject any or all bids and to annul the bidding process and reject all bids, at any time prior to award of contract, without thereby incurring any liability to the affected bidder, or bidders or any obligation to inform the affected bidder of the grounds for Company's action.

24.0 **NOTIFICATION OF AWARD:**

24.1 Prior to the expiry of the period of bid validity or extended validity, the company will notify the successful Bidder in writing by registered letter or E-mail or fax (to be confirmed in writing by registered / couriered letter) that its bid has been accepted.

24.2 The notification of award will constitute the formation of the Contract.

24.3 Upon the successful Bidder's furnishing of Performance Security pursuant to para 26.0 the company will promptly notify each unsuccessful Bidder and will discharge their Bid Security, pursuant to para 10.0 hereinabove.

25.0 SIGNING OF CONTRACT:

25.1 At the same time as the Company notifies the successful Bidder that its Bid has been accepted, the Company will either call the successful bidder for signing of the agreement or send the Contract Form Provided in the Bidding Documents, along with the Terms & Conditions of Contract, Technical Specifications, Schedule of rates incorporating all agreements between the parties.

25.2 Within 30 days of receipt of the final contract document, the successful Bidder shall sign and date the contract and return it to the company.

26.0 PERFORMANCE SECURITY:

26.1 Within 30 days of the receipt of notification of award from the Company the successful Bidder shall furnish the performance security for an amount specified in the Forwarding Letter in the performance Security Form as provided in the Bidding Documents or in any other form acceptable to the Company. The performance security shall be endorsed in the manner specified in para 10.3 (a) hereof. The performance security shall be payable to Company as compensation for any loss resulting from Contractor's failure to fulfil its obligations under the Contract.

26.2 The performance security specified above must be valid for one year after the date of expiry of the tenure of the contract to cover the warranty obligations indicated in para 6.0 of Section III hereof. The same will be discharged by company not later than 30 days following its expiry. In the event of extension of contract, subsequent to expiry of the validity of the original contract period, the contractor shall have to enhance the value of the Performance Security to cover 10% of the contract value for the extended period and also to extend its validity accordingly.

26.3 Failure of the successful Bidder to comply with the requirements of para 25.0 or 26.0 shall constitute sufficient grounds for annulment of the award and forfeiture of the Bid Security. In such an event the Company may award the contract to the next evaluated Bidder or call for new bid or negotiate with the next lowest bidder as the case may be.

27.0 LIQUIDATED DAMAGES FOR DEFAULT IN CONSOLIDATION: *Time is the essence of this contract. For every delay in consolidation beyond the period stipulated, the Company will deduct liquidated damages equal to 1% of the total airfreight payable on a shipment for every day of such delay. For this purpose, the delay will be reckoned between the dates of House airway Bills (HAWBs) and Master Airway Bills (MAWBs), both days inclusive. Reasons for delay shall be furnished alongwith the bills to enable the Company to examine each case separately.*

END OF SECTION-II

SECTION III
GENERAL CONDITIONS OF CONTRACT

1.0 **DEFINITIONS:**

1.1 In this contract, the following terms shall be interpreted as indicated:

- (a) "The Contract" means agreement entered into between Company and contractor, as recorded in the contract Form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein;
- (b) "The Contract Price" means the price payable to contractor under the contract for the full and proper performance of its contractual obligations;
- (c) "The Work" means each and every activity required for the successful performance of the services described in Section IV, the Terms of Reference.
- (d) "Company" means Oil India Limited (OIL);
- (e) "Contractor" means the individual or firm or Body incorporated performing the work under the Contract.
- (f) "Contractor's Personnel" means the personnel to be provided by the contractor to provide services as per the contract.
- (g) "Company's Personnel" means the personnel to be provided by OIL or OIL's contractor (other than the Contractor executing this Contract). The company representatives of OIL are also included in the Company's personnel.
- (h) "Air Carrier" means the aircraft engaged by contractor for carrying the Company's supplies from abroad to the destination in India.
- (i) "Port Consignee" means Head (CB), Oil India Limited, 15A-Hemant Basu Sarani, Kolkata – 700 001, Fax: 91-33-22101390 and email: oilcalsh@vsnl.com.

2.0 **EFFECTIVE DATE, DATE OF COMMENCEMENT OF THE CONTRACT & DURATION OF CONTRACT:**

2.1 The contract shall become effective as of the date company notifies contractor in writing that it has been awarded the contract.

2.2 The date on which the contractor will be advised to handle the first cargo of Company shall be the date of commencement of contract.

2.3 The duration of the contract reckoned from the commencement date shall be for a period of 2(Two) years. The contract may be extended for a further period of one (1) year at the sole discretion of the Company at the same rates,

terms and conditions. Extension of contract beyond one year, if any, will be on rates, terms and conditions to be mutually agreed between the parties.

3.0 **GENERAL OBLIGATIONS OF CONTRACTOR:** Contractor shall, in accordance with and subject to the terms and conditions of this Contract:

3.1 Perform the work described in the Terms of Reference (Section IV) in most economic and cost effective way.

3.2 Except as otherwise provided in the Terms of Reference and the Special Conditions of the contract, provide all labour as required to perform the work.

3.3 Perform all other obligations, work and services which are required by the terms of this contract or which reasonably can be implied from such terms as being necessary for the successful and timely completion of the work.

3.4 Contractor shall be deemed to have satisfied himself before submitting their bid as to the correctness and sufficiency of its bid for the services required and of the rates and prices quoted, which rates and prices shall, except insofar as otherwise provided, cover all its obligations under the contract.

3.5 Contractor shall give or provide all necessary supervision during the performance of the services and as long thereafter as company may consider necessary for the proper fulfilling of contractor's obligations under the contract.

4.0 **GENERAL OBLIGATIONS OF THE COMPANY:** Company shall, in accordance with and subject to the terms and conditions of the contract:

4.1 Pay Contractor in accordance with terms and conditions of the contract.

4.2 Allow Contractor access, subject to normal security and safety procedures, to all its areas as required for orderly performance of the work.

4.3 Perform all other obligations of Company required by the terms of the contract.

5.0 **PERSONNEL TO BE DEPLOYED BY THE CONTRACTOR:**

5.1 Contractor warrants that it shall provide competent, qualified and sufficiently experienced personnel to perform the work correctly and efficiently.

