

OIL INDIA LIMITED
RAJASTHAN PROJECT, JODHPUR

CORRIGENDUM

1.0 Amendment No. 2 dated 17.07.2017 has been issued to incorporate the changes in clauses under BEC, SOW, SCC, GCC, ITB, Schedule of Services and Price Bid Format(PROFORMA - B) as mentioned below. The Bid Closing Date / Technical Bid Opening Date and Tender Sale Date has also been extended as under :

Bid Closing Date & Time : 08.08.2017 at 11-00 hrs. (IST)
 Technical Bid Opening Date & Time : 08.08.2017 at 15-00 hrs. (IST)
 Tender Document Sale Date Extended to : 01.08.2017 at 16-30 hrs. (IST)

PART - 2, BID EVALUATION CRITERIA(BEC)			
Srl. No.	Clause No.	Existing Clause	Amended Clause
1	I. Technical Criteria , Clause No.2.0	2.0 The bidders shall quote for full scope of work. Bidder has to provide the following services as a package. (i) SDMM Services plus Jar with Jar intensifier for 17.1/2 " section ii) SDMM Services plus Jar with Jar intensifier and/ or Rotary Steerable System services plus Jar with Jar intensifier for 12.1/4" and 8.1/2" sections iii) MWD –LWD Services for all the sections iv) APWD services for 12.1/4" and 8.1/2" sections v) Neutron, azimuthal density with imaging and calliper services for 12.1/4" and 8.1/2" sections (call out) vi) Bed boundary image tool services for 12.1/4" and 8.1/2" sections (call out) vii) Supply of chemicals consumables. viii)Supply Slotted liner as per Annexure N	2.0 The bidders shall quote for full scope of work. Bidder has to provide the following services i) SDMM Services plus Jar for 17.1/2 " section ii) Rotary Steerable System service for 12.1/4" and 8.1/2" Sections iii) MWD –LWD Surface Unit Services with resistivity, Gamma Ray log iv) APWD services for 12.1/4" and 8.1/2" sections v) Neutron Porosity, density with calliper services for 12.1/4" and 8.1/2" sections. vi) Supply of chemicals consumables. vii)Supply of 7" Perforated Liner as per Revised Annexure N viii) Supply of Thermal packer as per Annexure Q ix) Liner Hanger Services for 9.5/8" liner and 7" Perforated Liner. x)Supply of 7"Perforated Liner.

		ix) Supply of Thermal packer as per Annexure Q	
2	I. Technical Criteria Clause No. 5.0	<p>5.0 Experience of Bidder's Personnel : 5.1 The bidder should be required to depute competent personnel having experience in <u>designing, drilling and completion</u> of at least three (03) Nos. Of horizontal wells during the last seven (07) years reckoned from the original bid closing date of the tender.</p> <p>The bidder shall submit the bio-data of personnel proposed to be deployed for associated services mentioned under serial nos. (iv) to (vi) in clause 2 above. The bidder should depute competent personnel having minimum 3-5 years experience in the respective fields.</p>	<p>5.0 Experience of Bidder's Personnel : 5.1 The bidder should be required to depute competent personnel having experience in <u>well planning and drilling</u> of at least three (03) Nos. of horizontal wells during the last seven (07) years reckoned from the original bid closing date of the tender.</p> <p>The bidder shall submit the bio-data of personnel proposed to be deployed for associated services mentioned under clause 2 above. The bidder should depute competent personnel having minimum 3-5 years experience in the respective fields.</p>
3	I. Technical Criteria Clause no. 6.0 (a)	<p>6.0 Mobilization: Mobilization of personnel & equipment (if any) shall have to be completed within 30 days from the date of issue of LOA or mobilization advice.</p> <p>The mobilization schedule will be as under:</p> <p>a) All the tools and equipment including mud chemicals for at least one well and all other consumables except liner hangers with thermal packer and accessories ,completion packers for at least one well shall have to be mobilized by the Contractor within 30 days from the date of issuance of LOA or mobilization advice. Separate manpower mobilization notice will be provided for liner hanger services and for the completion packer.</p> <p>b) All consumables including chemicals for remaining wells shall have to be mobilized in a manner that these are available at site for at least one well at a time including the well under drilling.</p>	<p>6.0 Mobilization: (a) Mobilization period is amended as under:</p> <p>(i) Mobilization of services of Deviation Package (MWD/LWD surface unit , SDMM, RSS etc.) , liner hanger setting tools, Mud Engineering Lab equipments, Centrifuge to be completed in 60 days ,</p> <p>(ii) Mobilization of consumables to be completed in 120 days and</p> <p>(iii) Mobilization of personnel to be completed in 7 days</p> <p>from the issue of LOA or Mobilization advice from Company. Separate manpower mobilization notice will be provided for liner hanger services.</p> <p>b) All consumables including chemicals for</p>

			<p>remaining wells shall have to be mobilized in a manner that these are available at site for at least one well at a time including the well under drilling.</p> <p>c) OIL reserves the right to request successful bidder to mobilize services for three(03) horizontal wells in a year, if desired.</p>
PART - 3 , SECTION – II, SCOPE OF WORK(SOW)			
Srl. No.	Clause No.	Existing Clause	Amended Clause
4	2.1 of SOW	HIRE OF ADDITIONAL SET OF EQUIPMENT & SERVICES:	HIRING OF EQUIPMENT & SERVICES AS PACKAGES:
5	2.5 (e) III of SOW	SDMM Equipment with Stabilizer & RSS Services	SDMM Equipment with Stabilizer for 17.1/2" Section & RSS Services for 12.1/4" and 8.1/2" Sections
6	2.5 (f) II of SOW	<p>At least one of the following 4(four) services (either in-house or through third party) :</p> <p>a) Mud Engineering Service, b) Liner Hanger Service, c) Well Completion Service. d) Centrifuge Services</p> <p>The submitted contract details for 3 horizontal wells should bear testimonial to above requirement (i.e. "In - House resource / expertise").</p>	<p>At least one of the following 3(Three)services (either in-house or through third party) :</p> <p>a) Mud Engineering Service, b) Liner Hanger Service, c) Centrifuge Services</p> <p>The submitted contract details for 3 horizontal wells should bear testimonial to above requirement (i.e. "In - House resource / expertise").</p>
7	3.1 WORK SCHEDULE	<p>(ii) Contractor shall provide the following services as an integrated package for drilling & completion of horizontal well: The services are:-i. Directional Drilling Service with MWD and LWD ii. SDMM with Stabilizer Service for 17.1/2" section.iii. SDMM and / or RSS services for 12.1/4" and 8.1/2" sections.vi. Drilling Jar with compatible Jar Intensifier & services.vii. Mud Engineering Service with Equipment & Chemicals. viii. Centrifuge Services ix. Liner Hanger services without Packer for 7" X 9.5/8" casing and that for 9.5/8"x13.3/8" casing. iv. MWD Equipment & Service for Directional & Gamma Measurement v. LWD Equipment & Services.</p>	<p>(ii) Contractor shall provide the following services as an Deviation Package for drilling of horizontal well: The deviation package includes</p> <p>i. Directional Drilling Service with MWD and LWD with resistivity and gamma ray log. ii. SDMM with Stabilizer Service for 17.1/2" section. iii. RSS services for 12.1/4" and 8.1/2" sections. iv. Drilling Jar services. v. MWD Equipment & Service for Directional & Gamma Measurement vi. LWD Equipment & Services.</p> <p>The contractor will also provide i)Liner Hanger services without Packer for 7" X 9.5/8" casing and that for 9.5/8"x13.3/8" casing (without packer).ii)Centrifuge</p>

