



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

CONTRACTS DEPARTMENT  
TEL: (91) 374-2800548  
Email: [contracts@oilindia.in](mailto:contracts@oilindia.in)  
Website: [www.oil-india.com](http://www.oil-india.com)  
FAX: (91)374-2803549

### FORWARDING LETTER

M/s \_\_\_\_\_  
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\_\_\_\_\_

**Sub: IFB No. CDG5746P18 for 'Hiring the Services of 4(four) nos. of Surface Production Facility Packages for OIL's operational area in Assam and Arunachal Pradesh for a period of 3 years with a provision to enter into a framework agreement'**

Dear Sirs,

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

2.0 In connection with its operations, OIL invites International Competitive Bids (ICB) from competent and experienced Contractors through OIL's e-procurement site for **'Hiring the Services of 4(four) nos. of Surface Production Facility Packages for OIL's operational area in Assam and Arunachal Pradesh for a period of 3 years with a provision to enter into a framework agreement'**. One complete set of Bid Document covering OIL's IFB for hiring of above services is uploaded in OIL's e-procurement portal. You are invited to submit your most competitive bid on or before the scheduled bid closing date and time through OIL's e-procurement portal. For your ready reference, few salient points of the IFB (covered in detail in the Bid Document) are highlighted below:

(i)	IFB No. /E-Tender No.	:	<b>CDG5746P18</b>
(ii)	Type of Bidding	:	Online - Single Stage-Two Bid System
(iii)	Tender Fee	:	INR 63,000.00 or US \$ 1000.00 is inclusive of GST.
(iv)	Period of Sale	:	<b>14.09.2017 to 13.10.2017</b>
(v)	Bid Closing Date & Time	:	As mentioned in Online E-tender portal
(vi)	Technical Bid Opening Date & Time	:	As mentioned in Online E-tender portal
(vii)	Price Bid Opening Date & Time	:	Will be intimated only to the eligible/qualified Bidders nearer the time.

(viii)	Bid Submission Mode	:	Bids must be uploaded online in OIL's E-procurement portal
(ix)	Bid Opening Place	:	Office of GM-Contracts Contract Department, Oil India Limited, Duliajan -786602, Assam, India
(x)	Bid Validity	:	120 days from date of Bid Closing
(xi)	Mobilization Time	:	As defined in the tender
(xii)	Bid Security Amount	:	Rs.61,000,00.00/- or US\$ 95,000.00
(xiii)	Bid Security Validity	:	<b>31.03.2018</b>
(xiv)	Original Bid Security to be submitted	:	Office of GM-CONTRACTS, CONTRACTS DEPARTMENT, OIL INDIA LIMITED, DULIAJAN, ASSAM-786 602, INDIA
(xv)	Amount of Performance Security	:	10% of Annualised Contract value
(xvi)	Validity of Performance Security	:	Up to 3 months from date of completion of contract
(xvii)	Duration of the Contract	:	3 (three) years from the date of commencement of operation with a provision for extension of the contract duration by another 1 (one) year at same terms and conditions, scope of work and mutually agreed rates limited to the contract rates, at the discretion of OIL. The contract will have a provision for quantity extension by another 2 units of surface production facility setup during the duration of the contract period of 3(three) years or extended period of one year.
(xviii)	Quantum of Liquidated Damage for Default in Timely Mobilization	:	Refer clause No. 17.0 of General Conditions of Contract.
(xix)	Integrity Pact	:	Must be digitally signed & uploaded along with the Techno-commercial Bid.
(xx)	Bids to be addressed to	:	GM-Contracts, Contract Department, Oil India Limited, Duliajan-786602, Assam, India.
(xxi)	Last date of receipt of Queries	:	25.09.2017. <b>Queries received after 25.09.2017 will not be entertained</b>

### 3.0 Integrity Pact:

The Integrity Pact must be uploaded in OIL's E-procurement portal along with the Technical Bid digitally signed by the same signatory who signed the Bid i.e. who is duly authorized to sign the Bid. Any Bid not accompanied by the Integrity Pact digitally signed 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 signs the Bid.

### 4.0 GUIDELINES FOR PARTICIPATING IN OIL'S E-PROCUREMENT:

4.1 To participate in OIL's E-procurement tender, bidders should have a legally valid digital certificate **of Class 3 with Organizations Name and Encryption certificate** as per Indian IT Act from the licensed Certifying Authorities operating under the Root Certifying Authority of India (RCAI), Controller of Certifying Authorities (CCA) of India (<http://www.cca.gov.in>). **Digital Signature Certificates having "Organization Name" field as "Personal" are not acceptable.**

4.2 Digital Signature Certificate comes in a pair of Signing/verification and Encryption/decryption certificate. Bidder should have both the Signing/verification and Encryption/Decryption certificate for Signing and encryption, decryption purpose respectively. The driver needs to be installed once, without which the DSC will not be recognized. While participating on e-Tendering the DSC token should be connected to your system.

4.3 Encryption certificate is mandatorily required for submission of bid. In case bidder created response with one certificate (using encryption key) and bidder change his Digital Signature Certificate then old certificate [Used for encryption] is required in order to decrypt his encrypted response for getting the EDIT mode of the response. Once decryption is done, bidder may use new DSC certificate for uploading and submission of their offer. It is the sole responsibility of the bidder to keep their DSC certificate properly. In case of loss of the certificate, OIL INDIA LTD is not responsible.

4.4 Bidders must have a valid User ID to access OIL's e-Procurement site for submission of bid. Vendors having User ID & password can purchase bid documents **on-line through OIL's electronic Payment Gateway**. New vendor shall obtain User ID & password through online vendor registration system in e-portal and can purchase bid documents subsequently in the similar manner.

4.5 Parties, who do not have a User ID, can click on **Guest** login button in the E-portal to view and download the available open tenders. **The detailed guidelines are available in OIL's e-procurement site (Help Documentation).** For any clarification in this regard, bidders may contact E-Tender Support Cell at Duliajan at [erp\\_mm@oilindia.in](mailto:erp_mm@oilindia.in), Ph.: 0374- 2807178/4903.

### 4.6 TENDER FEE:

4.6.1 **MODE OF PAYMENT:** Tender fee should be paid only through the payment gateway available on OIL's e-Tender Portal. Generally, no other mode of payment shall be accepted.

4.6.2 **EXEMPTION OF TENDER FEE:** If the bidder is a Micro or Small Enterprise [MSEs] under the Micro, Small and Medium Enterprises Development Act, 2006 and is registered with District Industries Centers or Khadi and Village Industries Commission or Khadi and Village Industries Board or Coir Board or National Small

Industries Corporation or Directorate of Handicrafts and Handloom or any other body specified by Ministry of Micro, Small and Medium Enterprises, then they are exempted from payment of tender fees for the items/services for which they are registered. Copy of valid Registration Certificate, must be enclosed along with the application for issuing tender documents and the Registration Certificate should clearly indicate the items/services for which bidder are registered [or they intend to quote against OIL's tenders] with any of the aforesaid agencies.

4.6.3 The Central Govt. Departments and Central Public Sector Undertakings will also be exempted from the payment of tender fee. Parties registered with DGS&D, having valid certificates will be exempted from payment of tender fee.