5.2 The Contractor should ensure that their personnel observe applicable company and statutory safety requirement. Upon Company's written request, contractor, entirely at its own expense, shall remove immediately, any personnel of the Contractor determined by the Company to be unsuitable and shall promptly replace such personnel with personnel acceptable to the Company.

5.3 The Contractor shall be solely responsible throughout the period of the contract for providing all requirements of their personnel. Company shall have no responsibility or liability in this regard.

5.4 Contractor's key personnel shall be fluent in English language (both writing and speaking).

6.0 WARRANTY AND REMEDY OF DEFECTS:

6.1 Contractor warrants that it shall perform the work in a professional manner and in accordance with the highest degree of quality, efficiency, and with the state of the art technology/ inspection services and in conformity with all specifications, standards and drawings set forth or referred to in the Technical Specifications. They should comply with the instructions and guidance which Company may give to the Contractor from time to time.

6.2 Should Company discover at any time during the execution of the Contract or within one year after completion of the operations that the work carried out by the contractor does not conform to the foregoing warranty, Contractor shall after receipt of notice from Company, promptly perform all corrective work required to make the services conform to the Warranty. Such corrective work shall be performed entirely at contractor's own expenses. If such corrective work is not performed within a reasonable time, the Company, at its option, may have such remedial work carried out by others and charge the cost thereof to Contractor which the contractor must pay promptly. In case contractor fails to perform remedial work, the performance security shall be forfeited.

7.0 CONFIDENTIALITY, USE OF CONTRACT DOCUMENTS AND INFORMATION:

7.1 Contractor shall not, without Company's prior written consent, disclose the contract, or any provision thereof, or any specification, plan, drawing pattern, sample or information furnished by or on behalf of Company in connection therewith, to any person other than a person employed by Contractor in the performance of the contract. Disclosure to any such employed person shall be made in confidence and shall extend only so-far as may be necessary for purposes of such performance.

7.2 Contractor shall not, without Company's prior written consent, make use of any document or information except for purposes of performing the contract.

7.3 Any document supplied to the Contractor in relation to the contract other than the Contract itself remain the property of Company and shall be returned (in all copies) to Company on completion of Contractor's performance under the Contract if so required by Company.

8.0 TAXES:

8.1 Tax levied as per the provisions of Indian Income Tax Act and any other enactment/rules on income derived/payments received under the contract will be on contractor's account including service tax.

8.2 Contractor shall be responsible for payment of personal taxes, if any, for all the personnel deployed in India.

8.3 The contractor shall furnish to the company, if and when called upon to do so, relevant statement of accounts or any other information pertaining to

work done under the contract for submitting the same to the Tax authorities, on specific request from them. Contractor shall be responsible for preparing and filing the return of income etc. within the prescribed time limit to the appropriate authority.

8.4 Prior to start of operations under the contract, the Contractor shall furnish the Company with the necessary documents, as asked for by the Company and/ or any other information pertaining to the contract, which may be required to be submitted to the Income Tax authorities at the time of obtaining "No Objection Certificate" for releasing payments to the Contractor.

8.5 Tax clearance certificate for personnel and corporate taxes shall be obtained by the Contractor from the appropriate Indian Tax authorities and furnished to Company within 6 months of the expiry of the tenure of the contract or such extended time as the Company may allow in this regard.

8.6 Corporate income tax will be deducted at source from the invoice at the specified rate of income tax as per the provisions of Indian Income Tax Act as may be in force from time to time.

8.7 Corporate and personnel taxes on contractor shall be the liability of the contractor and the company shall not assume any responsibility on this account.

8.8 All local taxes, levies and duties, sales tax, octroi, customs duty etc. on purchases and sales made by contractor shall be borne by the contractor.

9.0 **INSURANCE:**

9.1 The contractor shall arrange insurance to cover all risks in respect of their personnel, materials and equipment belonging to the contractor or its subcontractor during the currency of the contract.

9.2 Company will arrange for insurance of its own cargo only and will lodge claim to the insurance company on the basis of the following-

- (a) In case of short landing of consignment, the contractor will obtain "short landing certificate" from Air carrier and furnish to Company within 30 days for lodging claim on insurance company.
- (b) In case of damage of the package at the destination air port, the insurance survey shall be organised by Company immediately under intimation to the contractor so that contractor can arrange joint survey with the Air carrier/ IAAI.
- (c) In case of damage to consignment when in the custody of overseas agent of Contractor/Air carrier, claim will be settled as per IATA regulations.

11.0 **CHANGES:**

11.1 During the performance of the work, Company may make a change in the work within the general scope of this Contract including, but not limited to,

changes in methodology, and minor additions to or deletions from the work to be performed. Contractor shall perform the work as changed. Changes of this nature will be affected by written order (Change Order) by the Company.

11.2 If any change result in an increase in compensation due to Contractor or in a credit due to Company, Contractor shall submit to Company an estimate of the amount of such compensation or credit in a form prescribed by Company. Such estimates shall be based on the rates shown in the Schedule of Rates (Section V). Upon review of Contractor's estimate, Company shall establish and set forth in the Change Order the amount of the compensation or credit for the change or a basis for determining a reasonable compensation or credit for the change. If Contractor disagrees with compensation or credit set forth in the Change Order, Contractor shall nevertheless perform the work as changed, and the parties will resolve the dispute in accordance with Clause 21 hereunder. Contractor's performance of the work as changed will not prejudice Contractor's request for additional compensation for work performed under the Change Order.

12.0 **FORCE MAJEURE:**

12.1 Notwithstanding any thing to the contrary, Contractor shall not be liable for forfeiture of their performance security, payment of penalties or termination for default, if and to the extent that, its delay in performance or other failure to perform its obligation under the contract is the result of an event of Force Majeure.

12.2 In the event of either party being rendered unable by 'Force Majeure' to perform any obligation required to be performed by them under the contract, the relative obligation of the party affected by such 'Force Majeure' will stand suspended as provided herein. The term 'Force Majeure' as employed herein shall mean acts of God, war, revolt, agitation, strikes, riot, fire, flood, sabotage, civil commotion, road barricade (but not due to interference of employment problem of the Contractor) and any other cause, whether of kind herein enumerated or otherwise which are not within the control of the party to the contract and which renders performance of the contract by the said party impossible.