			Services .
8	4.3(ii)	SDMM equipment along with Services :The Contractor shall provide Steerable Downhole Positive Displacement Mud motors with all accessories e.g. stabilizers etc as per requirement of OIL provided at Annexure # D for 17.1/2", 12.1/4" and 8.5" hole sizes .	SDMM equipment along with Services :The Contractor shall provide Steerable Downhole Positive Displacement Mud motors with all accessories e.g. stabilizers etc as per requirement of OIL provided at Annexure # D for 17.1/2" hole size for the 9.5/8" and 8.1/2" SDMMs.
9	4.3(iii)	iii) In RSS services in place of SMMM with MWD/ LWD services, the necessary spares /equipment to be provided for drilling in the 12.1/4" and 8.1/2" sections for inclination, Azimuth and resistivity at the bit measurements in line with the above points no.(i) and (ii) and the NOTES attached along with.	iii) In RSS services in place of SDMM with MWD/ LWD services <u>with resistivity and gamma ray log</u> , the necessary spares /equipment to be provided for drilling in the 12.1/4" and 8.1/2" sections for inclination, resistivity <u>with neutron porosity and density</u> measurements in line with the above points no.(i) and (ii) and the NOTES attached along with.
10	4.3 (v)	Drilling Jars, Intensifier and Services :- The Contractor shall provide Hydro-mechanical/Hydraulic Drilling jars along with Intensifier specially engineered to withstand the rugged abuse and demanding application with up/down stroke mechanism, minimum stroke length as per requirement of OIL provided in Annexure-E, for 12.1/4" and 8.1/2" hole sizes. The Contractor shall be required to maintain sufficient number of "Back - up Tool / Equipment" along with spares for both 12.1/4" and 8.1/2" hole at well site/base office so as to ensure un-interrupted horizontal drilling activity considering logistic constraints of the North West part of the country near to Pakistan Border.	Drilling Jar Services :- The Contractor shall provide Hydro-mechanical/Hydraulic Drilling jars specially engineered to withstand the rugged abuse and demanding application with up/down stroke mechanism, minimum stroke length as per requirement of OIL provided in Annexure-E, for 12.1/4" and 8.1/2" hole sizes. The Contractor shall be required to maintain sufficient number of "Back - up Tool / Equipment" along with spares for both 12.1/4" and 8.1/2" hole at well site/base office so as to ensure un-interrupted horizontal drilling activity considering logistic constraints of the North West part of the country near to Pakistan Border.
11	Clause No. 4.3 (xiii)	(xiii) Completion Services: The horizontal wells will be designed for thermal completion. .But initially the well will be completed for cold production to characterize the reservoir and then to prove the reservoir potential. Thereafter the well will be set for thermal production. The cold completion services for bringing well on to production including design/provision for artificial lifts, stimulation and other	Completion Services and Completion Engineer Services are removed from the scope of NIT. However, the contractor has to send one commissioning engineer while setting the thermal packer.

		possible future work-over needs shall be provided by the Contractor. The hydraulically set production thermal packer (2.7/8" tubing X 7" liner-29 PPF) to be supplied by the contractor. The Gas-lift valves with Mandrel (compatible with Gas Lift design) shall be supplied by the Company. The Contractor will suggest to the Company the need for any specialized operation for enhancing productivity of the well as and when required during the currency of contract.....Completion Engineers	
12	Service approved list	SERVICE APPROVED LIST : Mud Motor : 1. Schlumberger, 2. Halliburton, 3. Weatherford, 4. Baker Hughes, 5. Vico 6. National Oil Well Var	SERVICE APPROVED LIST : Mud Motor : 1. Schlumberger, 2. Halliburton, 3. Weatherford, 4. Baker Hughes, 5. BICO 6. National Oil Well Varco
13	Service approved list	Drilling Jar: 1. Houston Engineers, 2. Weatherford, 3. <u>National</u> } 4. <u>Oil Well Varco(Griffith)</u> } 5. Bowen, 6. <u>Vico</u> , 7. <u>Smith International</u> 8. Halliburton Sledgehammer 9. ITS	Drilling Jar: 1. Houston Engineers, 2. Weatherford, 3. <u>National oil well varco</u> 4. Bowen, 5. <u>BICO</u> 6. <u>Schlumberger</u> 7. Halliburton Sledgehammer 8. ITS
14	Service approved list	Liner Hanger : 1. TIW, 2. Smith International, 3. Weatherford, 4. Baker Hughes	Liner Hanger : 1. TIW, 2. Schlumberger 3. Weatherford, 4. Baker Hughes 5. Halliburton
15	Service approved list	WhipStock:	Whipstock Deleted

		1. Smith International, 2. Weatherford 3. Baker Hughes 4. Catch Fishing Services	
16	Clause No. 5.0 Optional service	5.0 OPTIONAL SERVICES : Optional services shall be quoted by the Bidder as per the price bid format. However Bidders are advised to quote the most competitive price as per the "PRICE FORMAT - OPTIONAL SERVICES". It will be mandatory for all bidders to offer these optional services with detailed technical description. OIL retains the prerogative for utilization of these optional services described below on "CALL-OUT" basis. Contractor is required to give an undertaking to mobilize one or more of under noted optional services within 30 days from the date of call notice issued by OIL.	Optional Services are removed from the scope of NIT.
17	Clause NO. 5.1	5.1 A set of SDMM-MWD-JAR-INTENSIFIER-STABILIZER (for 12.1/4" Hole): In general, OIL plans to kick - off the horizontal well in 17.1/2" hole. Contractor shall provide ,17.1/2" ;12.1/4"and 8.1/2" tools(Motor and MWD-with Gamma/without resistivity) at the same day rate as indicated in the Schedule of Rates above plus the mobilization charges from the nearest base of the Contractor where the Tools sizes are available.	5.1 A set of SDMM-MWD-JAR-STABILIZER (for 17.1/2"Hole):RSS-JAR-STABILIZER for 12.1/4" and 8.1/2" Hole Sections: In general, OIL plans to kick - off the horizontal well in 17.1/2" hole. Contractor shall provide ,17.1/2"(Motor and MWD-with Gamma/without resistivity)and RSS with Gamma - Resistivity -Porosity - Density tools for the 12.1/4" and 8.1/2" sections at the same day rate as indicated in the Schedule of Rates above plus the mobilization charges from the nearest base of the Contractor where the Tools sizes are available.
18	Clause No. 7.7 (i)	7.7 FIELD VERIFICATION & CALIBRATION TOOL & SERVICES : i) Contractor is required to produce documentary evidence of "Calibration of Resistivity Tool" prior to shipping the same for mobilization to Duliajan at the beginning of the contract.	7.7 FIELD VERIFICATION & CALIBRATION TOOL & SERVICES :i) Contractor is required to produce documentary evidence of "Calibration of Resistivity Tool" prior to shipping the same for mobilization to Baghewala at the beginning of the contract.
19	Clause No. 7.7 (iv)	iv) Field calibration of the MWD and LWD tools shall be provided by the bidder	iv) Field calibration of the MWD and LWD and RSS tools shall be provided by the bidder