## 5.0 **IMPORTANT NOTES :**

Bidders shall take note of the following important points while participating in OIL's e-procurement tender:

i) **BACKING OUT BY BIDDER:** In case any bidder withdraws their bid within the bid validity period, Bid Security will be forfeited and the party will be put on Holiday as per the Banning Policy (available in OIL's website) of Company.

ii) **BACKING OUT BY L-1 BIDDER AFTER ISSUE OF LOA:** In case LOA issued is not accepted by the L1 bidder or the Performance Security is not submitted as per the terms of the contract within the time specified in the Bid Document, the Bid Security shall be forfeited and the bidder shall be dealt as per the Banning Policy (available in OIL's website) of Company.

iii) **FURNISHING FRAUDULENT INFORMATION/DOCUMENT:** The information and documents furnished by the bidder/ contractor in respect of the subject tender/contract are accepted to be true and genuine. However, if it is detected during technical scrutiny or after award of the contract or after expiry of the contract, that the bidder had submitted any fake/fraudulent document or furnished false statement, the offer/contract shall be rejected/ cancelled, as the case may be and the bidder (if fake document/false statement pertains to such bidder) shall be dealt as per the Banning Policy (available in OIL's website) of Company.

iv) **ERRING / DEFAULTING AGENCIES:** Erring and defaulting agencies like bidder, contractor, supplier, vendor, service provider will be dealt as per OIL's Banning Policy dated 6th January, 2017 available in OIL's website: [www.oil-india.com](http://www.oil-india.com).

v) Bid should be submitted online in OIL's E-procurement site up to 11.00 AM (IST) (Server Time) on the date as mentioned and will be opened on the same day at 2.00 PM (IST) at the office of the GM-Contracts in presence of the authorized representatives of the bidders.

vi) The authenticity of digital signature shall be verified through authorized CA after bid opening. If the digital signature used for signing is not of "Class -3" with Organizations name, the bid will be rejected.

vii) The tender is invited under **SINGLE STAGE-TWO BID SYSTEM**. The bidders shall submit both the "TECHNICAL" and "PRICED" bids through electronic form in the OIL's e-Procurement portal within the Bid Closing Date and Time stipulated in the e-Tender portal. The Technical Bid should be submitted as per Scope of Work &



Technical Specifications along with all technical documents related to the tender and uploaded in **“Technical Attachments”** Tab only. Bidders to note that no price details should be uploaded in **“Technical Attachments”** Tab Page. Details of prices as per Price Bid format/Priced bid to be uploaded under **“Notes & Attachments”** tab. A screen shot in this regard is shown below. Offer not complying with above submission procedure will be rejected as per Bid Evaluation Criteria mentioned in Clause 1.0 of (B) Commercial Evaluation Criteria.

Go to this Tab **“Notes and Attachments”** for Uploading **“Priced Bid”** files.

Go to this Tab **“Technical Attachment”** for Uploading **“Technical Bid”**.

On **“EDIT”** Mode, Bidders are advised to upload **“Technical Bid”** and **“Priced Bid”** in the respective places as indicated above:

**Note:**

- \* The **“Technical Bid”** shall contain all techno-commercial details **except the prices**.
- \*\* The **“Priced bid”** must contain the price schedule and the bidder's commercial terms and conditions, if any. For uploading Priced Bid, click on Add Attachment, a browser window will open, select the file from the PC and name the file under Description, Assigned to General Data and click on OK to digitally sign and upload the File. Please click on Save Button of the Response to Save the uploaded files.

6.0 OIL now looks forward to your active participation in the IFB.

Thanking you,

Yours faithfully,  
**OIL INDIA LIMITED**

Sd/-  
(S. Bora)  
Manager – Contracts (Global)  
For GENERAL MANAGER-CONTRACTS  
For RESIDENT CHIEF EXECUTIVE

## **PART - 1**

### **INSTRUCTIONS TO BIDDERS**

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

#### **A. BID DOCUMENTS**

- 2.0 The services required, bidding procedures and contract terms are prescribed in the Bid Document. This Bid Document includes the following:

- (a) A Forwarding Letter highlighting the following points:
  - (i) Company's IFB No.
  - (ii) Bid closing date and time
  - (iii) Bid opening date and time
  - (iv) Bid submission Mode
  - (v) Bid opening place
  - (vi) Bid validity & Duration of contract
  - (vii) The amount of Bid Security with validity
  - (viii) The amount of Performance Guarantee with validity
  - (ix) Quantum of liquidated damages for default in timely consolidation
- (b) Instructions to Bidders, (Part-1)
- (c) Bid Evaluation Criteria, (Part-2)
- (d) General Conditions of Contract, (Part-3, Section-I)
- (e) Terms of Reference/Technical Specification, (Part-3, Section-II)
- (f) Special Conditions of Contract, (Part-3, Section-III)
- (g) Schedule of Rates, (Part-3, Section-IV)
- (h) Estimated CIF value of items at the time of import, (Proforma-A)
- (i) Price Schedule Format, (Proforma-B)
- (j) Bid Form, (Proforma-C)
- (k) Statement of Non-Compliance, (Proforma-D)
- (l) Bid Security Form, (Proforma-E)
- (m) Performance Security Form, (Proforma-F)
- (n) Agreement Form, (Proforma-G)
- (o) Proforma of Letter of Authority, (Proforma-H)
- (p) Authorisation for Attending Bid Opening, (Proforma-I)
- (q) Integrity Pact, (Annexure-V)
- (r) Proforma for Parent Company Agreement & Guarantee, (Annexure-VI(a) & Annexure-VI(b))
- (s) Proforma for Sister Subsidiary/Co- Subsidiary Company Agreement, (Annexure-VII)
- (t) Proforma for Bio-Data of Manpower, (Annexure-VIII)
- (u) Proforma undertaking from Contractor's Personnel, (Annexure-IX)
- (v) Safety Measures, (Annexure-X)
- (w) **Proforma of Bank Guarantee towards PP-LC** (Annexure-XI)
- (x) 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 (Annexure-XII)

- 2.1 The bidder is expected to examine all instructions, forms, terms and specifications in the Bid Documents. Failure to furnish all information

required in the Bid Documents or submission of a bid not substantially responsive to the Bid Documents in every respect will be at the Bidder's risk & responsibility and may result in the rejection of its bid.

### **3.0 TRANSFERABILITY OF BID DOCUMENTS:**

3.1 Bid Documents are non-transferable. Bid can be submitted only in the name of the bidder in whose name the Bid Document has been issued.

3.2 Unsolicited bids will not be considered and will be rejected straightway.

### **4.0 AMENDMENT OF BID DOCUMENTS:**

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

4.2 The Addendum will be uploaded in OIL's E-Tender Portal in the Tab **"Technical Rfx"** and under External Area - "Amendments" folder. The Company may, at its discretion, extend the deadline for bid submission. Bidders are expected to take the Addendum into account in preparation and submission of their bid. **Bidders are to check from time to time the E-Tender portal ["Technical RFX" Tab and under the folder "Amendments"] for any amendments to the bid documents before submission of their bids. No separate intimation shall be sent to the Bidders.**

## **B. PREPARATION OF BIDS**

### **5.0 LANGUAGE OF BIDS:**

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

### **5.1 BIDDER'S/AGENT'S NAME & ADDRESS:**

Bidders should indicate in their bids their detailed postal address including the Fax/Telephone / Cell Phone Nos. and E-mail address. Similar information should also be provided in respect of their authorised Agents in India, if any.