12.3 Upon occurrence of such cause and upon its termination, the party alleging that it has been rendered unable as aforesaid thereby, shall notify the other party in writing within Seventy Two (72) hours of the alleged beginning and ending thereof, giving full particulars and satisfactory evidence in support of its claim.

12.4 Should 'force majeure' condition as stated above occurs and should the same be notified within seventy two (72) hours after its occurrence, both the parties shall have no obligation. Either party will have the right to terminate the contract if such 'force majeure' condition continue beyond ten (10) days with prior written notice. Should either party decide not to terminate the contract even under such condition, no payment would apply.

13.0 PAYMENT, MANNER OF PAYMENT, INVOICES

13.1 Company shall pay to the Contractor, during the term of the contract, the amount due from time to time calculated according to the rates of payment set and in accordance with other provisions hereof. No other payments shall be due from Company unless specifically provided for in the contract. All payments will be made in accordance with the terms hereinafter described.

13.2 All payments due by Company to Contractor hereunder shall be made at Contractor's designated bank. Bank charges, if any, will be on account of the Contractor.

13.3 Payment of any invoices shall not prejudice the right of Company to question the validity of any charges therein, provided Company within one year after the date of payment shall make and deliver to Contractor within notice of objection to any item or items the validity of which the Company questions.

13.4 When orders on the foreign suppliers for the supply of goods are placed on FCA, nominated freight forwarder- Nearest Gateway Airport basis, Company will make freight payment to the Contractor as per the charges indicated in Section V. In such cases, Company's suppliers will bear all handling, cartage, AWB fee, stamp fee, terminal service fee, certificate of origin charges, shippers export declaration and other statutory /ancillary charges upto the aircraft.

13.5 (i) In cases where orders on the foreign suppliers for the supply of goods are placed on FCA, nominated freight forwarder despatching Airport (which is not a Gateway Airport) basis, then Company will pay Trucking charges as indicated by Contractor in their bid in addition to the consolidated freight as per **Section V**.

(ii) In cases where orders on the foreign suppliers for the supply of goods are on Ex-Works basis, then Contractor will pick-up the consignment from works/sites of Company's suppliers and will have to bear all the necessary charges involved upto the aircraft. The various charges in this regard are to be indicated separately by bidder in their quote. The charges quoted by successful bidder shall be included in the Air Way Bill for payment alongwith the freight.

13.6 To carry out the services by the contractor, the Company while placing the orders on its suppliers, will clearly specify on the orders that the cargo is to be despatched through the agent of the contractor at the country of origin and the cargo agent's copies of the supply orders will be forwarded to the contractor, for follow up. In situations where letters of credit are involved, company will mention that House Airway Bills issued by the agents of the contractor are acceptable for negotiations.

13.7 Whenever freight is payable at destination, Company will pay the freight in Indian Rupees at Exchange Rates notified by Air India/Indian Airlines/Bankers as per the applicable IATA regulations.

13.8 The consolidation rates will be as per the prevailing IATA/Air India rates. Any revision in these rates (increase or decrease) would apply to consolidation tariff in the same percentages.

13.9 For purpose of calculating the airfreight, the IATA regulations will apply.

13.10 Whenever necessary IATA principle for rounding off of currency would apply.

13.11 For over dimensional packages and articles restricted for carriage/consolidation by IATA/Air Carrier, prior approval of Company would be obtained.

13.12 In case Company desires at any time to import the consignments under the consolidation from the points which are not specified in the contract, the contractor will render such services if available from such points and charge the lowest rates to the Company which are made available to their customers/Govt. departments.

13.13 In respect of cargo not covered by the specific commodity rates mentioned in the contract, the freight payable to the contractor shall not exceed the amount prescribed by the IATA.

14.0 RATE OF PAYMENT: Company shall make the payments to the Contractor as per the quoted rates as referred to in Section V. These rates include all duties (except customs duty on company's supplies, which will be borne by Company) and taxes including corporate income tax, service tax and other levies payable by the Contractor under the Contract.

15.0 LIABILITY

15.1 Except as otherwise expressly provided, neither Company nor its servants, agents, nominees, Contractors, or sub-contractors shall have any liability or responsibility whatsoever to whomsoever for loss of or damage to the equipment and/or loss of or damage to the property of the Contractor and/or their Contractors or sub-contractors, irrespective of how such loss or damage is caused and even if caused by the negligence of Company and/or its servants, agent, nominees, assignees, contractors and sub-Contractors. The Contractor shall protect, defend, indemnify and hold harmless Company from and against such loss or damage and any suit, claim or expense resulting therefrom.

15.2 Neither Company nor its servants, agents, nominees, assignees, Contractors, sub-contractors shall have any liability or responsibility whatsoever for injury to, illness, or death of any employee of the Contractor and/or of its Contractors or sub-contractor irrespective of how such injury, illness or death is caused and even if caused by the negligence of Company and/or its servants, agents nominees, assignees, Contractors and sub-contractors. Contractor shall protect, defend, indemnify and hold harmless Company from and against such liabilities and any suit, claim or expense resulting therefrom.

15.3 The Contractor hereby agrees to waive its right to recourse and further agrees to cause their underwriters to waive their right of subrogation against Company and/or its underwrites, servants, agents, nominees, assignees, Contractors and sub-contractors for loss or damage to the equipment of the

Contractor and/or its sub-contractors when such loss or damage or liabilities arises out of or in connection with the performance of the contract.

15.4 The Contractor hereby further agrees to waive its right of recourse and agrees to cause its underwriters to waive their right of subrogation against Company and/or its underwriters, servants, agents, nominees, assignees, Contractors and sub-contractors for injury to, illness or death of any employee of the Contractor and of its Contractors, sub-contractors and/or their employees when such injury, illness or death arises out of or in connection with the performance of the contract.

15.5 Except as otherwise expressly provided, neither Contractor nor its servants, agents, nominees, Contractors or sub-contractors shall have any liability or responsibility whatsoever to whomsoever for loss of or damage to the equipment and/or loss or damage to the property of the Company and/or their Contractors or sub-contractors, irrespective of how such loss or damage is caused and even if caused by the negligence of Contractor and/or its servants, agents, nominees, assignees, Contractors and sub-contractors. The Company shall protect, defend, indemnify and hold harmless Contractor from and against such loss or damage and any suit, claim or expense resulting therefrom.