20		<u>ANNEXURE-F</u> <u>SPECIFICATION OF DRILLING JAR</u> <u>INTENSIFIERS</u>	<u>ANNEXURE-F</u> Deleted
21		<u>ANNEXURE-G</u> <u>SPECIFICATION OF LWD TOOLS FOR 8 ½”</u> <u>HOLE SECTIONS</u>	<u>ANNEXURE-G (REVISED)</u> <u>SPECIFICATION OF LWD TOOLS FOR 8 ½”</u> <u>HOLE SECTIONS</u> Revised Annexure – G to be referred.
22	Annexure - J	<u>ANNEXURE-J</u> a. <u>SPECIFICATION OF ROTARY STEERABLE SYSTEM</u> <u>SUITABLE FOR DRILLING 12 ¼” HOLE</u> MOTOR FEATURES Housing OD.	<u>ANNEXURE – J (REVISED)</u> <u>1.0 SPECIFICATION OF ROTARY STEERABLE</u> <u>SYSTEM SUITABLE FOR DRILLING 12 ¼” HOLE</u> MOTOR FEATURES Nominal OD. Annexure-J (Revised) to be referred.
23	Annexure - J	<u>ANNEXURE-J</u> <u>2.0 SPECIFICATION OF ROTARY STEERABLE SYSTEM</u> <u>SUITABLE FOR DRILLING 8 ½” HOLE</u> ➤ ➤ All stabilizers must be 4/3 slight spirals integral and sufficient bladed length of double tapered at both leading and trailing ends and should have sufficient opening / annular clearance with taper blade on stabilizer body. ➤	<u>ANNEXURE – J (REVISED)</u> <u>2.0 SPECIFICATION OF ROTARY STEERABLE SYSTEM</u> <u>SUITABLE FOR DRILLING 8 ½” HOLE</u> ➤ ➤ Deteted ➤ Annexure-J (Revised) to be referred.
24	Annexure – I & Annexure - K	<u>ANNEXURE-I</u> <u>SPECIFICATION OF NEUTRON, AZIMUTHAL DENSITY</u> <u>WITH IMAGING & CALIPER FOR 12.1/4” and 8 ½” (Call</u> <u>out) HOLE SECTION</u>	<u>ANNEXURE-I(REVISED)</u> <u>SPECIFICATION OF NEUTRON POROSITY, DENSITY WITH</u> <u>CALIPER FOR 12.1/4” and 8 ½” (Call out) HOLE SECTION</u> Annexure-I (Revised) to be referred.

		<p>.....</p> <p><u>ANNEXURE-K</u></p> <p><u>SPECIFICATION OF DISTANCE & DIRECTION TO BED BOUNDARY IDENTIFICATION FOR 6" HOLE SECTION</u></p> <p>.....</p>	<p><u>ANNEXURE-K</u></p> <p>Deleted Annexure-K (Revised) to be referred.</p>
25	Annexure - M	<p><u>ANNEXURE-M</u></p> <p>1. <u>Liner Hanger</u> without Packer for i) (7 inch. / 29 PPF / Premium Thread / L-80) X (9.5/8 inch / 47 PPF) = 1 (One) <u>No. per well</u></p> <p>.....</p>	<p><u>ANNEXURE-M (REVISED)</u></p> <p>Slotted Liner to be read as Perforated Liner and the line 'cementing of 7" liner' is deleted. Revised Annexure-M to be referred.</p>
26	Annexure - N	<p><u>ANNEXURE-N</u></p> <p>iii) 7" SLOTTED LINER SUPPLIED BY THE BIDDER.</p> <p>.....</p>	<p><u>ANNEXURE-N (REVISED)</u></p> <p>Slotted Liner to be read as Perforated Liner and no sand control is required. Revised Annexure-N to be referred.</p>
PART - 3 , SECTION – III, SPECIAL CONDITIONS OF CONTRACT (SCC)			
Srl. No.	Clause No.	Existing Clause	Amended Clause
27	Clause No.1 (a) of SCC	"Services" from Contractor means (i) all tools, equipment, consumables from Contractor required for OIL's operation and (ii) all tools, equipment, spares required for servicing / maintenance of Contractor's Tool & Equipment in this bid document.	"Services" from Contractor means all tools, equipments and the spares required for servicing and maintenance as a package called Deviation Package, consumables from Contractor required for OIL's operation in this bid document and other packages with services.
28	Clause no. 6.0 of SCC	6.0 OPERATING / RENTAL DAY RATE CHARGES : The Contractor is required to mobilize 3(Three) set of tools & equipment (i.e. one set for 17.1/2" hole, 12.1/4" and another set for 8.1/2" hole). At any stage of operation in 17.1/2", 12.1/4" or in 8.1/2" the operating / rental day rate charges shall be applicable to the particular	6.0 OPERATING / RENTAL DAY RATE CHARGES : The Contractor is required to mobilize the deviation package consisting of tools and spares for all the three sections of hole sizes (e.g. 17.1/2", 12.1/4" or in 8.1/2". At any stage of operation in 17.1/2", 12.1/4" or in 8.1/2" the operating / rental day rate charges shall be applicable to

		one set of tool only. For example, during drilling of 8.1/2" hole, the operating / rental day rate charges shall be payable to the 8.1/2" tools & equipment only. No charges whatsoever shall be applicable for the 12.1/4" tools & equipment.	the deviation package only.
PART - 3 , SECTION – IV, SCHEDULE OF SERVICES/SCHEDULE OF RATES			
Srl. No.	Clause No.	Existing Clause	Amended Clause
29	Schedule of Rates Clause no. B(i)	Mobilization charges as lump sum amount against individual tool/equipment will be payable when all equipment/tools (free of defects/encumbrances) and operating personnel are positioned at Company's designated site and duly certified by the Company representative which shall be no later than 7 working days from the date of arrival at the mobilization point regarding readiness of the equipment & personnel to undertake / commence the work assigned under the contract	Mobilization charges as lump sum amount against individual packages of tool/equipment will be payable when all equipment/tools (free of defects/encumbrances) are positioned at Company's designated site and duly certified by the Company representative which shall be no later than 7 working days from the date of arrival at the mobilization point regarding readiness of the equipment & personnel to undertake / commence the work assigned under the contract
30	Schedule of Rates Clause no. B(v) f)	Mobilization charges will be payable for individual tool / equipment (one no. only). However each down hole tool / equipment should have sufficient number of back-up tool / equipment/spares/consumables for ensuring un-interrupted horizontal drilling activity. Similarly the solid control system (Centrifuge / Linear Motion Shale Shaker along with desander, Desilter/mud cleaner) should have adequate spares & consumables for trouble free operation.	Mobilization charges will be payable for the deviation package and individual tools .However the deviation package should have sufficient number of back- up tools / equipments/spares/consumables for ensuring un-interrupted horizontal drilling activity. Similarly the centrifuge and mud lab equipments and the logging tools should have adequate spares/ units & consumables for trouble free operation.
31	Schedule of Rates Clause no. D(i)	Operational Day Rate Charges shall be payable for all tools/equipment except "Centrifuge, Linear Motion Shale Shaker with Desander & Desilter/ Mud Cleaner and Mud Engineering Equipment" for the period, the tools are below the rotary table in the well excluding surface testing as defined below, and will be pro-rated to the nearest hour. Surface Testing is defined as function testing of all tools/equipment of BHA to about 100 meter below rotary table. During applicable	Operational Day Rate Charges shall be payable for all packaged tools/equipment except "Centrifuge, Mud Engineering Laboratory Equipment" for the period, the tools are below the rotary table in the well excluding surface testing as defined below, and will be pro-rated to the nearest hour. Surface Testing is defined as function testing of all tools/equipment of BHA by lowering the entire BHA below Rotary Table. During applicable operating period mentioned above,

