

ANNEXURE-IA

Tender No& Date : SDG6964P10 DATED 12.02.2010

Tender Fee : INR 4500.00 OR USD 100.00

**Bid Security Amount : INR 5,00,000.00 OR USD 12,500.00
(or equivalent Amount in any currency)**

Bidding Type : SINGLE STAGE TWO BID SYSTEM

Bid Closing on : 31.03.2010 at 11:00 hrs. (IST)

Bid Opening on : 31.03.2010 at 14:00 hrs (IST)

Performance Guarantee : Applicable

OIL INDIA LIMITED invites Global tenders for items detailed below:

TECHNICAL SPECIFICATIONS WITH QUANTITY

SLNO	MATERIAL DESCRIPTION & MATERIAL CODE NO.	QUANTITY	UNIT
10 ----- 02291031	TUBING, EXTERNAL UPSET, API STD. 5 CT TUBING, SEAMLESS STEEL, EXTERNAL UPSET (EUE) WITH 8 ROUND THREAD CONNECTIONS, SCREWED AND COUPLED IN RANGE 2 LENGTHS, (95% OF TUBING WITH LENGTH 9.0 MTR AND ABOVE), CONFORMING TO API SPECIFICATION 5CT, LATEST EDITION, COMPLETE WITH STEEL THREAD PROTECTORS SIZE : 73.025 mm (2 7/8") OD WEIGHT : 9.681 Kg/m (6.50 lbs /ft) STEEL GRADE : L-80 TYPE I, 8 TPI, WALL THICKNESS : 5.52 mm (0.217"), ID : 62.01 (2.441")mm, DRIFT DIAM. : 59.62 mm (2.347"), COLOUR CODE : As per API 5CT specifications	80,000.00	MTRS.

	PUP JOINT TO API 5CT GRADE `L-80 , TYPE-I' ENDS EXTERNAL UPSET, THREADED AND COUPLIED EXTERNALLY COATED WITH BITUMINOUS SOLUTION EXACT LENGTH (SHOULDER TO SHOULDER) (common heading note for item 20 to 60)		
20 ----- 02291032	Exacts : 0.9144 mtr. (3 ft.), 73.03 mm (2.875") O.D., 5.52 mm (0.217") Wall Thickness, Weight : 9.69 kg/m (6.50 lbs/ft.)	50	NOS
30 ----- 02291033	Exacts: 1.524 mtr. (5 ft.), 73.03 mm (2.875") OD,5.52 mm (0.217") Wall Thickness, Weight: 9.69 kg/m (6.50 lbs/ft.)	40	NOS
40 ----- 02291034	Exacts: 2.1336 mtr. (7 ft.), 73.03 mm (2.875")OD,5.52 mm (0.217") Wall Thickness, Weight: 9.69 kg/m (6.50 lbs/ft.)	25	NOS
50 ----- 02291035	Exacts: 5.1816 mtr. (17 ft.), 73.03 mm (2.875") OD5.52 mm (0.217") Wall Thickness, Weight: 9.69 kg/m (6.50 lbs/ft.)	25	NOS
60 ----- 02291036	Exacts: 6.096 mtr. (20 ft.), 73.03 mm (2.875") OD5.52 mm (0.217") Wall Thickness, Weight: 9.69 kg/m (6.50 lbs/ft.)	10	NOS

COMMON NOTE :

1) ALL THE ABOVE ITEMS ARE TO BE PROCURED FROM SAME SOURCE. THEREFORE, BIDDERS ARE REQUESTED TO QUOTE ALL THE ITEMS, OTHERWISE OFFER WILL BE REJECTED.

2) The Colour Coding (to assist weight identification at Site) to be applied to each length of Tubing in form of a 2" wide band for each colour specified.

3) Third party inspection is required for both tubing and tubing attachment.

4) The bidder shall confirm supplying of 95% tubing with length 9.0 mtr. and above in the offer.

AA. Standard Notes:

1) The tender is invited under **SINGLE STAGE-TWO BID SYSTEM**. The bidder has to submit both the “**TECHNICAL**” and “**COMMERCIAL**” bid through electronic form in the OIL’s e-Tender portal within the Bid Closing Date and Time stipulated in the e-Tender. The Technical Bid is to be submitted as per Scope of Work & Technical Specification of the tender and Commercial bid as per the **Online Commercial Bid format**.