15.6 Neither Contractor nor its servants, agents, nominees, assignees, Contractors, sub-contractors shall have any liability or responsibility whatsoever to whomsoever or injury or illness, or death of any employee of the Company and/or of its Contractors or sub-contractors irrespective of how such injury, illness or death is caused and even if caused by the negligence of Contractor and/or its servants, agents, nominees, assignees, Contractors and sub-contractors. Company shall protect, defend indemnify and hold harmless Contractor from and against such liabilities and any suit, claim or expense resulting therefrom.

15.7 The Company agrees to waive its right of recourse and further agrees to cause its underwriters to waive their right of subrogation against Contractor and /or its underwriters, servants, agents, nominees, assignees, Contractors and sub-contractors for loss or damage to the equipment of Company and/or its contractors or sub-contractors when such loss or damage or liabilities arises out of or in connection with the performance of the contract.

15.8 The Company hereby further agrees to waive its right of recourse and agrees to cause it underwriters to waive their right of subrogation against Contractor and/or its underwriters, servants, agents, nominees, assignees, Contractors and sub-contractors for injury to, illness or death of any employee of the Company and of its Contractors, sub-contractors and/or their employees when such injury, illness or death arises out of or in connection with the performance of the Contract.

16.0 CONSEQUENTIAL DAMAGE

16.1 Neither party shall be liable to the other for special, indirect or consequential damages resulting from or arising out of the contract, including but without limitation, to loss or profit or business interruptions, howsoever caused and regardless of whether such loss or damage was caused by the

negligence (either sole or concurrent) of either party, its employees, agents or sub-contractors.

17.0 WAIVERS AND AMENDMENTS: It is fully understood and agreed that none of the terms and conditions of the contract shall be deemed waived or amended by either party unless such waiver or amendment is executed in writing by the duly authorised agents or representatives of such party. The failure of either party to execute any right of termination shall not act as a waiver or amendment of any right of such party provided hereunder.

18.0 WITH-HOLDING

18.1 Company may withhold or nullify the whole or any part of the amount due to Contractor on account of subsequently discovered evidence in order to protect Company from loss on account of :-

- a) For non-completion of jobs assigned as per **Section IV**.
- b) Contractor's indebtedness arising out of execution of this Contract.
- c) Defective work not remedied by Contractor.
- d) Claims by sub-Contractor of Contractor or others filed or on the basis of reasonable evidence indicating probable filing of such claims against Contractor.
- e) Failure of Contractor to pay or provide for the payment of salaries/wages, contributions, unemployment compensation, taxes or enforced savings withheld from wages etc.
- f) Failure of Contractor to pay the cost of removal of unnecessary debris, materials, tools, or machinery.
- g) Damage to another Contractor of Company.
- h) All claims against Contractor for damages and injuries, and/or for non-payment of bills etc.
- i) Any failure by Contractor to fully reimburse Company under any of the indemnification provisions of this Contract. If, during the progress of the work Contractor shall allow any indebtedness to accrue for which Company, under any circumstances in the opinion of Company may be primarily or contingently liable or ultimately responsible and Contractor shall, within five days after demand is made by Company, fail to pay and discharge such indebtedness, then Company may during the period for which such indebtedness shall remain unpaid, with-hold from the amounts due to Contractor, a sum equal to the amount of such unpaid indebtedness. When all the above grounds for with-holding payments shall be removed, payment shall thereafter be made for amounts so with-hold. Withholding will also be effected on account of the following:
 - i) Order issued by a Court of Law in India.
 - ii) Income-tax deductible at source according to law prevalent from time to time in the country.
 - iii) Any obligation of Contractor which by any law prevalent from time to time to be discharged by Company in the event of Contractor's failure to adhere to such laws.
 - iv) Any payment due from Contractor in respect of unauthorised imports.

19.0 APPLICABLE LAW / JURISDICTION

19.1 The Contract shall be deemed to be a Contract made under, governed by and construed in accordance with the laws of India, for the time being in force and shall be subject to the exclusive jurisdiction of Courts situated in Dibrugarh, Assam.

19.2 The Contractor shall ensure full compliance of various Indian Laws and Statutory Regulations, to the extent applicable, as stated below, but not limited to, in force from time to time and obtain necessary permits/licenses etc. from appropriate authorities for conducting operations under the Contract:

- a) Mines Act-as applicable to safety and employment conditions,
- b) Oil Mines Regulations, 1983,
- c) Workmen's Compensation Act, 1923
- d) Payment of Wages Act, 1963
- e) Payment of Bonus Act, 1965,
- f) Contractor Labour (Regulation & Abolition) Act.1970,
- g) Family Pension Scheme, 1995
- h) Interstate Migrant Workmen Act, 1979 (Regulation of employment and conditions of service) and
- i) Customs & Excise Act & Rules.
- j) AGST Act
- k) Service Tax Act

20.0 TERMINATION:

20.1 **TERMINATION ON EXPIRY OF THE TERMS (DURATION):** The contract shall be deemed to have been automatically terminated on the expiry of duration of the contract or extension, if any, thereof.

20.2 **TERMINATION ON ACCOUNT OF FORCE MAJEURE:** Either party shall have the right to terminate the Contract on account of Force Majeure as set forth in para 12.0 above.

20.3 **TERMINATION ON ACCOUNT OF INSOLVENCY:** In the event that the Contractor at any time during the term of the Contract, becomes insolvent or makes a voluntary assignment of its assets for the benefit of creditors or is adjudged bankrupt, then the Company shall, by a notice in writing have the right to terminate the Contract and all the Contractor's rights and privileges hereunder, shall stand terminated forthwith.

20.4 **TERMINATION FOR UNSATISFACTORY PERFORMANCE:** If the Company considers that, the performance of the Contractor is unsatisfactory, or not upto the expected standard, the Company shall notify the Contractor in writing and specify in details the cause of the dissatisfaction. The Company shall have the option to terminate the Contract by giving 15 days notice in writing to the Contractor, if Contractor fails to comply with the requisitions contained in the said written notice issued by the Company,

20.5 **TERMINATION DUE TO CHANGE OF OWNERSHIP & ASSIGNMENT:** In case the Contractor's rights and/or obligations under the Contract and/or the

Contractor's rights, title and interest to the equipment/material, are transferred or assigned without the Company's consent, the Company may at its absolute discretion, terminate the Contract.