### **6.0 DOCUMENTS COMPRISING THE BID:**

Bids are invited under Single Stage Two Bid System. The bid to be uploaded by the Bidder in OIL's E-Tender portal shall comprise of the following components:

#### **(A) TECHNICAL BID (to be uploaded in "Technical Attachments" tab)**

- (i) Complete technical details of the services offered.
- (ii) Documentary evidence established in accordance with Clause 10.0.
- (iii) Bid Security (scanned) in accordance with Clause 11.0 hereunder. Original Bid Security should be sent as per Clause No. 11.10 below.
- (iv) Copy of Bid-Form without indicating prices in Proforma-C.
- (v) Statement of Non-compliance as per Proforma-D
- (vi) Proforma-A: List of items to be imported without the CIF values.
- (vii) Copy of Priced Bid **without indicating prices** (Proforma-B)

- (viii) Integrity Pact digitally signed by OIL's competent personnel as Annexure-V attached with the bid document to be digitally signed by the bidder.

**Note: Please note that, price should not be mentioned in the "Technical Attachments" tab.**

**(B) PRICED BID(to be uploaded in "Notes and Attachments" tab)**

Bidder shall quote their prices in the following Proforma available in OIL's E-procurement portal in the **"Notes & Attachments" Tab**:

- (i) Price-Bid Format as per Proforma-B
- (ii) Bid Form as per Proforma-C
- (iii) Proforma-A showing the items to be imported with the CIF values.

The Priced Bid shall contain the prices along with the currency quoted and any other commercial information pertaining to the service offered.

**7.0 BIDFORM:**

The bidder shall complete the Bid Form and the appropriate Price Schedule furnished in their Bid.

**8.0 BID PRICE:**

- 8.1 Prices must be quoted by the Bidders online as per the price bid format available in OIL's E-Tender Portal under **"Notes & Attachment"** Tab. Prices must be quoted by the bidders as per the Pricing format.

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

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

**9.0 CURRENCIES OF BID AND PAYMENT:**

- 9.1 A bidder expecting to incur its expenditures in the performance of the Contract in more than one currency, and wishing to be paid accordingly, shall so indicate in the bid. In such a case, the bid shall be expressed in different currencies and the respective amounts in each currency shall together make up the total price.

- 9.2 Indian bidders too can submit their bids in any currency (including Indian Rupees) and receive payment in such currencies on par with foreign bidders. However, currency once quoted will not be allowed to be changed.

**10.0 DOCUMENTS ESTABLISHING BIDDER'S ELIGIBILITY AND QUALIFICATIONS:**

- 10.1 These are listed in **BID EVALUATION CRITERIA (BEC)**, PART-2 of the Bid document.

## **11.0 BID SECURITY:**

11.1 The Bid Security is required to protect the Company against the risk of Bidder's conduct, which would warrant forfeiture of the Bid Security, pursuant to sub-clause 11.9.

11.2 All the bids must be accompanied by Bid Security in Original for the amount as mentioned in the "Forwarding Letter" or an equivalent amount in other freely convertible currency and shall be in the OIL's prescribed format as Bank Guarantee (BG) enclosed with the NIT vide **Proforma-E** or a Bank Draft/Bankers' cheque in favour of OIL and payable at Duliajan, Assam or an irrevocable Letter of Credit (L/C) from any of the following Banks –

a) Any schedule Indian Bank or Any Branch of an International bank situated in India and registered with Reserve Bank of India as scheduled foreign bank in case of domestic bidder, or

b) In case of foreign bidder, the bank guarantee can be accepted from any scheduled bank in India or from International bank who has its branch in India registered with Reserve Bank of India, or

c) Any foreign Bank which is not a Scheduled Bank in India provided the Bank Guarantee issued by such Bank is counter-guaranteed by any Branch situated in India of any Scheduled Bank incorporated in India.

The Bank Guarantee / LC shall be valid for the time as asked for in the Bid Document. Bank Guarantees issued by Banks in India should be on non-judicial stamp paper of requisite value, as per Indian Stamp Act, purchased in the name of the Banker.

11.3 **Bidders can submit Bid Security on-line through OIL's electronic Payment Gateway.**

11.4 Any bid not secured in accordance with **sub-clause 11.2** above shall be rejected by the Company as non-responsive.

11.5 The bidders shall extend the validity of the Bid Security suitably, if and when specifically advised by OIL, at the bidder's cost.

11.6 Unsuccessful Bidder's Bid Security will be discharged and/or returned within 30 days after finalization of IFB.

11.7 Successful Bidder's Bid Security will be discharged and/or returned upon Bidder's furnishing the Performance Security and signing of the contract. Successful bidder will however ensure validity of the Bid Security till such time the Performance Security in conformity with Clause **29.0** below is furnished.

11.8 Bid Security shall not accrue any interest during its period of validity or extended validity.

11.9 The Bid Security may be forfeited:

- i) If the bidder withdraws the bid within its original/extended validity.
- ii) If the bidder modifies/revises their bid suo-moto.
- iii) If the bidder does not accept the order/contract.

- iv) If the bidder does not furnish Performance Security Deposit within the stipulated time as per tender/order/contract.
- v) If it is established that the bidder has submitted fraudulent documents or has indulged into corrupt and fraudulent practice, the bid security shall be forfeited after due process in addition to other action against the bidder.

11.10 In case any bidder withdraws their bid during the period of bid validity, Bid Security will be forfeited and the party shall be debarred for a period of 2(two) years.

11.11 **The scanned copy of the original Bid Security in the form of either Bank Guarantee or LC or Banker's Cheque or Bank Draft must be uploaded by bidder along with the Technical bid in the "Technical Attachment" tab of OIL's E-portal.** The original Bid Security shall be submitted by bidder to the office of GM-Contracts, Oil India Ltd., Duliajan-786602(Assam), India in a sealed envelope which must reach GM-Contract's office on or before 12.45 Hrs (IST) on the Bid Closing date.

11.12 A bid shall be rejected straightway if Original Bid Security is not received within the stipulated date & time mentioned in the Tender and/or if the Bid Security validity is shorter than the validity indicated in Tender and/or if the Bid Security amount is lesser than the amount indicated in the Tender.

11.13 The Bank Guarantee issuing bank branch must ensure the following:

The Bank Guarantee issued by the bank must be routed through SFMS platform as per the following details:

- i) "MT 760 / MT 760 COV for issuance of bank guarantee.
- ii) "MT 760 / MT 767 COV for amendment of bank guarantee.