		operating period mentioned above, operating day rate charge shall be considered .No separate rental charges are payable for this period. When not in operation , only rental will be paid.	operating day rate charge shall be considered and no separate rental charges are payable for this period. When not in operation , only rental will be paid.
32	Schedule of Rates Clause no. E(i)	After the completion of mobilization, the Rental day charges shall be payable for the period, the Contractor's tool /equipment including Centrifuge, Linear Motion Shale Shaker with Desander & Desilter/Mud Cleaner, Laboratory equipment for Mud Engineering and Resistivity calibration & verification Tool remain standby (i.e. tools are not below the rotary table including Surface testing)	After the completion of mobilization, the Rental day charges shall be payable for the period, the Contractor's tool /equipment including Centrifuge, Laboratory equipment for Mud Engineering and Resistivity calibration & verification Tool remain standby (i.e. tools are not below the rotary table including Surface testing)
33	Schedule of Rates Clause no. E(iv)	Rental Day Rate Charges shall be applicable for any tool/equipment of BHA during the period it lies on surface and during surface testing of same to about 100 meter below rotary table	Rental Day Rate Charges shall be applicable for any tool/equipment of BHA during the period it lies on surface and during surface testing of the same by lowering up to the entire length of BHA.
34	Schedule of Rates Clause no. E(v)	The surface testing of BHA will be considered to have started with effect from the time, the bit is out of hole during pulling out in order to run in BHA for next down hole operation. The "Rental day rate Charge" for BHA comprising of SDMM/Jar/ MWD/Resistivity/NMDC/RSS etc. during "surface testing" will be limited to 12 hours (maximum). No "Rental Day Rate Charge" is payable for entire BHA during "surface testing" period exceeding 12 hours till BHA is run into hole below 100 meters, when "Operating Charge" is applicable.	The surface testing of BHA will be considered to have started with effect from the time, the bit is out of hole during pulling out in order to run in BHA for next down hole operation. The "Rental day rate Charge" for BHA comprising of SDMM/Jar/ MWD/Resistivity/NMDC/RSS etc. during "surface testing" will be limited to 12 hours (maximum). No "Rental Day Rate Charge" is payable for entire BHA during "surface testing" period exceeding 12 hours till the entire length of BHA is run below rotary table,, when "Operating Charge" is applicable.
PART - 3 , SECTION – I, GENERAL CONDITIONS OF CONTRACT (GCC)			
Srl. No.	Clause No.	Existing Clause	Amended Clause
35	Clause No. 8.8 Service Tax	8.8 Service Tax: The price excludes Services Tax and the service tax as applicable shall be to the Company account. The Service tax amount on the taxable part of the services provided by the Contractor shall be paid by the Company as per provisions of the Service Tax Act.	8.8 GST (Goods and Service Tax): The price excludes GST and the GST as applicable shall be to the Company account. The GST amount on the taxable part of the services provided by the Contractor shall be paid by the Company as per provisions of the GST Act. Bidder should take note of the following while submitting their offer in GST regime.

			<p><u>GOODS AND SERVICES TAX :</u></p> <p>1. "GST" shall mean Goods and Services Tax charged on the supply of material(s) and services. The term "GST" shall be construed to include the Integrated Goods and Services Tax (hereinafter referred to as "IGST") or Central Goods and Services Tax (hereinafter referred to as "CGST") or State Goods and Services Tax (hereinafter referred to as "SGST") or Union Territory Goods and Services Tax (hereinafter referred to as "UTGST") depending upon the import / interstate or intrastate supplies, as the case may be. It shall also mean GST compensation Cess, if applicable.</p> <p>2. The quoted price shall be deemed to be inclusive of all taxes and duties except "Goods and Services Tax" (hereinafter called GST) (i.e. IGST or CGST and SGST/UTGST applicable in case of interstate supply or intra state supply respectively and GST compensation Cess if applicable).</p> <p>3. Contractor/vendor shall be required to issue tax invoice in accordance with GST Act and/or Rules so that input credit can be availed by OIL (Oil India Limited)/Client. In the event that the contractor / vendor fails to provide the invoice in the form and manner prescribed under the GST Act read with GST Invoicing Rules thereunder, OIL / Client shall not be liable to make any payment on account of GST against such invoice.</p> <p>4. GST shall be paid against receipt of tax invoice and proof of payment of GST to government. In case of non-receipt of tax invoice or non-payment of GST by the</p>
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			<p>8. Notwithstanding anything contained anywhere in the Agreement, in the event that the input tax credit of the GST charged by the Contractor / Vendor is denied by the tax authorities to OIL / Client for reasons attributable to Contractor / Vendor, OIL / client shall be entitled to recover such amount from the Contractor / Vendor by way of adjustment from the next invoice. In addition to the amount of GST, OIL / client shall also be entitled to recover interest at the rate prescribed under GST Act and penalty, in case any penalty is imposed by the tax authorities on OIL / Project Owner.</p> <p>9. TDS under GST, if applicable, shall be deducted from contractor's/vendor's bill at applicable rate and a certificate as per rules for tax so deducted shall be provided to the contractor/vendor.</p> <p>10. The Contractor will be under obligation for charging correct rate of tax as prescribed under the respective tax laws. Further the Contractor shall avail and pass on benefits of all exemptions/ concessions available under tax laws.</p> <p>11. The contractor will be liable to ensure to have registered with the respective tax authorities and to submit self-attested copy of such registration certificate(s) and the Contractor will be responsible for procurement of material in its own registration (GSTIN) and also to issue its own Road Permit/ E-way Bill, if applicable etc.</p> <p>12. In case the bidder is covered under Composition Scheme under GST laws, then bidder should quote the price inclusive of the GST (CGST & SGST/UTGST or IGST). Further, such bidder should mention "Cover under</p>
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			<p>composition system” in column for GST (CGST & SGST/UTGST or IGST) of price schedule.</p> <p>13. OIL/client will prefer to deal with registered supplier of goods/ services under GST. Therefore, bidders are requested to get themselves registered under GST, if not registered yet. However, in case any unregistered bidder is submitting their bid, their prices will be loaded with applicable GST while evaluation of bid. Where OIL/client is entitled for input credit of GST, the same will be considered for evaluation of bid as per evaluation methodology of tender document.</p> <p>14. GST (GOODS & SERVICE TAX) (TRANSPORTATION CHARGES, SUPERVISION / TRAINING, SITE WORK):</p> <p>The quoted Prices towards Transportation, Supervision, Training, Site Work, AMC shall be inclusive of all taxes & duties except Goods & Service Tax (GST).</p> <p>Goods & Service Tax (GST) as billed by the Supplier shall be payable at actuals by Owner subject to Contractor furnishing proper tax invoice issued in accordance with Goods & Service Tax (GST) rules to enable Owner to take input tax credit as per Govt. Rules 2004 on Goods & Service Tax (GST) paid.</p> <p>Goods & Service Tax (GST) shall not be payable, if the requirements as specified above are not fulfilled by the Supplier. In case of non-receipt of above, Owner shall withhold the payment of Goods & Service Tax (GST).</p> <p>In case of Foreign Bidders, where foreign bidder does not have permanent establishment in India, for supervision/training services by foreign supervisor at</p>
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			<p>Project Site, Goods & Service Tax (GST) shall be paid by Owner to tax authorities.</p> <p>15. Documentation requirement for GST</p> <p>The vendor will be under the obligation for invoicing correct tax rate of tax/duties as prescribed under the GST law to Owner/OIL, and pass on the benefits, if any, after availing input tax credit.</p> <p>Any invoice issued shall contain the following particulars-</p> <ul style="list-style-type: none"> a) Name, address and GSTIN of the supplier; b) Serial number of the invoice; c) Date of issue; d) Name, address and GSTIN or UIN, if registered of the recipient; e) Name and address of the recipient and the address of the delivery, along with the State and its code, f) HSN code of goods or Accounting Code of services; g) Description of goods or services; h) Quantity in case of goods and unit or Unique Quantity Code thereof; i) Total value of supply of goods or services or both; j) Taxable value of supply of goods or services or both taking into discount or abatement if any; k) Rate of tax (IGST,CGST, SGST/ UTGST, cess); l) Amount of tax charged in respect of taxable goods or services (IGST,CGST, SGST/ UTGST, cess); m) Place of supply along with the name of State, in case of supply in the course of inter-state trade or commerce; n) Address of the delivery where the same is different from the place of supply and o) Signature or digital signature of the supplier or his authorised representative.
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			<p>GST invoice shall be prepared in triplicate, in case of supply of goods, in the following manner-</p> <p>a) The original copy being marked as ORIGINAL FOR RECIPIENT;</p> <p>b) The duplicate copy being marked as DUPLICATE FOR TRANSPORTER and</p> <p>c) The triplicate copy being marked as TRIPLICATE FOR SUPPLIER.</p> <p>In case of any advance given against any supplies contract, the supplier of the goods shall issue Receipt Voucher containing the details of details of advance taken along with particulars as mentioned in clause no. 15. (a), (b), (c), (d), (g), (k), (l), (m) & (o) above.</p> <p>16. GENERAL REMARKS ON TAXES & DUTIES:</p> <p>In view of GST Implementation from 1st July 2017, all taxes and duties including Excise Duty, CST/VAT, Service tax, Entry Tax and other indirect taxes and duties have been submerged in GST. Accordingly reference of Excise Duty, Service Tax, VAT, Sales Tax, Entry Tax, E1/E2 Forms, and any other form of indirect tax except of GST mentioned in the bidding document shall be ignored.</p>
	Clause No. 24.2 Indemnity Application	24.2 Any permission from the Mines Directorate in connection with working in excess of 8 (eight) hours per day shift pattern by the Contractor shall have to be arranged by the Contractor before commencement of the Contract, in consultation with the Company. Moreover, since the Contractor's	24.2 Any permission from the Mines Directorate in connection with working in excess of 12 (twelve) hours per day shift pattern by the Contractor shall have to be arranged by the Contractor before commencement of the Contract, in consultation with the Company. Moreover, since the Contractor's