20.6 Notwithstanding any provisions herein to the contrary, the Contract may be terminated at any time by the company on giving 30 (thirty) days written notice to the Contractor due to any other reason not covered under the above clause from 20.1 to 20.5 and in the event of such termination the Company shall not be liable to pay any cost or damage to the Contractor except for payment for services rendered as per the Contract upto the date of termination.

20.7 **CONSEQUENCES OF TERMINATION:** In all cases of termination herein set forth, the relative obligations of the parties to the contract shall be limited to the period upto the date of termination. Notwithstanding the termination of the Contract, the parties shall continue to be bound by the provisions of the Contract that reasonably require some action or forbearance after such termination.

20.8 Upon termination of the Contract, Contractor shall return to Company all of Company's items, which are at the time in Contractor's possession.

20.9 In the event of termination of contract, Company will issue Notice of termination of the contract with date or event after which the contract will be terminated.

21.0 **SETTLEMENT OF DISPUTES AND ARBITRATION:** All disputes or differences whatsoever arising between the parties out of or relating to the construction, meaning and operation or effect of this contract or the breach thereof shall be settled by arbitration in accordance with the Rules of Indian Arbitration and Conciliation Act, 1996. The venue of arbitration will be Duliajan, Assam. The award made in pursuance thereof shall be binding on the parties.

22.0 **NOTICES:**

22.1 Any notice given by one party to other, pursuant to this Contract shall be sent in writing or by telex or Fax and confirmed in writing to the applicable address specified below:

Company
HEAD (Contracts)
OIL INDIA LIMITED
DULIAJAN - 786602
ASSAM, INDIA
Fax No. 0374- 800533/800522
Fax No. 0374 – 803549
E-mail: contracts@oilindia.in

Contractor

22.2 A notice shall be effective when delivered or on the notice's effective date, whichever is later.

23.0 **SUBCONTRACTING**: Contractor shall not subcontract or assign, in whole or in part, its obligations to perform under this contract, except with Company's prior written consent.

24.0 **MISCELLANEOUS PROVISIONS**:

24.1 The entering into of this contract does not entitle the contractor to claim any specific share of total work. The Company reserves the right to get consignments air freighted directly.

24.2 The Company reserves the right to enter into contract simultaneously with any other contractor or contractors and also to award only a part of the contract. However, Company would prefer to enter into a contract with only one party covering all the countries.

24.3 The Contractor must possess the required permits of IATA, RBI and / or any other statutory agencies.

25.0 **LIQUIDATED DAMAGES FOR DEFAULT IN CONSOLIDATION**: Time is the essence of this contract. For every delay in consolidation beyond the period stipulated, the Company will deduct liquidated damages equal to 1% of the total airfreight payable on a shipment for every day of such delay. For this purpose, the delay will be reckoned between the dates of House Airway Bills (HAWBs) and Master Airway Bills (MAWBs), both days inclusive. Reasons for delay shall be furnished alongwith the bills to enable the Company to examine each case separately.

26.0 **PERFORMANCE SECURITY**: The Contractor has furnished to Company a Bank Guarantee No. _____ dated _____ issued by _____ for _____ (being 10% of estimated Contract Price) valid till _____ towards performance security. The performance security shall be payable to Company as compensation for any loss resulting from Contractor's failure to fulfill their obligations under the Contract. In the event of extension of the Contract period, the validity of the bank guarantee shall be suitably extended by the Contractor. The bank guarantee will be discharged by Company not later than 30 days following its expiry.

27.0 **SUBSEQUENTLY ENACTED LAWS**: Subsequent to the date of submission of offer by Contractor if there is a change in or enactment of any law or interpretation of existing law, which results in additional cost/ reduction in cost to Contractor on account of the operation under this contract, Company/ Contractor shall reimburse/pay Contractor/Company for such additional/ reduced cost actually incurred.

END OF SECTION-III

SECTION – IV

SCOPE OF SERVICES / TECHNICAL SPECIFICATIONS **(TERMS OF REFERENCE)**

1.0 SCOPE OF WORK

1.1 Company normally imports materials from following countries mainly through Calcutta Airport and at times through Delhi, Bombay and Chennai Airports. Contractor shall have to arrange for the chasing, collection, forwarding and Airfreighting of the same.

COUNTRY

LOCATIONS

USA	:	Seattle, Wisconsin, Oklahoma, Philadelphia, New York(GWA), Midland (Texas), New Jersey, Houston, DFW, Florida, Washington, San Francisco (GWA), Los Angeles (GWA), Chicago, California, Columbus (Ohio), Cedar Park Lincoln NE, Miami, Sacramento.
France	:	Paris, Nantes, Toulouse.
U.K.	:	London (Heathrow), Belfast (North Ireland), Luton.
Singapore	:	Singapore
UAE	:	Dubai
Hongkong	:	Hongkong
Norway	:	Oslo
Canada	:	Edmonton, Quebec, Toronto, Calgary, Vancouver.
China	:	Beijing, Shanghai, Xingang.
Netherland	:	Amsterdam
Australia	:	Melbourne, Sydney, Brisbane, Perth.
Austria	:	Vienna
Belgium	:	Brussels
Germany	:	Bremen, Hamburg, Frankfurt, Hanover, Munich, Stuttgart
Romania	:	Bucharest
Japan	:	Hankyu, Tokyo, Yokohama
Italy	:	Rome, Milan
Switzerland	:	Zurich
Sweden	:	Stockholm
Taiwan	:	Taipei
Denmark	:	Copenhagen
Argentina	:	Buenos Aires
Chile	:	Santiago

1.2 Contractor shall have to render following services to the Company :

- (a) To contact the foreign suppliers on whom purchase orders have been placed by the Company and to receive cargo from them. The

contractor will ensure that the contents are securely packed and fit for Airfreighting and acceptable to Air Carrier.