The above message/intimation shall be sent through SFMS by the BG issuing bank branch to Axis Bank, Duliajan Branch, IFS Code – UTIB0001129, Branch address – AXIS Bank Ltd., Duliajan Branch, Daily Bazar, Jyotinagar, Duliajan, District Dibrugarh, PIN – 786602. The Bank details are as under:

	Bank Details of Beneficiary	
<b>a</b>	Bank Name	AXIS BANK LTD
<b>b</b>	Branch Name	DULIAJAN BRANCH
<b>c</b>	Branch Address	DAILY BAZAR, JYOTI NAGAR, DULIAJAN , DIST. DIBRUGARH, ASSAM , PIN 786602 State: <a href="#">ASSAM</a>
<b>d</b>	Banker Account No.	910020040028220
<b>e</b>	Type of Account	Current Account
<b>f</b>	IFSC Code	<a href="#">UTIB0001129</a>
<b>g</b>	MICR Code	<a href="#">786211302</a>

<b>h</b>	SWIFT Code	AXISINBB140
<b>i</b>	Contact No.	+919706011291
<b>j</b>	Contact Person Name	RUPAM BHUYAN
<b>k</b>	Fax No.	03742800089
<b>l</b>	Email Id	<a href="mailto:duliajan.branchhead@axisbank.com">duliajan.branchhead@axisbank.com</a>

## **12.0 EXEMPTION FROM SUBMISSION OF BID SECURITY:**

- 12.1 Central Govt. offices and Central Public Sector undertakings are exempted from submitting Bid Security.
- 12.2 If the bidder is a Micro or Small Enterprises (MSE) registered with District Industry Centers or Khadi and Village Industries Commission or Khadi and Village Industries Board or Coir Board or National Small Industries Corporation or Directorate of Handicrafts and Handloom or any other body specified by Ministry of MSME, then they are also exempted from submitting Bid Security. Bidding MSEs shall have to submit a Copy of valid Registration Certificate clearly indicating the monetary limit, if any and the items/Services for which bidder are registered with any of the aforesaid agencies.

In case bidding MSE is owned by Schedule Caste or Schedule Tribe entrepreneur, valid documentary evidence issued by the agency who has registered the bidder as MSE owned by SC/ST entrepreneur should also be enclosed.

## **13.0 PERIOD OF VALIDITY OF BIDS:**

- 13.1 Bids shall remain **valid for 120** days from the date of closing of bid prescribed by the Company. **Bids of shorter validity will be rejected as being non-responsive.** If nothing is mentioned by the bidder in their bid about the bid validity, it will be presumed that the bid is valid for **120** days from Bid Closing Date.
- 13.2 In exceptional circumstances, the Company may solicit the Bidder's consent to an extension of the period of validity. The request and the response thereto shall be made in writing through Fax or e-mail. The Bid Security provided under Para 11.0 above shall also be suitably extended. A Bidder may refuse the request without forfeiting its Bid Security. A Bidder granting the request will neither be required nor permitted to modify their Bid.

## **C. SIGNING & SUBMISSION OF BIDS:**

### **14.0 SIGNING OF BID:**

- 14.1 Bids are to be submitted online through OIL's E-procurement portal with digital signature. The bid and all attached documents should be digitally signed by the bidder using "Class 3" digital certificates with Organization's Name [e-commerce application (Certificate with personal verification and Organisation Name)] as per Indian IT Act 2000 obtained from the licensed Certifying Authorities operating under the Root Certifying Authority of India (RCAI), Controller of Certifying Authorities (CCA) of India before bid is

uploaded. Digital Signature Certificates having "Organization Name" field other than Bidder's Name are not acceptable. Digital Signature Certificates having Bidder's Name in the "Organization Name" field are only acceptable.

The bid including all uploaded documents shall be digitally signed by duly authorized representative of the bidder holding a Power of Attorney to bind the Bidder to the contract.

If any modifications are made to a document after attaching digital signature, the digital signature shall again be attached to such documents before uploading the same. The Power of Attorney in original shall be submitted by bidder as mentioned in Para 15.1 below.

In case the digital signature is not of "Class-3" with organization name, the bid will be rejected. Bidder is responsible for ensuring the validity of digital signature and its proper usage by their employees.

- 14.2 The original and all copies of the bid shall be typed or written in indelible inks. Since bids are to be submitted ONLINE with digital signature, manual signature is NOT relevant. The letter of authorisation (as per **Proforma-H**) shall be indicated by written Power of Attorney accompanying the Bid.
- 14.3 Any physical documents submitted by bidders shall contain no interlineations, white fluid erasures or overwriting except as necessary to correct errors made by the Bidder, in which case such correction shall be initialled by the person or persons who has/have digitally signed the Bid.
- 14.4 Any Bid, which is incomplete, ambiguous, or not in compliance with the Bidding process will be rejected.

**15.0 SUBMISSION OF BIDS:**

- 15.1 The tender is processed under single stage - Two bid system. Bidder shall submit the Technical bid and Priced bid along with all the Annexures and Proforma (wherever applicable) and copies of documents in electronic form through OIL's e-procurement portal within the Bid Closing Date & Time stipulated in the e-tender. For submission of Bids online at OIL's E-Tender Portal, detailed instructions is available in "**User Manual**" available in OIL's E-Tender Portal. Guidelines for bid submission are also provided in the "Forwarding Letter". The Technical Bid is to be submitted as per Terms of Reference/Technical Specifications of the bid document and Priced Bid as per the Price Schedule. The Technical Bid should be uploaded in the "Technical Attachment" Tab Page only. Prices to be quoted as per Proforma-B should be uploaded as Attachment just in the attachment link under "Notes & Attachments" Tab under General Data in the e-portal. **No price should be given in the "Technical Attachment", otherwise bid shall be rejected.** The priced bid **should not** be submitted in physical form and which shall not be considered. However, the following documents in one set should necessarily be submitted in physical form in sealed envelope superscribing the "IFB No., Brief Description of services and Bid Closing/Opening date & Time along with the bidder's name and should be submitted to GM-Contracts, Oil India Ltd., Duliajan-786602 (Assam) on or before 12.45 Hrs (IST) on the bid closing date indicated in the IFB :
- i) The Original Bid Security along with 1(one) copy
  - ii) Printed catalogue and literature if called for in the bid document.



- iii) Power of Attorney for signing of the bid digitally.
- iv) Any other document required to be submitted in original as per bid document requirement.

Documents sent through E-mail/Fax/Telephonic method will not be considered.

- 15.2 All the conditions of the contract to be made with the successful bidder are given in various Sections of the Bid Document. Bidders are requested to state their non-compliance to each clause as per Proforma-D of the bid document and the same should be uploaded along with the Technical Bid.
- 15.3 Timely delivery of the documents in physical form as stated in Para 15.1 above is the responsibility of the bidder. Bidders should send the same through Registered Post or by Courier Services or by hand delivery to the Officer in Charge of the particular tender before the Bid Closing Date and Time. Company shall not be responsible for any postal delay/transit loss.
- 15.4 Bids received through the e-procurement portal shall only be accepted. Bids received in any other form shall not be accepted.

**16.0 INDIAN AGENT/REPRESENTATIVE/RETAINER/ASSOCIATE:**

Foreign bidders shall clearly indicate in their bids whether they have an Agent/Representative/Retainer/Associate in India. In the event the overseas bidder is having an Agent/Representative/Retainer/Associate in India, the bidder should furnish the name and address of their Agent/Representative/Retainer/Associate in India and clearly indicate nature and extent of services to be provided by such an Agent/Representative/Retainer/Associate in India and also stating in their bids whether the Agent/Representative/Retainer/Associate is authorized to receive any commission. The rate of the commission included in the quoted rates of bidder should be indicated which would be payable to Agent/Representative/Retainer/Associate in non-convertible Indian currency according to Import Trade Regulation of India. Unless otherwise specified, it will be assumed that agency commission is not involved in the particular bid.