		personnel engaged shall be working under the Mines Act and Oil Mines Regulations, the Contractor shall have to obtain any other relevant permission from the Mines Directorate to engage their employees in compliance with various procedures as per Mines Act. In case of any breach of procedures under Mines Act the Contractor shall be held responsible and they shall bear all expenses arising as a result thereof.	personnel engaged shall be working under the Mines Act and Oil Mines Regulations, the Contractor shall have to obtain any other relevant permission from the Mines Directorate to engage their employees in compliance with various procedures as per Mines Act. In case of any breach of procedures under Mines Act the Contractor shall be held responsible and they shall bear all expenses arising as a result thereof.
	Clause No. 24.4 Indemnity Application	<p>24.4 Moreover, the Contractor should obtain and produce in advance to commencement of Work the following certificate / approvals:</p> <p>(i) Approval from DGMS / DDMS for shift patterns in excess of 8 hours. (ii) Total manpower list. (iii) License/certificate from specified electrical authorities for the rig and camp electrical personnel, if required. (iv) All certificates as per applicable laws including Mines Acts. (v) Regional Labour certificate, if required.</p>	<p>24.4 Moreover, the Contractor should obtain and produce in advance to commencement of Work the following certificate / approvals:</p> <p>(i) Approval from DGMS / DDMS for shift patterns in excess of 12 hours. (ii) Total manpower list. (iii) License/certificate from specified electrical authorities for the rig and camp electrical personnel, if required. (iv) All certificates as per applicable laws including Mines Acts. (v) Regional Labour certificate, if required.</p>
PART – 1, INSTRUCTIONS TO BIDDER (ITB):			
Srl. No.	Clause No.	Existing Clause	Amended Clause
36	Clause No. 42.0 (New Clause)	-	42.0 PURCHASE PREFERENCE ON LOCAL CONTENT : Purchase preference policy-linked with Local Content (PP - LC) notified vide letter no. O-27011/44/2015-ONG-II/FP dated 25.04.2017 of MoP&NG shall be applicable

			in this tender. Bidders seeking benefits, under Purchase Preference Policy (linked with Local Content) (PP-LC) shall have to comply with all the provisions specified in Annexure- X and shall have to submit all undertakings / documents applicable for this policy.
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2.0 For the **Revised Price Bid Format , PROFORMA – B (REVISED)** in excel format to be referred.

3.0 All other terms & Conditions remain unchanged.

SPECIFICATION OF DRILLING JAR INTENSIFIERS**DELETED**

ANNEXURE-G (REVISED)**SPECIFICATION OF LWD TOOLS FOR 8 ½” HOLE SECTIONS**

Service Description	Required Specifications
GR, Resistivity (Induction type) hole size: 8.5 inch Code: GRIND	Temperature rating: 300 deg F or more
	Pressure rating: 18000 PSI or more
	Measurement while drilling (MWD):
	Resistivity and Gamma ray logging are required for 12.1/4” and 8.5 inch hole size and should be combinable & compatible with MWD and other LWD equipment.
	The provision of real time data transmission should exist. Data is to be recorded in memory mode as well. Data also is to be recorded while pulling out by back reaming / with pump-on.
	Resistivity Measurement:
	To be recorded in Multiple frequencies and in multiple depth of investigations (minimum 5). Bore-hole compensated phase & attenuation measurement systems with multiple depths of investigation
	Resistivity measurement: 0.2 to 200 Ohm-m and above

Service Description	Required Specifications
	Invasion Profile from curve separations
	Gamma Ray:
	Gamma Ray 0-250 API
	Gamma Ray:
	Gamma Ray range between 0-250 API unit

ANNEXURE-I (REVISED)

SPECIFICATION OF NEUTRON POROSITY, DENSITY WITH CALIPER FOR 12.1/4" and 8 ½" (Call out) HOLE SECTION

Service Description	Required Specifications
Neutron, Density with Caliper hole size: 8.5" hole Code: RHONPHI	Temperature rating: 300 deg F or more
	Pressure rating: 18000 PSI or more
	Azimuthal Density Range = 1.8 to 2.8 gm/ cc
	Pe = 1 to 10 units
	Neutron porosity = -6 to 54 P.U. or 0 to 60 P.U.