2) In Technical Bid opening, only Collaboration Folder (C folder) will be opened. Therefore, the bidder should ensure that Technical bid is uploaded in the c-Folder link (collaboration link) under Un-priced Bid Tab Page only. **No price should be given in above C folder, otherwise the offer will be rejected**. Please go through the help document in detail before uploading the document.

3) The original bid security (Amount is mentioned above and also in Basic Data of the tender in OIL’s e-portal) should reach us before bid closing date and time of the technical bid. Bid without original Bid Security will be rejected. The bidders who are exempted from submitting the Bid Bond should attach documentary evidence in the Collaboration folder as per clause 9.8 of Section A General Terms and conditions for Global Tender (MM/GLOBAL/E-01/2005).

4) **COMMERCIAL BIDS OF ONLY THOSE BIDDERS WILL BE OPENED WHOSE OFFERS ARE FOUND TECHNICALLY ACCEPTABLE. THE TECHNICALLY ACCEPTABLE BIDDERS WILL BE INFORMED BEFORE OPENING OF THE "COMMERCIAL BID".**

5) 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.

6) 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.

7) **Price should be maintained in the “online price schedule” only. The price quoted in the “online price schedule” will only be considered.**

8) **All the Bids must be Digitally Signed using “Class 3” digital certificate (e-commerce application) only as per Indian IT Act obtained from the licensed Certifying Authorities operating under the Root Certifying Authority of India (RCAI), Controller of Certifying Authorities (CCA) of India. The bid signed using other than “Class 3” digital certificate, will be liable for rejection.**

9) The items covered by this tender shall be used by Oil India Limited in the PEL/ML areas which are issued/renewed after 01/04/99 and hence Nil Custom Duty during import will be applicable. Indigenous bidder shall be eligible for Deemed Export Benefit against this purchase. Details of Deemed Export are furnished vide Addendum to MM/GLOBAL/01/2005 enclosed.

10.) **Offers should be valid for minimum six (6) months from the date of Technical Bid closing Date, failing which offer shall be rejected. Therefore, the minimum validity mentioned in the General Terms and Condition of Global Tender (MM/GLOBAL/E-01/2005) should be amended as 6 (six) months in stead of 4 (Four) Months.**

11). General terms and conditions of Global tender (document MM/GLOBAL/E-01/2005) is enclosed. Special attention to Bidders are drawn to the Section E of above document.

12) **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.**

13) **The Integrity Pact is applicable against this tender. Therefore, please refer clause 3.0 under para BB below.** The name of the OIL's Independent External Monitors at present are as under :

(I) SHRI N. GOPALASWAMI, I.A.S (Retd) ,

(II) SHRI RAMESH CHANDRA AGARWAL , IPS(Retd)

14) **OIL reserves right to go for Reverse Auction process or may finalize the tender without Reverse Auction, if required. However, the decision to conduct Reverse Auction or not will be conveyed to short-listed bidders prior to opening of price bid.**

The business Rules for Reverse Auction is attached at the end . Please duly sign and attach this document alongwith your technical bid.

Therefore, the following new clauses are added under Section-A of OIL's General Terms and Conditions for Global Tender (Booklet Ref. MM/GLOBAL/E-01/2005) ,

Clause Nos.

34.0 Reverse auction:

34.1 Reverse Auction is a procurement tool to fetch competitive price through multi bidding online negotiation among short-listed bidders. Through this process, the short-listed bidders get an opportunity to reduce their prices online in a transparent and fair manner based on the evaluation methodology stipulated in the BEC (as well as para 34.8.1 below) of the tender without the identity of bidder

being disclosed either to other bidders or to OIL officials. The entire process is designed to bring a complete transparency in the negotiation process as under:

- a) to minimize human involvement.
- b) to give equal opportunity to all short listed suppliers to be the most competitive (price wise) for our requirement.
- c) to help bidders to know their price / position dynamically vis-à-vis the other suppliers and providing them an opportunity to react to it.

34.2 OIL reserves right to go for Reverse Auction process or may finalize the tender without Reverse Auction, if required. However, the decision to conduct Reverse Auction or not will be conveyed to short-listed bidders prior to opening of price bid.