Further, overseas bidders shall submit their bids directly and not through their Agent/Representative/Retainer/Associate in India. Bid submitted by Indian Agent/Representative/Retainer/Associate on behalf of their foreign principals will not be considered and will be rejected straightway. Moreover, one Indian Agent/Representative/Retainer/Associate cannot represent more than one foreign bidder against the IFB.

The Indian Agent/Representative/Retainer/Associate will not be permitted to submit any Bid Security and Performance Security on behalf of their foreign principals and also the Indian Agent/Representative/Retainer/Associate will not be allowed to execute the contract and receive payment against bid submitted by their foreign principals. Such bids shall be rejected straightway.

**17.0 DEADLINE FOR SUBMISSION OF BIDS:**

- 17.1 Bids should be submitted online as per the online tender submission deadline. Bidders will not be permitted by System to make any changes in their bid/quote after the bid submission deadline is reached. Bidders are requested to take note of this and arrange to submit their bids within the

submission deadline to avoid last minute rush/network problems.

17.2 No bid can be submitted after the submission dead line is reached. The system time displayed on the e-procurement web page shall decide the submission dead line.

17.3 The documents in physical form as stated in **Para 15.1** must be received by Company at the address specified in the "Forwarding Letter" on or before **12.45 Hrs(IST)** on the Bid Closing Date mentioned in the "Forwarding Letter". Timely delivery of the same at the address mentioned in the Forwarding Letter is the responsibility of the Bidders.

**18.0 LATE BIDS:**

Bidders are advised in their own interest to ensure that their bids are uploaded in system before the closing date and time of the bid. The documents in physical form if received by the Company after the deadline for submission prescribed by the Company shall be rejected and shall be returned to the Bidders in unopened condition immediately.

**19.0 MODIFICATION AND WITHDRAWAL OF BIDS:**

19.1 The Bidder after submission of Bid may modify or withdraw its Bid prior to Bid Closing Date & Time.

19.2 No Bid can be modified or withdrawn subsequent to the deadline for submission of Bids.

19.3 No Bid can be withdrawn in the interval between the deadline for submission of Bids and the expiry of the period of Bid Validity specified by the Bidder on the Bid Form. Withdrawal of a Bid during this interval shall result in the Bidder's forfeiture of its Bid Security and bidder shall also be debarred from participation in future tenders of OIL.

**20.0 EXTENSION OF BID SUBMISSION DATE:**

Normally no request for extension of Bid Closing Date & Time will be entertained. However, OIL at its discretion, may extend the Bid Closing Date and/or Time due to any reasons.

**21.0 BID OPENING AND EVALUATION:**

21.1 Company will open the Technical Bids, including submission made pursuant to clause 19.0, in presence of Bidder's representatives who choose to attend at the date, time and place mentioned in the Forwarding Letter. However, an authorisation letter (as per **Proforma-I**) from the Bidder must be produced by the Bidder's representative at the time of Bid Opening. Unless this Letter is presented, the representative will not be allowed to attend the Bid Opening. The Bidder's representatives who are allowed to attend the Bid Opening shall sign a register evidencing their attendance. Only one representative against each Bid will be allowed to attend. In technical bid opening, only "Technical Attachment" will be opened. Bidders therefore should ensure that technical bid is uploaded in the "Technical Attachment" Tab Page only in the E-portal.

21.2 In case of any unscheduled holiday or Bandh on the Bid Opening Date, the Bids will be opened on the next full working day. Accordingly, Bid Closing Date / time will get extended up to the next working day and time.

- 21.3 Bids which have been withdrawn pursuant to clause 19.0 shall not be opened. Company will examine bids to determine whether they are complete, whether requisite Bid Securities have been furnished, whether documents have been digitally signed and whether the bids are generally in order.
- 21.4 At bid opening, Company will announce the Bidder's names, written notifications of bid modifications or withdrawal, if any, the presence of requisite Bid Security, and such other details as the Company may consider appropriate.
- 21.5 Normally no clarifications shall be sought from the Bidders. However, for assisting in the evaluation of the bids especially on the issues where the Bidder confirms compliance in the evaluation and contradiction exists on the same issues due to lack of required supporting documents in the Bid (i.e. document is deficient or missing), or due to some statement at other place of the Bid (i.e. reconfirmation of confirmation) or vice versa, clarifications may be sought by OIL. In all the above situations, the Bidder will not be allowed to change the basic structure of the Bid already submitted by them and no change in the price or substance of the Bid shall be sought, offered or permitted.
- 21.6 Prior to the detailed evaluation, Company will determine the substantial responsiveness of each bid to the requirement of the Bid Documents. For purpose of these paragraphs, a substantially responsive bid is one, which conforms to all the terms and conditions of the Bid Document without material deviations or reservation. A material deviation or reservation is one which affects in any substantial way the scope, quality, or performance of work, or which limits in any substantial way, in-consistent way with the Bid Documents, the Company's right or the bidder's obligations under the contract, and the rectification of which deviation or reservation would affect unfairly the competitive position of other bidders presenting substantial responsive bids. The Company's determination of Bid's responsiveness is to be based on the contents of the Bid itself without recourse to extrinsic evidence.
- 21.7 A Bid determined as not substantially responsive will be rejected by the Company and may not subsequently be made responsive by the Bidder by correction of the non-conformity.
- 21.8 The Company may waive minor informality or nonconformity or irregularity in a Bid, which does not constitute a material deviation, provided such waiver, does not prejudice or affect the relative ranking of any Bidder.
- 22.0 OPENING OF PRICED BIDS:**
- 22.1 Company will open the Priced Bids of the techno-commercially qualified Bidders on a specific date in presence of representatives of the qualified bidders. The techno-commercially qualified Bidders will be intimated about the Priced Bid Opening Date & Time in advance. In case of any unscheduled holiday or Bandh on the Priced Bid Opening Date, the Bids will be opened on the next working day.
- 22.2 The Company will examine the Price quoted by Bidders to determine whether they are complete, any computational errors have been made, the documents have been properly signed, and the bids are generally in order.

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

**23.0 CONVERSION TO SINGLE CURRENCY:**

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

**24.0 EVALUATION AND COMPARISON OF BIDS:**

The Company will evaluate and compare the bids as per **BID EVALUATION CRITERIA (BEC),PART-2** of the Bid Documents.

**24.1 DISCOUNTS / REBATES:**

Unconditional discounts/rebates, if any, given in the bid will be considered for evaluation.

24.2 Post bid or conditional discounts/rebates offered by any bidder shall not be considered for evaluation of bids. However, if the lowest bidder happens to be the final acceptable bidder for award of contract, and if they have offered any discounts/rebates, the contract shall be awarded after taking into account such discounts/rebates.

**24.3 LOADING OF FOREIGN EXCHANGE:**

There would be no loading of foreign exchange for deciding the inter-se-ranking of domestic bidders.

**24.4 EXCHANGE RATE RISK:**

Since Indian bidders are now permitted to quote in any currency and also receive payments in that currency, Company will not be compensating for any exchange rate fluctuations in respect of the services.

**24.5 REPATRIATION OF RUPEE COST:**

In respect of foreign parties rupee payments made on the basis of the accepted rupee component of their bid, would not be repatriable by them. A condition to this effect would be incorporated by the Company in the contract.