Service Description	Required Specifications
	Azimuthal density from four quadrant and images are to be provided as per the operational requirement

ANNEXURE-J (REVISED)

1.0 SPECIFICATION OF ROTARY STEERABLE SYSTEM SUITABLE FOR DRILLING 12 ¼" HOLE

MOTOR FEATURES	OIL'S REQUIREMENT	BIDDER'S OFFER	REF: FILE & PAGE NO. BY BIDDER
Flow Range in GPM	Min. Flow Rate: 600 GPM		
	Max. Flow Rate: 1000 GPM or more.		
Nominal OD.	8.0" to 9.625"		
Near Bit Inclination	3 M or less		
Azimuthal Gamma measurement from bit	6 M or less		
Max Operating	120° C or more		

Temp.			
Max Operating Pressure (Psi)	18000 PSI or more		
Type of Connection	6 ⁵ / ₈ " API Regular Box down and 6 ⁵ / ₈ " API Reg. Box Up. Or any other proprietary connection of the bidder for their entire BHA.		
Lifting Sub	6 ⁵ / ₈ " API Reg.		
DLS Maximum Achievable	5° / 30M or more.		
Min. Circulating Hrs.	150 or more.		
Lost Circulation Material (Max Size & Concentration)	40 ppb or more of medium to fine nut.		
Manufacturer / Model	From the manufacturers as specified in NIT. Model Quoted Should be Latest and Best in Class		

2.0 SPECIFICATION OF ROTARY STEERABLE SYSTEM SUITABLE FOR DRILLING 8 ½" HOLE

FEATURES	OIL'S REQUIREMENT	BIDDER'S OFFER	REF: FILE & PAGE NO. BY BIDDER
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Flow Range in GPM	Min. Flow Rate: 350 GPM		
	Max. Flow Rate: 600 GPM or more.		
Nominal OD	6-3/4" / 6-1/2"		
Near Bit Inclination	4 M or less		
Azimuthal Gamma measurement from bit	6 M or less		
Max Operating Temp.	120° C or more		
Max Operating Pressure (Psi)	18000 PSI or more		
Type of Connection	4 1/2" API Reg Box down and 4 1/2" API IF Box Up Or any other proprietary connection of the bidder for their entire BHA.		
Lifting Sub	4 1/2" API IF		
DLS Maximum Achievable	5° / 30M or more.		
Minimum Circulating Hrs.	150 or more.		
Lost Circulation Material (Max Size & Concentration)	40 ppb or more of medium to fine nut.		
Manufacturer / Model	From the manufacturers specified in NIT.		

- Should capable of kick up from vertical well
- System should be capable of building, holding, and dropping well angle and should be capable of simultaneously changing azimuth in continuously rotating for optimum drilling performance and have capability for back reaming, if required.
- System should have features of automated close loop deviation control system (i.e. it should have automated directional and inclinational hold control)

- System should have two way communication system i.e. real time up link and down link facility for data transmission and for sending command to the bottom hole tools with mud pulse telemetry.
- Type of down linking facility to be provided by bidder either by a separate skid mounted unit or by flow rate change of mud pumps.
- Match on sub have to be provided by the bidder in case of proprietary connection for fishing and other job along with the lifting sub. In case of non-standard tubular, bidder has to provide overshoot tool for fishing job.
- In case of proprietary connection, all cross over sub have to be provided by the bidder to match OIL's string.
- System should be able to drill cement, float collar, float shoe and formation. However, any failure on bottom within 24Hrs from start of cement cleaning, float collar & Shoe will not be attributable to the Contractor.

Additional features/information (if any) is to be provided by the bidder.

ANNEXURE-K

SPECIFICATION OF DISTANCE & DIRECTION TO BED BOUNDARY IDENTIFICATION FOR 6" HOLE SECTION

DELETED

ANNEXURE-M (REVISED)

1. Liner Hanger without Packer for

i) (7 inch. / 29 PPF / Premium Thread / L– 80) X (9.5/8 inch / 47 PPF) = 1 (One) No.

The liner hanger should be complete with but not limited to :

All floating / guiding accessory inclusive of Tie – Back Receptacle, Running Tool or Setting Tool, 5 inch. Drill Pipe manifold with accessory for successful lowering of 7 inch. Perforated Liner / setting of hanger and setting of Packer.

The Hanger must be set in one trip.

Make = TIW]	
Type = IB R Hydro – Hanger (complete assembly)]	OR EQUIVALENT
= with LG Setting Collar and RPOB]	

ii) Liner Hanger without Packer for (9.5/8 inch /47 PPF / Premium Thread / L – 80) X (13.3/8" inch. / 68 PPF) 1 (One No).

It should be complete with but not limited to :

Guide shoe with solid cement nose inclusive of Tie – Back Receptacle, Running Tool or Setting Tool with cementing accessory for successful lowering / cementing of 9.5/8 inch. Liner / setting of hanger and setting of packer.

The Hanger and Packer must be set in one trip.

Make = TIW OR EQUIVALENT]	
Type = Mechanical Hanger (complete assembly)]	OR EQUIVALENT
= with EJ – IB with RH JAY, C Setting]	
Collar & Liner Swivel]	

iii) 7" PERFORATED LINER SUPPLIED BY THE BIDDER.

- I) O.D. = 7 inch.
- II) Coupling O.D. = 9 inch.
- III) Weight = 29 PPF
- IV) Grade = L – 80
- V) Connection = Hunting Seal lock XD Premium thread
- VI) API Range = III (10.50 meter– minimum / 11.50 meter – (maximum length)
- VII) Perforation Size = to be decided nearer the time
- VIII) Minimum number of Perforations slots = to be decided nearer the time
- IX) Perforation Size = to be decided nearer the time
- X) Perforation layout pattern in each joint = Perforations in one row (Uniformly spaced – circumferentially)
- XI) Total length of liner = 450 Meter (Plain pipe & Perforated pipe combined for each wells)
- XII) Minimum length of perforated pipe = 70% of 400 Meter (i.e. 200 Meter)
(tentative). 30% to be blank pipe in both side of pipe ends of each pipe.

NOTE:

The specification for perforated liner being to be used by OIL is furnished in ANNEXURE – N. However, the successful bidder needs to design the same based on actual field conditions/data (to be collected from OIL) upon notification by OIL and the detail specifications are to be provided to OIL after designing.

Bidders need to quote the rate for Perforated liner in the price schedule, which will not change even if the actual design varies from the above specifications.

Provisions for procurement of Services pertaining to Oil & Gas business activities covered under Purchase preference Policy (linked with Local Content) (PP-LC).

Purchase preference policy (linked with Local Content) (PP-LC) notified vide letter no.O-27011/44/2015-ONG-II/FP dated 25.04.2017 of MoPNG

1. In case a bidder is eligible to seek benefits under PP-LC policy as well as Public Procurement Policy for MSEs - Order 2012, then the bidders should categorically seek benefits against only one of the two policies i.e. either PP-LC or MSE policy. If a bidder seeks free of cost tender document under the MSE policy, then it shall be considered that the bidder has sought benefit against the MSE policy and this option once exercised cannot be modified subsequently.
2. Bidders seeking Purchase preference (linked with local content) (PP-LC) shall be required to meet / exceed the target of Local Content (LC) of **10%**
- 2.1 Such bidders shall furnish following undertaking on its letter head along with their techno-commercial bid. The undertaking shall become a part of the contract.