- (b) To keep port consignee posted with all information regarding the readiness of the cargo for despatch, expected date of despatch and other relevant matters.
- (c) After receiving the cargo from the foreign suppliers, to arrange secured Airfreight to the specified airports in India by the earliest available flight, preparing separate HAWBs in respect of each consignment. The Contractor shall also ensure that each package is pasted with a copy of the relevant HAWB.
- (d) Contractor shall consolidate and bulk the air cargo intended for Company and which are to be consigned to the specified destination airport in India, (namely Bombay/Calcutta/Chennai/Delhi) whenever necessary of expedient so that the most beneficial freight rates are secured. General cargo shall not be held over the contractor for the purpose of consolidation for a period exceeding three working days and in respect of specific commodities for a period exceeding seven working days, from the date of receipt from the foreign suppliers or the first available flight into India, whichever is earlier.
- (e) Check with reference to relevant purchase order terms and conditions and ensure that all the consignments/packages received for onward transmission are sufficiently and properly packed by suppliers and give requisite "Pre-shipment alert" to Company.
- (f) The carriage of the cargo shall be effected through Air India or through any first available foreign airline in the interest of the Company to avoid delay.
- (g) The contractor should ensure that while making HAWBs, their associates abroad collect three sets of documents viz. Invoice copy, packing lists etc. from suppliers and arrange to despatch two sets of documents alongwith the consignment through captain's Mail and collect the same at destination airport for the purpose of arranging expeditious clearance of consignment.
- (h) The balance set of the documents out of the 3 sets as mentioned in (g) above shall be sent through courier direct to the port consignee. For this service, additional charges, if any, will be borne by the Contractor and will not be paid by Company.
- (i) To promptly advise the port consignee by telex/fax regarding the flight details indicating MAWB, HAWB, other relevant information viz. Port of loading, Company' order number, No. of packages and weight immediately after the cargo is put on flight. All such service charges will be borne by the Contractor.

- (j) Contractor will be responsible and accountable to the Company for proper safety, care, handling and storage of cargo while in their custody or control and that of their agents and the cost of any insurance effected in that behalf will not be chargeable to the Company. Contractor shall indemnify Company for loss or damage, shortage for deterioration in cargo while in their custody and/or agents on any account whatsoever, the liability of contractor's custody will be limited as per the IATA Rules.
- (k) The contractor shall on receipt of cargo at destination, promptly notify to the the port consignee about the arrival of the cargo at the destination and hand over all related documents (4 copies of HAWBs & MAWBs, 2 copies of Cargo Arrival Notice, Manifest copy, supplier's invoice, copy of the prevailing exchange rate, Country of Origin Certificate etc.) within 24 hours of landing of the cargo for effecting speedy clearance of the consignments. Otherwise, any demurrage paid by Company will be recoverable from the contractor. HAWBs shall be prepared as per contracted freight rates and indicate the details as required by IATA name and address, purchase order number, case markings, commodity descriptions, actual and measurement weights, freight payment terms stipulated in purchase order etc.
- (l) To enable contractor and their agents abroad to render the above services, Company shall furnish to contractor a copy of the purchase order. The purchase order will clearly stipulate that the airfreight should be arranged through the Contractor's foreign agents. Company's purchase orders and Letters of Credit will stipulate that such agents' HAWB will be acceptable to them for the purpose of negotiation or payment.
- (m) It will be the duty of the contractor in all cases of loss or misplacement of consignments to take such measures as may be reasonable for the purpose of averting or minimising the loss and to ensure that all rights of the Company against carriers, port authorities, insurance company or other third party are properly preserved and exercised. However, the entire responsibility of such losses will be to Contractor's account.
- (n) The contractor will keep regular follow up with the Company's suppliers for timely shipment. Any expected delay on the part of the supplier will be intimated to the Company at Duliajan by telex/ fax.
- (o) All documents/correspondence with the Company will bear reference of Company's respective Purchase Order Numbers.
- (p) Split deliveries against one consignment handed over to contractor's agent by company's suppliers is generally not allowed. Demurrage, if any, on account of delay in clearance of split consignments will be fully recovered from the contractor.

1.3 In particular the Contractor shall keep themselves fully conversant and familiar with the laws, rules, regulations and procedures framed by Air Port Authorities, Customs, Insurance authorities for carriage of air consignments and keep themselves in touch with the carriers or their agents and Air Port Authorities about the incoming consignments.

END OF SECTION-IV

SECTION - V

SCHEDULE OF RATES

- 1.0 Bidders shall quote as per the “**Price Bid Format**” furnished vide **Annexure-I**
- A. The Airfreighting rates from different places to Calcutta port to be quoted on per Kg basis-
 - B. Inland airfreight from inland airport to Gateway airport to be quoted by the bidders separately on per Kg. per 100 Km. basis (refer clause 13.5(i), Section III).
 - C. For Ex-factory orders (refer clause 13.5(ii), Section III), Bidders are to indicate the accessorial charges involved separately.
 - D. For over dimensional cargoes (ODC), Bidders are to separately indicate the freight payable from different countries. Criteria for ODC to be indicated.
 - E. Bidders are also requested to quote separately the freight applicable for explosive and hazardous cargoes as OPTIONAL as per the Price Bid Format(ANNEXURE-I) however the same shall **not** be considered for evaluation.

Signature & Seal of the Bidder

Name of the Bidder:

SECTION-VI

BID REJECTION CRITERIA (BRC) / BID EVALUATION CRITERIA (BEC)

I. BID REJECTION CRITERIA (BRC): The bid shall conform generally to the specifications and terms and conditions given in this Bid document. Bids shall be rejected in case the services offered do not conform to required parameters stipulated in the technical specifications. Notwithstanding the general conformity of the bids to the stipulated specifications, the following requirements will have to be particularly met by the Bidders without which the same will be considered as non-responsive and rejected.

1.0 Bidders must meet the following criteria-

- (a) Bidder must be recognised by International Air Transport Association (IATA) and Reserve Bank of India for undertaking the services. Documentary evidence in this regard must be furnished.
- (b) Bidder must have experience in performing services of similar nature during the last five years. Details of work done, current work in hand and other contractual commitments alongwith satisfactory Performance Certificates issued by atleast two Public Sector Undertakings/ Government Organisations as an evidence of their capability of undertaking similar contracts should be furnished alongwith the technical bid.

1.1 Bidders should also submit the following documents/information towards proof of their capability and adequacy of resources to carry out the Contract effectively-

- (a) Copies of original documents defining the constitution or legal status, place of registration and principal place of business of the company or firm or partnership.
- (b) Reports on the financial standing of the Bidder such as profit and loss statements, balance sheets and auditor's reports for the last three years and an authority from the Bidder to seek references from the Bidder's bankers and
- (c) Information regarding any current litigation in which the Bidder is involved.

1.2 In addition, the bidder shall confirm that the services they promises to provide conform to the Bid document and shall describe in detail how the specifications are to be fulfilled.