**25.0 CONTACTING THE COMPANY:**

25.1 Except as otherwise provided in **Clause 21.0** above, no Bidder shall contact Company on any matter relating to its bid, from the time of the bid opening to the time the Contract is awarded except as required by Company vide **sub-clause 21.6**.

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

**D. AWARD OF CONTRACT**

**26.0 AWARD CRITERIA:**

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

**27.0 COMPANY'S RIGHT TO ACCEPT OR REJECT ANY BID:**

Company reserves the right to accept or reject any or all bids and to annul the bidding process and reject all bids, at any time prior to award of contract, without thereby incurring any liability to the affected bidder, or bidders or any obligation to inform the affected bidder of the grounds for Company's action.

**28.0 NOTIFICATION OF AWARD:**

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

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

28.3 Upon the successful Bidder's furnishing of Performance Security pursuant to **Clause 29.0** below, the Company will promptly notify each un-successful Bidder and will discharge their Bid Security, pursuant to **Clause 11.0** hereinabove.

**29.0 PERFORMANCE SECURITY:**

29.1 On receipt of notification of award from the Company, the successful Bidder shall furnish to Company the Performance Security for an amount specified in the Forwarding Letter (and Letter of Award (LOA) issued by Company to Contractor awarding the contract) as per **Proforma-F** or in any other format acceptable to the Company and must be in the form of a Demand Draft or Bank Guarantee or irrevocable Letter of Credit (LC) from:

- a) Any schedule Indian Bank or Any Branch of an International bank situated in India and registered with Reserve Bank of India as scheduled foreign bank in case of domestic bidder, or
- b) In case of foreign bidder, the bank guarantee can be accepted from any scheduled bank in India or from International bank who has its branch in India registered with Reserve Bank of India.
- c) Any foreign Bank which is not a Scheduled Bank in India, provided the Bank Guarantee issued by such Bank is counter-guaranteed by any Branch situated in India of any Scheduled Bank incorporated in India

Bank Guarantee issued by a Bank, amongst others, must contain the following particulars of such bank:

- a) Full address.
- b) Branch Code.
- c) Code Nos. of the authorized signatory with full name and designation.
- d) Phone Nos., Fax Nos., E-mail address.

The domestic bidders will have to submit the Bank Guarantee from any of the scheduled banks and on non-judicial stamp paper of requisite value as per the Indian Stamp Act, purchased in the name of the issuing banker.

The foreign bidder will submit the Bank Guarantee from Banks of Indian origin situated in their country. In case no such bank of Indian origin is situated in their country, the Bank Guarantee may be submitted from the bankers as specified above.

The Performance Security shall be denominated in the currency of the contract.

- 29.2 The Performance Security specified above must be valid for 3(three) months beyond the contract period. The Performance Security will be discharged by Company not later than 30 days following its expiry. In the event of any extension of the Contract period, Bank Guarantee should be extended by Contractor by the period equivalent to the extended period.
- 29.3 The Performance Security shall be payable to Company as compensation for any loss resulting from Contractor's failure to fulfil its obligations under the Contract.
- 29.4 The Performance Security will not accrue any interest during its period of validity or extended validity.
- 29.5 Failure of the successful Bidder to comply with the requirements of **clause 29.0 and/or 30.0** shall constitute sufficient grounds for annulment of the award and forfeiture of the Bid Security or Performance Security. In such an eventuality, the party shall be debarred for a period of 2(two) years from the date of default.

**30.0 SIGNING OF CONTRACT:**

- 30.1 At the same time as the Company notifies the successful Bidder that its Bid has been accepted, the Company will either call the successful Bidder for signing of the agreement or send the Contract Form provided in the Bid Documents, along with the General & Special Conditions of Contract, Technical Specifications, Schedule of Rates incorporating all agreements agreed between the two parties.
- 30.2 The successful Bidder shall sign and date the contract and return it to the Company after receipt of LOA. Till the contract is signed, the LOA issued to the successful bidder shall remain binding amongst the two parties.
- 30.3 In the event of failure on the part of the successful Bidder to sign the contract, OIL reserves the right to terminate the LOA issued to the successful Bidder and invoke the Bid Security or the Performance Security if submitted by the successful Bidder. The party shall also be debarred for a period of 2(two) years from the date of default.

**31.0 FURNISHING FRAUDULENT INFORMATION/DOCUMENTS:**

If it is found that a bidder/contractor has furnished fraudulent information / documents, the Bid Security/Performance Security shall be forfeited and the party shall be debarred for a period of 3(three) years from the date of detection of such fraudulent act besides the legal action.

### **32.0 CREDIT FACILITY:**

Bidders should indicate clearly in the Bid about availability of any credit facility inclusive of Government to Government credits indicating the applicable terms and conditions of such credit.

### **33.0 MOBILISATION ADVANCE PAYMENT:**

33.1 Request for advance payment shall not be normally considered. However, depending on the merit and at the discretion of the Company, advance against mobilisation charge may be given at an interest rate of 1% above the prevailing Bank rate (CC rate) of SBI from the date of payment of the advance till recovery/refund.

33.2 Advance payment agreed to by the Company shall be paid only against submission of an acceptable bank guarantee whose value should be equivalent to the amount of advance plus the amount of interest covering the period of advance. Bank guarantee shall be valid for 2 months beyond completion of mobilisation and the same may be invoked in the event of Contractor's failure to mobilise as per agreement.

33.3 In the event of any extension to the mobilisation period, Contractor shall have to enhance the value of the bank guarantee to cover the interest for the extended period and also to extend the validity of bank guarantee accordingly.

### **34.0 INTEGRITY PACT:**

34.1 OIL shall be entering into an Integrity Pact with the Bidders as per format enclosed vide **Annexure-V** of the Bid Document. The Integrity Pact has been duly signed digitally by OIL's competent signatory and uploaded in the OIL's e-portal. The Integrity Pact shall be returned by the bidder (along with the technical Bid) duly signed by the same signatory who signed the Bid i.e. who is duly authorized to sign the Bid. Uploading the Integrity Pact in the OIL's E-portal with digital signature will be construed that all pages of the Integrity Pact has been signed by the bidder's authorized signatory who has signed the bid. **If any bidder refuses to sign Integrity Pact or declines to submit the Integrity Pact, their bid shall be rejected straightway.**

34.2 OIL has appointed Shri Rajiv Mathur, IPS(Retd), Shri Satyananda Mishra, IAS(Retd.) and Shri Jagmohan Garg, Ex-Vigilance Commissioner as Independent Monitors(IEM) for a period of 3(three) years to oversee implementation of Integrity Pact in OIL. Bidders may contact the Independent External Monitors for any matter relating to the IFB at the following addresses:

- a. Shri Rajiv Mathur, IPS(Retd), Former Director, IB, Govt. of India;  
E-mail: [rajivmathur23@gmail.com](mailto:rajivmathur23@gmail.com)
- b. Shri Satyananda Mishra, IAS(Retd.), Former Chief Information Commissioner of India & Ex-Secretary, DOPT, Govt. of India  
E-mail: [satyanandamishra@hotmail.com](mailto:satyanandamishra@hotmail.com)
- c. Shri Jagmohan Garg, Ex-Vigilance Commissioner, CVC  
e-Mail id: [jagmohan.garg@gmail.com](mailto:jagmohan.garg@gmail.com)

### **35.0 LOCAL CONDITIONS:**

It is imperative for each Bidder to be fully informed themselves of all Indian as well as local conditions, factors and legislation which may have any effect on the execution of the work covered under the Bidding Document. The bidders shall be deemed, prior to submitting their bids to have satisfied themselves of all the aspects covering the nature of the work as stipulated in the Bidding Document and obtain for themselves all necessary information as to the risks, contingencies and all other circumstances, which may influence or affect the various obligations under the Contract.