“We _____ (Name of the bidder) undertake that we meet the mandatory minimum Local Content (LC) requirement i.e. _____ (to be filled as notified at Enclosure I of the policy) for claiming purchase preference linked with Local Contents under the Govt. policy against under tender no. _____.”

- 2.2 Above undertaking shall be supported by the following certificate from Statutory Auditor engaged by the bidder, on the letter head of such Statutory Auditor.

“We _____ the statutory auditor of M/s _____ (name of the bidder) hereby certify that M/s _____ (name of the bidder) meet the mandatory Local Content requirements of the Services i.e. _____ (to be filled as notified at Enclosure I of the policy) quoted vide offer No. _____ dated _____ against OIL tender No. _____ by M/s _____ (Name of the bidder).”

Note : In case of bidder(s) for whom Statutory Auditor is not required as per law required certificates shall be provided by a practicing Chartered Accountant.

- 2.3 At the bidding stage the bidder shall provide Break-up of “Local Component” and “Imported Component” in the prescribed format enclosed as Enclosure – III of the policy document of the policy and shall be uploaded by the bidders along with their price bid in the e-procurement portal.

3. Eligible (techno-commercially qualified) LC bidder shall be granted a purchase preference to 10% i.e. where the evaluated price is within 10% of the evaluated lowest price of Non Local Content (NLC) bidder, other things being equal. Accordingly, purchase preference shall be granted to the eligible (techno-commercially qualified) LC bidder concerned, at the lowest valid i.e. NLC price bid.

3.1 Only those LC bidders whose bids are within 10% of the NLC L1 bid would be allowed an opportunity to match L1 bid. All the eligible LC bidders shall be asked to submit their confirmation to match their price in sealed envelopes. Envelopes of the bidders shall be opened and award for the prescribed quantity shall be made to the lowest evaluated TA/CA (Techno- Commercial Acceptable) bidder among the eligible LC bidders. In case the lowest eligible LC bidder fails to match L1 price, the next eligible LC bidder will be awarded the prescribed quantity and so on. In case none of the eligible LC bidders matches the L1 bid, the actual bidder holding L1 price will secure the order.

4. Order for supply of 50% of the tendered quantity would be awarded to the lowest techno-commercially qualified LC bidder, subject to matching with valid NLC L1 price. The remaining will be awarded to L1 (i.e. NLC bidder). Prescribed 50% tendered quantity for LC bidders shall not be further sub-divided among eligible LC bidders.

4.1 However, if L1 bidder happens to be a LC bidder, the entire procurement value shall be awarded to such bidder.

4.2 When the tendered goods/services cannot be divided in the exact ratio of 50% / 50% then OIL reserve the right to award on lowest eligible PP-LC bidder for quantity not less than 50%, as may be dividable. For example - In case tendered quantity is 3 (not divisible in the ratio of 50:50), PP-LC bidder shall get order for 2 nos. only and the rest will go to L-1 (NLC bidder).

OR

(Alternate clause applicable for cases where tendered quantity cannot be divided).

4. The tendered quantity is not splittable / non-dividable / cannot be procured from multiple sources. Hence, the entire procurement value shall be awarded to the lowest techno-commercially qualified LC bidder subject to matching with valid NLC L1 rates.

5. For the purpose of this policy, all terms used vide aforesaid policy shall be governed by the definitions specified at para 2 of the policy document notified by MoPNG vide letter No. O-27011/44/2015-ONG-II/FP dated 25.04.2017.

6. The successful bidder shall be obliged to fulfill the requirements of quality and delivery time in accordance with the provisions of the Purchase order/contract.

7. OIL shall have the right to satisfy itself of the production capability and product quality of the manufacturer.

8.0 Determination of LC

8.1 LC of Services shall be calculated on the basis of the ratio of service cost of domestic component in service to the total cost of services.

8.2 The total cost of service shall be constituted of the cost spent for rendering of service, covering :

- a) Cost of component (material), which is used.
- b) Manpower and consultant cost, cost of working equipment/facility, and
- c) General service cost, excluding profit, company overhead cost, taxes and duties.

8.3 The criteria for determination of cost of local content in the service shall be as under :

- a) In the case of material being used to help the provision of service, based on country of origin.
- b) In the case of manpower and consultant based on INR component of the services contract.
- c) In the case of working equipment/facility, based on country of origin and
- d) In the case of general service cost, based on the criteria as mentioned in clauses a, b and c above.
- e) Indian flag vessels in operation as on date.

8.4 Determination of Local Content : The determination of local content of the working equipment/facility shall be based on the following provision.

Working equipment produced in the country is valued as 100% (one hundred percent) local content, working equipment produced abroad is valued as much as nil (0% percent) local content.

9.0 Calculation of LC and Reporting

9.1 LC shall be calculated on the basis of verifiable data. In the case of data used in the calculation of LC verifiable, the value of LC of the said component shall be treated as nil.

9.2 Formats for the calculation of LC of services may be seen at Enclosure-III of the policy document.

10.0 Certification and Verification

10.1 Bidder seeking Purchase Preference under the policy, shall be obliged to verify the LC of goods as follows :

10.1.2 At bidding stage :

- a) Price Break-up
 - (i) The bidder shall provide break-up of “Local Component” and “Imported Component” along with the price bid as per provisions under clause 2.3.
 - (ii) Bidder must have LC in excess of the specified requirement.
- b) Undertaking by the bidder
 - i. The bidder shall submit undertaking along with the techno-commercial bid as per clause no.2.1, such undertaking shall become a part of the contract.
 - ii. Bidder shall also submit the list of items / services to be procured from Indian manufacturers / service providers.
- c) Statutory Auditor's Certificate

The Undertaking submitted by the bidder shall be supported by a certificate from Statutory Auditor as per clause 2.2.

10.1.3 After Contract Award

- a) In the case of procurement cases with the value less than Rs. 5 crore (Rupees Five Crore), the LC content may be calculated (self-assessment) by the contractor and certified by the Director/Authorized Representative of the Company.
- b) The verification of the procurement cases with the value Rupees Five Crore and above shall be carried out by a Statutory Auditor engaged by the bidder.

10.2 Each supplier shall provide the necessary local content documentation to the statutory auditor, which shall review and determine the local content requirements have been met and issue of local content certificate to that effect on behalf of OIL, stating the percentage of local content in the good or service measured. The Auditor shall keep all necessary information obtained from suppliers for measurement of Local Content confidential.

10.3 The Local Content certificate shall be submitted along with each invoice raised. However, the % of local content may vary with invoice while maintaining the overall % of Local Content for the total work/purchase of the pro-rata Local Content requirement. In case, it is not satisfied cumulatively in the invoices raised up to that stage, the supplier shall indicate how the local content requirement would be met in the subsequent stages.

10.4 Where currency quoted by the bidder is other than Indian Rupee then the bidder claiming benefits under PP-LC shall consider exchange rate prevailing on the date of notice inviting tender (NIT) for the calculation of Local Content.