34.3 The Reverse Auction shall be conducted only in those cases where there are two or more technically and commercially acceptable bidders. However, in case only one technically and commercially acceptable offer is available, Reverse Auction will not be held. In case there are more than one item in a tender and evaluation is being done item-wise, Reverse Auction will not be held if there is only one technically and commercially acceptable bidder for a particular item but will be held for other items where there are more than one technically and commercially acceptable bidder.

34.4 Types of Auction:

- (i) 'Rank with L-1 Price' bid format:

In "Rank with L-1 Price" bid format, during the process of Reverse Auction, the short-listed bidders shall be able to see only the current lowest price and their respective ranks/position during the online bidding process in the system, based on which they may reduce their prices. This type of auction shall be adopted in those tenders where neither any purchase nor any price preference is applicable.

- (ii) "Rank Only" bid format:

In "Rank Only" bid format, during the process of Reverse Auction, the short-listed bidders shall be able to see only their respective ranks/position during the online bidding process in the system, based on which they may reduce their prices. This type of auction shall be adopted in case of tenders, where purchase preference (for CPSU's/NSIC Registered companies) / price preference (for domestic bidders in case of Service/LSTK contracts in ICB tenders) is applicable, so as to take care of purchase/price preference at the end of the Reverse Auction.

34.4.1 OIL will decide on choice of the option i.e. "Rank with L-1 price" or "Rank Only" at the time of short-listing of the bidders depending on the bidders at that stage who are eligible for price/purchase preference .

34.5 Price preference:

In case BEC provides for price preference to any category of bidders, and if any of the short-listed bidders are eligible for such price preference, the applicable percentage of preference will be entered as multiplying factor in the Reverse Auction process.

Example: Suppose three bidders A, B and C are bidding and C is eligible for a price preference of 10 %, then the quoted prices of A & B shall be multiplied by 1.1 to get their 'Nominal prices', which would be considered by system for ranking. The bidder A & B will see their ranking based on their nominal price. The bidder C will see his ranking as L-1 in case he is within allowed price preference. If not, he will see his current ranking.

34.6 The RA event will be conducted through a Service Provider of OIL, designed to streamline bid negotiations into a real-time bidding event.

34.7 The applicable exchange rate for conversion and the customs duty to be loaded for each item (for foreign bidder) and basis of evaluation for domestic bidders (Ex-Works or FOR Destination) shall be conveyed by OIL to the concerned bidders prior to commencement of Reverse auction.

34.8 The price bid data shall be tabulated immediately after opening of price bids submitted in OIL's etender portal and evaluated prices shall be worked out in the sample calculation sheet based on evaluation methodology of BEC. After tabulation of the priced bid data, OIL shall confirm the evaluated prices with respective short listed bidders and feed these evaluated prices in auction as **ceiling price** for respective bidders during Reverse Auction process.

34.8.1 Evaluation methodology :

(i) When only Foreign Bidders are involved :

Evaluation will be made as per Para 3.1 of the Bid Evaluation Criteria of Section D of General Terms and Condition of Global Tender (MM/GLOBAL/E-01/2005).

(ii) When both Foreign and Domestic Bidders are involved :

Evaluation will be made as per Para 3.2 of the Bid Evaluation Criteria of Section D of General Terms and Condition of Global Tender (MM/GLOBAL/E-01/2005).

(iii) Clause 3.3 of the Bid Evaluation Criteria of Section D of General Terms and Condition of Global Tender (MM/GLOBAL/E-01/2005) should be treated as "**Deleted**" in case of Reverse Auction.

34.9 Features of the online event:

(i) The bidding direction of this event is downward. Bidders cannot raise their bid once the event has opened and they have submitted a bid.

(ii) Bidders must bid for the complete quantity of each item as quoted in SRM bid. The prices should be quoted as per the sample calculation sheet provided in Appendix-2 (A&B). **The calculation sheet given above only to show the price evaluation formula. Bidders are requested to give price only in the Online Price Format and not in the attached Excel sheet.**

(iii) Bidders will only see their own numeric rank (in 'Rank only' format) or the lowest bid and their own numeric rank (in 'Rank with L1 price' format). At no point of time will any bidder see the names of other bidders, or the prices of bidders other than the lowest bid.

(iv) The evaluated prices of short listed bidders based on their price bids submitted initially in SRM shall be the Ceiling price or the maximum permitted starting bid in reverse auction for respective bidders.