No request will be considered for clarifications from the Company (OIL) regarding such conditions, factors and legislation. It is understood and agreed that such conditions, factors and legislation have been properly investigated and considered by the Bidders while submitting the Bids. Failure to do so shall not relieve the Bidders from responsibility to estimate properly the cost of performing the work within the provided timeframe. Company (OIL) will assume no responsibility for any understandings or representations concerning conditions made by any of their officers prior to award of the Contract. Company (OIL) shall not permit any Changes to the time schedule of the Contract or any financial adjustments arising from the Bidder's lack of knowledge and its effect on the cost of execution of the Contract.

### **36.0 SPECIFICATIONS:**

Before submission of Bids, Bidders are requested to make themselves fully conversant with all Conditions of the Bid Document and other relevant information related to the works/services to be executed under the contract.

### **37.0 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.**

**37.1** 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.

**37.2** Bidders seeking Purchase preference (linked with local content) (PP-LC) shall be required to meet / exceed the target of Local Content (LC) of **20%**

**37.2.1** 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. \_\_\_\_\_."*



**37.2.2** 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 by the work center 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.

**37.2.3** At the bidding stage the bidder shall provide Break-up of "Local Component" and "Imported Component" in the prescribed format enclosed as **Proforma-BB(PP-LC)** of the policy and shall be uploaded by the bidders along with their price bid in the e-procurement portal.

**37.3** Eligible (techno-commercially qualified) LC bidder shall be granted a purchase preference to 10% i.e. where the evaluated price is with 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.

**37.3.1** 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 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.

**37.4** 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.

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

**37.4.2** 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).

**37.5** 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.

**37.6** 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.

**37.7** 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.

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

**37.8 Determination of LC:**

**37.8.1** 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.

**37.8.2** 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.

**37.8.3** 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.

**37.8.4** 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.

**37.9 Calculation of LC and Reporting:**

**37.9.1** LC shall be calculated on the basis of verifiable data. In the case of data used in the calculation of LC being not verifiable, the value of LC of the said component shall be treated as nil.

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

**37.10 Certification and Verification:**

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

**37.10.1.1** 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 37.3.

(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. 37.1, 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 37.2.

**37.10.1.2** 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.

**37.10.2** 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.

**37.10.3** 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.

- 37.10.4** 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.
- 37.10.5** OIL shall have the authority to audit as well as witness production processes to certify the achievement of the requisite local content.
- 37.11** **Sanctions :**
- 37.11.1** OIL shall impose sanction on bidder not fulfilling LC of goods/services in accordance with the value mentioned in certificate of LC.
- 37.11.2** The sanctions may be in the form of written warning, financial penalty and blacklisting.
- 37.11.3** 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.
- 37.11.4** 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.
- 37.11.5** In pursuance of the clause No. 37.11.4 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 Annexure-XI) equivalent to the amount of PBG.

**END OF PART - 1**

**&&&&**

## **PART – 2**

### **BID EVALUATION CRITERIA (BEC)**

This tender is floated on the concept of Framework contract to finalize the technically qualified bidders for the whole scope of work. Based on the requirement of OIL, within these terms and conditions and scope, Price Bid for the specific service within the scope of this tender will be sought from all the technically qualified bidder for the forthcoming requirements. Bidders will be techno commercially evaluated based on these BEC criteria as mentioned below:

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

**1.0 A. TECHNICAL EVALUATION CRITERIA:**

**1.1 EXPERIENCE:**

- i) The bidder shall have the experience of providing Surface Production Setup facility /Surface Production Testing Service in at least five (5) numbers of oil/gas wells using minimum 10000 psi rated well test package during the last 7 (seven) years reckoned from the original bid closing date.
- ii) In support of the experience criteria of A.1.1.i) above, the bidder must furnish the following documentary evidences self-certified, in the form of:
  - a) Copies of Relevant pages of the contract document showing Contract Number, period of contract and Scope of work etc.
  - b) Copies of completion Certificate(s) or payment certificate(s) or any other documents which substantiate completion of the jobs, issued by the client(s) with contact details of the issuing person/organization (e-mail address, Phone Number, Fax number etc.).
- iii) All major equipment offered for this tender i.e. Separator, Choke Manifold, Oil Transfer Pump and Surge Tank shall not be more than 5 (five) years old (i.e. manufactured not before 01.01. 2012). Bidder has to provide self-declaration confirming compliance to the same.

**1.2 BID FROM INDIAN COMPANY/INDIAN JOINT VENTURE COMPANY WITH TECHNICAL COLLABORATION/JOINT VENTURE PARTNER:**

In case, the bidder is an Indian Company/Indian Joint Venture Company who does not meet the experience criteria as per clause No. A.1.1.i) above, may also bid on the strength of Technical Collaborator/Joint Venture Partner provided all the following criteria are complied:

- (a) The primary bidder shall have the experience of successfully completing at least 01(one) No of contract for providing oilfield services relating to oil and gas well operations like Drilling/Workover/Production Testing/Matrix

Acidization / Well Stimulation/Sand Control, during the last 07(seven) years prior to the original bid closing date. In support of the experience, the bidder shall submit documentary evidences as per clause A.1.1.ii) above.

**OR**

The primary bidder shall have the experience of successfully providing services relating to oil and/or gas well operations like Drilling/Workover/Production Testing/Well Stimulation/Matrix Acidization/ Sand Control continuously for a period of at least 1 (one) year to be reckoned from the original bid closing date under a single contract.

- (b) The primary bidder shall meet the financial criteria clause B sub-clauses 1.0, 2.0, 3.0, 4.0 and 5.0 below.
  - (c) The Technical Collaborator/Joint Venture Partner at its own shall meet the experience criteria A.1.1.i) above. The experience of the Technical Collaborator /Joint Venture with other firms will not be qualified. In this regard, the documents establishing experience of the Technical Collaborator/Joint Venture Partner shall be submitted as per clause A.1.1.ii) above.
- 1.3 Indian bidders quoting based on technical collaboration/ joint venture, shall submit a Memorandum of Understanding (MOU)/Agreement with their technical collaborator/ joint venture partner clearly indicating their roles under the scope of work which shall be addressed to OIL and shall remain valid and binding for the contract period under this tender.