2.1 The Bidder shall furnish Bid Security along with Bid as referred to in Para 10 of Section II. Bid security shall be furnished as a part of technical bid. The amount of bid security should be as specified in the 'Forwarding letter'. Any bid not accompanied by a proper bid security will be rejected.

2.2 Any bid received in the form of Telex/Cable/Fax/Email/Telephone call will not be accepted.

2.3 Bid shall be typed or written in indelible ink and original bid shall be signed by the Bidder or their authorized representative on all pages failing which the bid will be rejected.

2.4 Bid shall contain no interlineation, erasures or overwriting except as necessary to correct errors made by Bidder, in which case such corrections shall be initialled by the person(s) signing the bid. However, white fluid should not be used for making corrections. Any bid not meeting this requirement shall be rejected.

2.5 The technical bid should not have any price indication. Prices are to be quoted only in commercial bid only.

2.6 Any bid containing false statement will be rejected.

2.7 Bidders must quote clearly and strictly in accordance with the price schedule outlined in Section V of bidding documents, otherwise the bid will be rejected.

2.8 The bid documents are not transferable. Offers made by Bidders who have not been issued the Bid Documents by the Company will be rejected.

2.9 Any Bid received by the Company after the deadline for submission of bids prescribed by the Company will be rejected.

2.10 Price quoted by the successful Bidder must be firm during its performance of the contract and not subject to variation on any account. A bid submitted with an adjustable price will be treated as non-responsive and rejected.

2.11 The following Clauses with all its sub-clauses should be agreed in toto, failing which the bid will be rejected.

- Performance Security Clause
- Taxes Clause
- Insurance Clause
- Force Majeure Clause
- Termination Clause
- Arbitration Clause
- Liability Clause
- Withholding Clause
- Liquidated damages Clause

3.0 General

3.1 **Proforma II - The compliance statement should be duly filled up.** In case Bidder takes exception to any clause of tender document not covered under BEC/BRC, then the Company has the discretion to load or reject the offer on account of such exception, if the Bidder does not withdraw/modify the deviation when/as advised by Company. The loading so done by the Company will be final

and binding on the Bidders. No deviation will however, be accepted in the clauses covered under BEC/BRC.

3.2 To ascertain the substantial responsiveness of the bid the Company reserves the right to ask the Bidder for clarification in respect of clauses covered under BRC/BEC also and such clarification fulfilling the BEC/BRC clauses in toto must be received on or before the deadline given by the Company, failing which the offer will be summarily rejected.

3.3 In case, any of the clauses in the BRC contradict with other clauses of Bid document elsewhere, then the clauses in the BRC shall prevail.

II BID EVALUATION CRITERIA (BEC):

1.0 The bids conforming to the technical specifications, terms and conditions stipulated in the bid documents and considered to be responsive after subjecting to the Bid rejection criteria will be considered for further evaluation based on the rates quoted by the bidder in "**Price Bid Format**" & considering estimated quantities of cargo for two years from various airports as shown in the Annexure-I.

2.0 To ascertain the inter-se-ranking, the comparison of the responsive bids will be made subject to loading for any deviation. Commercial Bids shall be evaluated taking into account the rates quoted in the **PRICE BID FORMAT** as per **Annexure-I**

**Total Estimated Airfreight for 2 years Period of the Contract =
q1 + q2 + q3 + to q34**

Where: q1, q2, q3, q4,q34 are estimated airfreight from various ports to Kolkata

NOTE:

- 1) OIL does not normally require to import consignments above 100 Kgs from few countries, hence no quantity is shown against such cases. However, rates should be quoted for utilizing the service for any exceptional consignment. These rates will not be taken into consideration for evaluation purpose.
- 2) In case a bidder do not quote rate for shipment from a particular port then the highest rate quoted by other responded bidders shall be considered for like-to-like comparison
- 3) The estimated volume of cargo and its break-up are furnished in Annexure-I

&&&&&

PROFORMA LETTER OF AUTHORITY

TO

HEAD (CONTRACTS)
Oil India Ltd.,
P.O. Duliajan - 786 602
Assam, India

Sir,

Sub: OIL's Tender No. _____

We _____ confirm that Mr. _____ (Name and address) as authorised to represent us to Bid, negotiate and conclude the agreement on our behalf with you against Tender Invitation No. _____ for hiring of services for _____.

We confirm that we shall be bound by all and whatsoever our said representative shall commit.

Yours Faithfully,

Signature: _____

Name & Designation: _____

For & on behalf of: _____

Note: This letter of authority shall be on printed letter head of the Bidder and shall be signed by a person competent and having the power of attorney (power of attorney shall be annexed) to bind such Bidder. If signed by a consortium, it shall be signed by members of the consortium.

STATEMENT OF COMPLIANCE

SECTION NO. REMARKS	CLAUSE NO./ SUB-CLAUSE NO.	COMPLIANCE/NON- COMPLIANCE
------------------------	-------------------------------	-------------------------------

**_____
Signature of the bidder**

BID FORM

To
M/s. Oil India Limited,
P.O. Duliajan, Assam, India

Sub: Tender No. _____

Gentlemen,

Having examined the General and Special Conditions of Contract and the Terms of Reference including all attachments thereto, the receipt of which is hereby duly acknowledged, we the undersigned offer to perform the services in conformity with the said conditions of Contract and Terms of Reference for the sum of _____ (Total Bid Amount in words and figures) or such other sums as may be ascertained in accordance with the Schedule of Prices attached herewith and made part of this Bid.

We undertake, if our Bid is accepted, to commence the work within (_____) days calculated from the date of award of Contract.

If our Bid is accepted, we will obtain the guarantee of a bank in a sum not exceeding _____ for the due performance of the Contract.

We agree to abide by this Bid for a period of 180 days from the date fixed for Bid opening and it shall remain binding upon us and may be accepted at any time before the expiration of that period.

Until a formal Contract is prepared and executed, this Bid, together with your written acceptance thereof in your notification of award shall constitute a binding Contract between us.

We understand that you are not bound to accept the lowest or any Bid you may receive.

Dated this _____ day of _____ 2005

Signature

(In the capacity of)

FORM OF PERFORMANCE BANK GUARANTEE

To: M/s. OIL INDIA LIMITED,
(for Head-Contracts),
Duliajan, Assam, India, Pin - 786 602.