(v) A bidder will not see the rank for a lot until the bidder submits an initial bid. If the bidder happens to submit the first bid for that lot, then only that bidder's bid is displayed until other bids are submitted.

(vi) During Reverse auction a bidder can reduce his prices repeatedly. The minimum reduction in each step namely, 'the bid decrement' shall be available to the bidder at the start of the RA event..

34.10 This process shall initially be held for a period of 60 minutes. In the event of a bid received in the last 5 minutes resulting in change of prevailing L1 price, the period of auction shall get extended automatically by 5 minutes from the time of submission of such bid. This process shall continue till no change in L-1 price takes place in last 5 minutes. All bidders, regardless of their previous position, can submit their bid during the extension period also.

34.11 Apart from the participating bidders, the RA shall be visible while in progress to authorized officials of OIL who are monitoring the process.

34.12 In case of a tie during auction i.e. two bidders entering same lowest price, the bidder who enters the prices first in the system would be taken as L-1 and the other bidder would see their ranking as L-2.

34.13 Immediately after completion of online event of Reverse Auction, the bidders would re-submit break up of their final quoted evaluated price as per relevant appendix of sample calculation sheet **within maximum period of 7 days from date of completion of Reverse Auction so as to enable OIL** to award the purchase order/contract. Bids of those bidders who fail to provide cost break-up sheet or adhere to prices quoted during the online event will be rejected. However, in such case of break-up, the prices of any of the items shall not be increased above the prices submitted in SRM.

34.14 Bidders at their own interest should ensure uninterrupted internet connectivity at their end during the Reverse Auction with necessary backups to take care of any connectivity problem. However, in case of failure in connectivity of any of the bidders, the Reverse Auction time will be extended by maximum of 15

minutes and such extension shall not exceed one per auction. The extension of auction time shall be communicated to all the bidders through system broadcast message.

34.15 In case any bidder confirms to participate in Reverse Auction (RA) process in his bid (which is mandatory) and does not participate in RA when it is held actually, such bid will be rejected and the bid bond / EMD of such bidder shall be invoked. Participation in the Reverse Auction by a bidder means that necessarily the bidder has to enter the prices in the system at least once but the prices entered should be the price quoted by the bidder in SRM or lower than those prices.

34.16 OIL's Service Provider would arrange familiarization/training to all eligible bidders on the Reverse Auction process prior to conduct of Reverse Auction.

37.17 The opening of Price bids and reverse Auction: (Applicable in e-tenders with reverse auction) :Reverse auction shall be conducted on the specific date and time to be conveyed by OIL to short listed bidders as detailed at clause 34 above. The opening of price bids of short listed bidders shall be conducted on the day specified for conducting reverse auction without the presence of bidders' representatives.

BB. BID REJECTION / BID EVALUATION CRITERIA

In addition to BRC criteria vide SECTION – 'D' of General Terms and Conditions for Global Tender (MM/ GLOBAL/E-01/2005), the following clause will be applicable against this tender.

1.0 Offers with techno commercial bid-containing prices shall be rejected outright.

1.1 Applicable for Reverse auction tenders:

1.1 Bidders not confirming to participate in Reverse Auction.

1..2 Offers of short listed bidders, who have confirmed acceptance to OIL tender conditions on reverse auction, but do not participate in Reverse Auction, irrespective of their prices quoted in SRM price bid. (In addition to rejection of bid, the bid security will also be invoked in such case.). If a bidder does not want to quote any price below the ceiling price during Reverse Auction, their "Logged In" during Reverse Auction it self shall be considered as Participation.

2.0 C folder is meant for Technical bid only. Therefore, No price should be given in C folder, otherwise the offer will be rejected.

3.0 OIL shall be entering into an Integrity Pact with the bidders as per format enclosed vide **Annexure XII** of the tender document. This Integrity Pact proforma has been duly signed digitally by OIL's competent signatory. The proforma has to be returned by the bidder **along with the technical bid** duly signed (digitally) by the same signatory who signed the bid, i.e., who is duly authorized to sign the bid. Any bid not accompanied by Integrity Pact

Proforma duly signed (digitally) by the bidder shall be rejected straightway. Uploading the Integrity Pact with digital signature will be construed that all pages of the Integrity Pact has been signed by the bidder's authorized signatory who sign the Bid.