10.5 OIL shall have the authority to audit as well as witness production processes to certify the achievement of the requisite local content.

11 Sanctions

11.1 OIL shall impose sanction on bidder not fulfilling LC of goods/services in accordance with the value mentioned in certificate of LC.

11.2 The sanctions may be in the form of written warning, financial penalty and blacklisting.

11.3 If the bidder does not fulfill his obligation after the expiration of the period specified in such warning. OIL shall initiate action for blacklisting such bidder/successful bidder.

11.4 A bidder who has been awarded the contract after availing Purchase Preference is found to have violated the LC provision, in the execution of the procurement contract of goods and/or services shall be subject to financial penalty over and above the PBG value prescribed in the contract and shall not be more than an amount equal to 10% of the Contract Price.

11.4.1 In pursuance of the clause No.11.4 above, towards fulfillment of conditions pertaining to Local Contents in accordance with the value mentioned in the certificate of LC, the bidder shall have to submit additional Bank Guarantee (format attached at Enclosure B) equivalent to the amount of PBG.

Proforma of Bank Guarantee towards Purchase Preference – Local Content

Ref. No. _____

Bank Guarantee No. _____

Dated _____

To
Oil India Limited_____
India

Dear Sirs,

1. In consideration of _____ (hereinafter referred to as OIL, which expression shall, unless repugnant to the context or meaning thereof, include all its successors, administrators, executors and assignees) having entered into a CONTRACT No. _____ dated _____ (hereinafter called 'the CONTRACT' which expression shall include all the amendments thereto) with M/s _____ having its registered/head office at _____ (hereinafter referred to as the 'CONTRACTOR') which expression shall, unless repugnant to the context or meaning thereof include all its successors, administrators, executors and assignees) and OIL having agreed that the CONTRACTOR shall furnish to OIL a Bank guarantee for India Rupees/US\$ _____ for the faithful fulfillment of conditions pertaining to Local Content in accordance with the value mentioned in the certificate of Local Content submitted by the contractor for claiming purchase preference under the Purchase Preference Policy (linked with Local Content).

2. We (name of the bank) _____ registered under the laws of _____ having head/registered office at _____ (hereinafter referred to as "the Bank", which expression shall, unless repugnant to the context or meaning thereof, include all its successors, administrators, executors and permitted assignees) do hereby guarantee and undertake to pay to OIL immediately on first demand in writing any / all money to the extent of Indian Rs./US\$ (in figures) _____ (Indian Rupees/US Dollars (in words) _____) without any demur, reservation, contest or protest and/or without any reference to the CONTRACTOR. Any such demand made by OIL on the Bank by serving a written notice shall be conclusive and binding, without any proof, on the bank as regards the amount due and payable, notwithstanding any dispute(s) pending before any Court, Tribunal, Arbitrator or any other authority and/or any other matter or thin whatsoever, as liability under these presents being absolute and unequivocal. We agree that the guarantee herein contained shall be irrevocable and shall continue to be enforceable until it is discharged by OIL in writing. This guarantee shall not be determined, discharged or affected by the liquidation, winding up, dissolution or insolvency of the CONTRACTOR and shall remain valid, binding and operating against the bank.

3. The Bank also agrees that OIL at its option shall be entitled to enforce this Guarantee against the Bank as a principal debtor, in the first instance, without proceeding against the CONTRACTOR and notwithstanding any security or other guarantee that OIL may have in relation to the CONTRACTOR's liabilities.

4. The Bank further agrees the OIL shall have the fullest liberty without our consent and without affecting in any manner our obligations hereunder to vary any of the terms and conditions of the said CONTRACT or to extend time of performance by the said CONTRACTOR(s) from time to time or to

postpone for any time or from time to time exercise of any of the powers vested in OIL against the said CONTRACTOR(s) and to forbear or enforce any of the terms and conditions relating to the said agreement and we shall not be relived from our liability by reason of any such variation, or extension being granted to the said CONTRACTOR(s) or for any forbearance, act or omission on the part of OIL or any indulgence by OIL to the said CONTRACTOR(s) or any such matter or thing whatsoever which under the law relating to sureties would, but for this provision, have effect of so relieving us.

5. The Bank further agrees that the Guarantee herein contained shall remain in full force during the period that is taken for the performance of the CONTRACT and all dues of OIL under or by virtue of this CONTRACT have been fully paid and its claim satisfied or discharged or till OIL discharges this guarantee in writing, whichever is earlier.

6. This Guarantee shall not be discharged by any change in our constitution, in the constitution of OIL or that of the CONTRACTOR.

7. The Bank confirms that this guarantee has been issued with observance of appropriate laws of the country of issue.

8. The Bank also agrees that this guarantee shall be governed and construed in accordance with Indian Laws and subject to the exclusive jurisdiction of Indian Courts of the place from where the purchase CONTRACT has been placed.

9. Notwithstanding anything contained herein above, out liability under this Guarantee is limited to Indian Rs./US\$(in figures) _____ (Indian Rupees/US Dollars (in words) _____) and our guarantee shall remain in force until _____ (indicate the date of expiry of bank guarantee).

Any claim under this Guarantee must be received by us before the expiry of this Bank Guarantee. If no such claim has been received by us by the said date, the rights of OIL under this Guarantee will cease. However, if such a claim has been received by us within the said date, all the rights of OIL under this Guarantee shall be valid and shall not cease until we have satisfied that claim.

In witness whereof, the Bank through its authorized officer has set its hand and stamp on this _____ date of _____ 20____ at _____

WITNESS NO.1

(Signature)
Full name and official address
(in legible letters)
Stamp

(Signature)
Full name, designation and address
(in legible letters)
With Bank

WITNESS NO.2

(Signature)
Full name and official address
(in legible letters)
Stamp

Attorney as per power of
Attorney No. _____
Dated _____

Formats for calculation of Local Content in Goods/Services/EPC Contracts:

SERVICE: : (As per Enclosure III of PP-LC Policy)

CALCULATION OF LOCAL CONTENT- SERVICE

NAME OF SUPPLIER OF GOODS/PROVIDER OF SERVICE			Cost Summary				
			Domestic	Imported Rs./Foreign Currency (To be specified by the service provider)	Total	LC	
						%	Rs./Foreign Currency (To be specified by the service provider)
			a	b	c = a+b	d = a/c	e = cxd
A	Cost component						
	I. Material used cost	Rs./Foreign Currency					
	II. Personnel & Consultant cost	Rs./Foreign Currency					
	III. Other services cost	Rs./Foreign Currency					
	IV. Total cost (I to IV)	Rs./Foreign Currency					
B	Taxes and Duties	Rs./Foreign Currency					
C	Total quoted price	Rs./Foreign Currency					

Note:

$$\% \text{ LC Service} = \frac{\text{Total cost (A.IV.c)} - \text{Total imported component cost (A.IV.b)}}{\text{Total Cost (A.IV.c)}} \times 100$$

$$\% \text{ LC Service} = \frac{\text{Total domestic component cost (A.IV.a)}}{\text{Total Cost (A.IV.c)}} \times 100$$

As regards cases where currency quoted by the bidder is other than Indian Rupee, exchange rate prevailing on the date of notice inviting tender (NIT) shall be considered for the calculation of Local Content. *(Applicable only for Foreign Purchase / Global Tenders)*