WHEREAS _____ (Name and address of Contractor) (hereinafter called "Contractor") had undertaken, in pursuance of Contract No. _____ to execute (Name of Contract and Brief Description of the Work) _____ (hereinafter called "the Contract").

AND WHEREAS it has been stipulated by you in the said Contract that the Contractor shall furnish you with a Bank Guarantee as security for compliance with Contractor's obligations in accordance with the Contract.

AND WHEREAS we have agreed to give the Contractor such a Bank Guarantee; NOW THEREFORE we hereby affirm that we are Guarantors on behalf of the Contractor, up to a total of (Amount of Guarantee in figures) _____ in words)(_____), such amount being payable in the types and proportions of currencies in which the Contract price is payable, and we undertake to pay you, upon your first written demand and without cavil or argument, any sum or sums within the limits of guarantee sum as aforesaid without your needing to prove or to show grounds or reasons for your demand for the sum specified therein. We hereby waive the necessity of your demanding the said debt from the Contractor before presenting us with the demand.

We further agree that no change or addition to or other modification of the terms of the Contract or the work to be performed thereunder or of any of the Contract documents which may be made between you and the Contractor shall in any way cease us from any liability under this guarantee, and we hereby waive notice of such change, addition or modification.

This guarantee is valid until the date _____ (calculated at 15 months after Contract completion date).

SIGNATURE AND SEAL OF THE GUARANTORS _____
Designation _____
Name of Bank _____
Address _____

Date Place _____

CONTRACT FORM

This Contract is made on ____ day of _____ between Oil India Limited, a Government of India Enterprise, incorporated under the Companies Act 1956, having its registered office at Duliajan in the State of Assam, hereinafter called the "Company" which expression unless repugnant to the context shall include executors, administrators and assignees on the one part, and M/s. _____ (Name and address of Contractor), hereinafter called the "Contractor", which expression unless repugnant to the context shall include executors, administrators and assignees on the other part.

WHEREAS the Company desires that Services _____(brief description of services) should be provided by the Contractor as detailed hereinafter or as Company may requires.

WHEREAS, Contractor engaged themselves in the business of offering such services represents that they have adequate resources and equipment, material etc. in good working order and fully trained personnel capable of efficiently undertaking the operations and is ready, willing and able to carry out the said services for the Company as per Section- __ attached herewith for this purpose.

WHEREAS, Company issued a firm Letter of Award No. _____ based on Offer No. _____ submitted by the Contractor against Company's Tender No. _____.

WHEREAS Contractor has accepted Company's Letter of Award vide their letter No. _____.

All these aforesaid documents shall be deemed to form and be read and construed as part of this Contract. However, should there be any dispute arising out of interpretation of this contract in regard to the terms and conditions with those mentioned in Company's tender document and subsequent letters including the Letter of Award and Contractor's offer and their subsequent letters, the terms and conditions attached hereto shall prevail. Changes, additions or deletions to the terms of the contract shall be authorised solely by an amendment to the contract executed in the same manner as this contract.

NOW WHEREAS, in consideration of the mutual covenants and agreements hereinafter contained, it is hereby agreed as follows -

1. In this Contract words and expressions shall have the same meanings as are respectively assigned to them in the General Conditions of Contract referred to.
2. In addition to documents hereinabove, the following Sections and Annexures attached herewith shall be deemed to form and be read and construed as part of this agreement viz.:

- (a) Section-I indicating the General Conditions of Contract,
- (b) Section-II indicating the Terms of Reference/Technical Specifications,
- (c) Section-III indicating the Schedule of rates and
- (d) Section – IV indicating the Special Conditions of Contract.

- 3. In consideration of the payments to be made by the Company to the Contractor as hereinafter mentioned, the Contractor hereby covenants with the Company to provide the Services and to remedy defects therein in conformity in all respect with the provisions of this Contract.
- 4. The Company hereby covenants to pay the Contractor in consideration of the provision of the Services and the remedying of defects therein, the Contract Price or such other sum as may become payable under the provisions of this Contract at the times and in the manner prescribed by this Contract.

IN WITNESS thereof, each party has executed this contract at Duliajan, Assam as of the date shown above.

Signed, Sealed and Delivered,

For and on behalf of
Company (Oil India Limited)

For and on behalf of
Contractor
(M/s. _____)

Name:

Name:

Status:

Status:

In presence of

In presence of

1.

1.

2.

2.

FORM OF BID SECURITY (BANK GUARANTEE)

To:
M/s. OIL INDIA LIMITED,
(for Head-Contracts),
Duliajan, Assam, India, Pin - 786 602.

WHEREAS, (Name of Bidder) _____ (hereinafter called "the Bidder") has submitted their offer Dated _____ for the provision of certain oilfield services (hereinafter called "the Bid") against OIL INDIA LIMITED, Duliajan, Assam, India (hereinafter called the Company)'s tender No.: _____. KNOW ALL MEN BY these presents that we (Name of Bank) _____ of (Name of Country) _____ having our registered office at _____ (hereinafter called "Bank") are bound unto the Company in the sum of (*) for which payment well and truly to be made to Company, the Bank binds itself, its successors and assignees by these presents. SEALED with the common seal of the said Bank this _____ day of _____ 2005.

THE CONDITIONS of this obligation are:

- (1) If the Bidder withdraws/modifies their Bid during the period of Bid validity specified by the Bidder; or
- (2) If the Bidder, having been notified of acceptance of their Bid by the Company during the period of Bid validity:
 - (a) Fails or refuses to execute the form of Contract in accordance with the Instructions to Bidders; or
 - (b) Fails or refuses to furnish the Performance Security in accordance with the Instructions to Bidders;

We undertake to pay to Company up to the above amount upon receipt of its first written demand (by way of letter/fax/cable), without Company having to substantiate its demand provided that in its demand Company will note that the amount claimed by it is due to it owing to the occurrence of one or both of the two conditions, specifying the occurred condition or conditions.

This guarantee will remain in force up to and including the date (**) and any demand in respect thereof should reach the Bank not later than the above date.

SIGNATURE AND SEAL OF THE GUARANTORS _____

Name of Bank & Address _____
Date Place _____

* The Bidder should insert the amount of the guarantee in words and figures.
** Date of expiry of Bank Guarantee should be minimum 30 days after the end of the validity period of the Bid.