4.0 OIL reserves the right to carry out two Reverse Auctions against this tender viz one among the short listed bidders offering supply from field proven mills and other amongst the short listed bidders offering supply from unproven mills to OIL. In the above Reverse Auctions, if the price of the bidder offering from unproven mills is found more than the price of the bidder offering from proven mills, such bidders has to match the price with the lowest price offered by the bidder offering supply from established mill in OIL for consideration for trial order.

**CC : Amendment to General Terms and Conditions for Global Tender
(MM/GLOBAL/E-01/2005)**

SECTION – A

A. Please add following clause as para 7.2.1 of Section A of General terms and Condition for Global Tender (MM/GLOBAL/E-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 9.1.1 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/E-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/E-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’

A. Please add following clauses as para 4.1 of Section D of General terms and Condition for Global Tender (MM/ GLOBAL/E-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’

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.

DD. Special Notes :

GENERAL NOTES FOR TUBING AND PUP JOINTS

GENERAL NOTES FOR TUBING

1.0 SPECIFICATION :

1.1 Tubings must be manufactured as per API Spec. 5CT, latest edition and must bear API monogram. A valid API Spec 5CT certificate from the manufacturer shall be submitted along with the offer.

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

1.3 Tubing shall be seamless and supplied with threaded and fitted with couplings as per API Spec. 5CT.

1.4 Coupling : Couplings shall be as specified in API Spec. 5CT and must be manufactured by API approved mills.

1.4 Coating : Coating shall be done as per API Spec. 5CT and adequately oiled to withstand sea voyage.

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 Tubing shall be manufactured tested and certified in accordance with the relevant API Spec. 5CT, latest edition.

3.0 PHYSICAL/CHEMICAL TESTS :

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

- i) Heat Analysis
- ii) Product Analysis
- iii) Recheck Analysis
- iv) Mill-Control Check Analysis
- v) Tensile tests

vi) Yield strength tests
vii) Mill control tests
viii) Dimension and weight tests including drift and straightness.

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. 5CT.

3.2 Hydrostatic Test :

Each joint of tubing 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.

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

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 5CT covering, manufacturer's mark/name, API monogram, size, weight, grade, class, 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.

4.3 Colour coding : The colour coding shall be done as per API Spec. 5CT. The colour band shall be 50.8 mm (2") wide.

5.0 THIRD PARTY INSPECTION :

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

- (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.

- (vi) Witness NDT.
- (vii) Witness hydrostatic tests
- (viii) Visual inspection for imperfections.
- (ix) Longitudinal defect identification.
- (x) Transverse defect identification.
- (xi) Wall thickness measurement.
- (xii) Grade comparison.
- (xiii) End area defect identification.
- (xiv) Thread inspection.
- (xv) Check and verify length of each joint.
- (xvi) Issue of certificate.

Note : Proper Tally sheet (in Original) indicating length of each joint of tubing 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 above tally sheet is to be sent in EXCEL FORMAT along with the despatch document. Bidder to confirm the same while quoting.

5.2 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).

Business Rules for Reverse Auction

- 1.0 During the start of the auction, Start bid price shall be available to the bidders. Start bid price would be the upper/ceiling price fixed by OIL for the reverse auction event. Bidders can quote only lower than the start bid price. A Bidder here can revise his bids as per the bid decrements intimated at the start of the bidding process. The reverse price should be lower than the lowest price at that point of time. There will be one bidder at a particular position/rank, the criteria followed here is of price only. So, the bidder who quotes the lowest price is declared as the winner of the auction.
- 2.0 OIL can decide to extend, reschedule, pause or cancel an auction. No bidder can claim any kind of compensation.

- 3.0 Bids once posted on the server during the reverse auction process can always be modified to the permissible next lower value. However in no case would the system accept modification to a higher value.
- 4.0 Bidders participation in a bid event is by invitation from OIL. Any other suppliers do not automatically qualify for participation.
- 5.0 Vendors facing problems with functionalities, or connectivity may well contact in advance. In case no acknowledgement is received, it would be presumed that the specific vendor is not facing any problem hampering his bidding and that he is okay with the system.
- 6.0 Bidders are deemed to have accepted the auction rules on participation at the bid event. The OIL will make every effort to make the bid process transparent. However, the award decision by OIL would be final and binding on the bidders.

Terms & Conditions of Reverse Auction

1. **LOG IN NAME & PASSWORD:** Each Bidder can use the individual Login ID and Password provided for e-Tendering for the Reverse Auction Processes.
2. **BIDS PLACED BY BIDDER:** The bid of the bidder will be taken to be an offer to sell. Bids once made by the bidder cannot be cancelled. The bidder is bound to sell the material as mentioned above at the price that they bid.
3. **AUCTION TYPE:** Standard English Reverse Auction .The standard English price format will be used for reverse auction. In this format the bidders will be able to view the current lowest price on the portal and can not view who has bid the same.
4. **VISIBILITY TO BIDDER:** The Bidder shall be able to view the following on his screen:
 - Lowest Bid in the Auction
 - Bid Placed by him
5. **PRICE:** : The Price for the Reverse auction should be the evaluated price as per BEC as mentioned in para 34.8 above. On completion of reverse auction, all the bidders are required to submit the price break up of their lowest rate offered in reverse auction. The break up should be forwarded by email followed by hard copy in sealed envelope.
6. **OTHER TERMS & CONDITIONS:**
 - The Bidder shall not involve himself or any of his representatives in Price manipulation of any kind directly or indirectly by communicating with other bidders
 - The Bidder shall not divulge either his Bids or any other exclusive details of OIL INDIA to any other party.
 - OIL INDIA's decision on award of Contract shall be final and binding on all the Bidders.
 - OIL INDIA can decide to extend, reschedule or cancel any Auction without any compensation to the bidders(s).
 - Bidders agree to non-disclosure of trade information regarding the purchase, identity of OIL, bid process, bid technology, bid documentation and bid details.
 - Bidders cannot change price or quantity or delivery terms (or any other terms that impact the price) post the bid event.

- Bidders cannot divulge either their bids or those of other suppliers to any other external party.
- OIL Server time will be the basis of Start time & Closing time for bidding.

Reverse Auction bidding Process Instructions

Bidding Process and Timeline	<p>You should complete the following steps:</p> <ul style="list-style-type: none"> <input type="checkbox"/> Bidders should be prepared with competitive price quotes on the day of the bidding event. <input type="checkbox"/> Participate in the online bidding event.
Start bid price	<ul style="list-style-type: none"> <input type="checkbox"/> Start bid price is the upper/ceiling price of the contract value fixed by OIL INDIA for the reverse auction event. Bidders can bid only lower than the start bid price. <input type="checkbox"/> Start bid price shall be available to the bidders during the start of the auction on the auction site.
Bid Decrement	<ul style="list-style-type: none"> <input type="checkbox"/> Bid Decrement is the fixed amount by which, or by multiples of which, the next bid value can be decreased. <input type="checkbox"/> Bid Decrement shall be available to the bidders during the start of the auction on the auction site.
Bid Price in reverse auction	<ul style="list-style-type: none"> <input type="checkbox"/> The bidder's bids in the reverse auction must represent the total price bid for the Item. Bidders will quote as per terms & conditions of the tender.
Auction Duration	<ul style="list-style-type: none"> <input type="checkbox"/> The auction will be of 1 hour duration. In case there is bidding by any bidder within 5 minutes of closing of the auction, the auction will be extended by another 5 minutes. Such extension will be allowed to continue till no quote is placed within 5 minutes of the last quote. Auto-bid feature will be enabled from the start time of bidding.
Price Bid evaluation and award of purchase order	<ul style="list-style-type: none"> <input type="checkbox"/> At the end of reverse auction process, Over all best Bid of Reverse Auction will be identified. <input type="checkbox"/> OIL INDIA reserves the right to reject any or all the bids without assigning any reason whatsoever.

The above terms and conditions are acceptable to us.

Signature:

Vendor's name with Seal

Process Compliance Form

To

Oil India Ltd.,

**Materials Department,
Duliajan 786602.**

Sub: Agreement to the Process related Terms and Conditions

Dear Sir,

This has reference to the Terms & Conditions for the Reverse Auction mentioned in the Business Rules document.

This letter is to confirm that:

- 1) The undersigned is authorized representative of the company.
- 2) We have studied the Commercial Terms and the Business rules governing the Reverse Auction as mentioned in your letter and confirm our agreement to them. Copy of the Signed and Stamped Business rule attached.

We, hereby confirm that we will honor the Bids placed by us during the auction process.

With regards

Signature with company seal

Name :

Company / Organization :

Designation within Company / Organization :

Address of Company / Organization :