1.4 **BID FROM CONSORTIUM OF COMPANIES:**

In case, the bidder is a consortium of companies, the following requirement should be satisfied by the bidder:

- (a) The Leader of the consortium shall satisfy the minimum experience requirement as per clause No. A.1.1.i) or the clause A.1.2.a above.
- (b) If the Leader of the consortium meets the clause A.1.2.a but does not meet the requirement as per clause No. A.1.1.i), then any of the consortium members shall individually meet clause A.1.1.i).
- (c) The consortium members shall have to meet the financial criterion mentioned in Clause No. B 2.0 below.
- (d) The leader of the Consortium can submit bid on behalf of consortium of bidders. Memorandum of Understanding(MOU) between the Consortium members duly **executed** by the CEOs of the consortium members **and Notarized** must accompany the bid which should clearly define role/scope of work of each partner/member and should clearly define the leader of consortium. Memorandum of Understanding (MOU) must also state that all the members of consortium shall be jointly and severally responsible for discharging all obligations under the Contract. **However, the Leader of the Consortium must submit an undertaking** along with the technical bid **towards** unconditional acceptance of full responsibility for executing the 'Scope of Work' of this bid document. In case of award, such MOU shall be kept valid through the entire contract period, including extensions, if any.

The following provisions should also be incorporated in the MOU executed by the members of the Consortium:

- (e) Only the Leader of the consortium shall buy the bid document, submit bid and sign the contract agreement (in the event of award of contract) on behalf of the consortium.

**NOTE:** The Bid Security shall be in the name of the Leader of the consortium on behalf of consortium with specific reference to consortium bid and name & address of consortium members. Similarly the Performance Security shall be in the name of the Leader on behalf of the consortium.

- 1.5 Bidder(s) quoting in Collaboration/joint venture Partnership/ Consortium with any firm are not allowed to quote separately/independently against this tender. The collaborator is also not allowed to quote separately/independently against this tender. All the bids received in such case will be summarily rejected.

1.6 **ELIGIBILITY CRITERIA IN CASE BIDS ARE SUBMITTED ON THE BASIS OF EXPERIENCE OF THE PARENT/ SUBSIDIARY COMPANY:**

Offers of those bidders who themselves do not meet the experience criteria as stipulated in Clause Nos. A. 1.1 (i) and B. 1.0& 2.0 can also be considered provided the Bidder is a subsidiary company of the parent company in which the parent company has 100% stake or parent company can also be considered on the strength of its 100% subsidiary. However, the parent/ subsidiary company of the Bidder should on its own meet the experience as stipulated in the BEC and should not rely for meeting the experience criteria on its sister subsidiary/ co-subsidiary company or through any other arrangement like Technical Collaboration agreement. In that case as the subsidiary company is dependent upon the experience of the parent company or vice-versa with a view to ensure commitment and involvement of the parent/ subsidiary company for successful execution of the contract, the participating bidder should enclose an Agreement (as per format enclosed as **Annexure-VI (a)**) between the parent and the subsidiary company or vice-versa and Parent/ Subsidiary Guarantee (as per format enclosed as **Annexure-VI (b)**) from the parent/ subsidiary company to OIL for fulfilling the obligation under the Agreement, along with the Technical bid.

1.7 **MOBILISATION TIME:**

The bidders must confirm their compliance in their "Technical" bid to complete the mobilization within 90 days from the date of issue of Mobilization Notice after issuance of Letter of award (LOA). Offers without confirmation of stipulated mobilization time or with mobilization time more than 90 days will be summarily rejected. The bidder shall confirm compliance of this in their technical bid.

**B. FINANCIAL EVALUATION CRITERIA:**

- 1.0 The bidder shall have an annual financial turnover of minimum **Rs. 12.52 Crore (or equivalent 1.95 million USD)** during any of the preceding 03(three) financial/accounting years reckoned from the original bid closing date.
- 2.0 In case of Consortium of companies, the Leader of the Consortium shall have an annual financial turnover of minimum **Rs. 12.52 Crore (or equivalent of 1.95 million USD)** during any of the preceding 03(three)

financial/accounting years reckoned from the original bid closing date and other member(s) of the Consortium shall have an annual financial turnover of minimum **Rs. 6.26 Crore (or equivalent 0.97 million USD)** during any of the preceding 03(three) financial/accounting years reckoned from the original bid closing date.

- 3.0 "Net worth of bidder must be positive for preceding financial/accounting year.
- 4.0 Considering the time required for preparation of Financial Statements, if the last date of preceding financial / accounting year falls within the preceding six months reckoned from the original bid closing date and the Financial Statements of the preceding financial / accounting year are not available with the bidder, then the financial turnover of the previous three financial/accounting years excluding the preceding financial / accounting year will be considered. In such cases, the Net worth of the previous financial / accounting year excluding the preceding financial / accounting year will be considered. However, the bidder has to submit an affidavit/undertaking certifying that 'the balance sheet/Financial Statements for the financial year .....has actually not been audited so far'.

**NOTE:**

- (a) For proof of Annual Turnover & Net worth any one of the following document must be submitted along with the bid:
- i) A certificate issued by a practicing Chartered /Cost Accountant (with Membership Number and Firm Registration Number), certifying the Annual turnover & Net worth as per format prescribed in **ANNEXURE-B to BEC**
  - OR
  - ii) Audited Balance Sheet along with Profit & Loss account. In case of foreign bidders, self-attested/digitally signed printed published accounts are also acceptable.
- (b) In case the bidder is a Central Govt. Organization/PSU/State Govt. Organization/Semi-State Govt. Organization or any other Central/State Govt. Undertaking, where the auditor is appointed only after the approval of Comptroller and Auditor General of India and the Central Government, their certificates may be accepted even though FRN is not available. However, bidder to provide documentary evidence for the same.
- 5.0 In case the bidder is a subsidiary company (should be a 100% subsidiary of the parent/ultimate parent/holding company) who does not meet financial criteria by itself and submits bid based on the financial strength of its parent/ultimate parent/holding company, then following documents need to be submitted along with the technical bid:
- (i) Audited Balance Sheet and Profit Loss Account of the parent/ultimate parent/ holding company.
  - (ii) Corporate Guarantee of parent/ultimate parent/Holding company(as per format enclosed as **Annexure-VI(c)**) by the authorized officials.
  - (iii) The bidder is a 100% subsidiary company of the parent/ultimate/holding parent company.



- (iv) Documents proving that Net worth of the parent/ultimate parent company is positive for the accounting year preceding the bid closing date".
- 6.0 In case the Audited Balance sheet and Profit Loss Account submitted along with the bid are in currencies other than INR or US\$, the bidder shall have to convert the figures in equivalent INR or US\$ considering the prevailing conversion rate on the date on which the Audited Balance Sheet and Profit & Loss Account is signed. A CA Certificate is to be submitted by the bidder regarding converted figures in equivalent INR or US\$.

**NOTES: OIL reserves the right to ask for any Original or other relevant document to verify the certification**

**C. COMMERCIAL EVALUATION CRITERIA:**

- 1.0 Bids shall be submitted under single stage two Bid system i.e. Technical Bid and Priced Bid separately in the OIL's e-Tender portal. The Technical Bid is to be uploaded as per Scope of Work & Technical Specification of the tender in "**Technical Attachments**" Tab and Priced Bid as per Proforma-B uploaded in the "**Notes & Attachments**" Tab. Bids shall be rejected outright if the prices are indicated in the technical bids. Bids not conforming to this two bid system shall be rejected outright.
- 2.0 Bidder shall offer firm prices. Price quoted by the successful bidder must remain firm during the execution of the contract and not subject to variation on any account.
- 3.0 Bids with shorter validity will be rejected as being non-responsive.
- 4.0 Bid Security in Original shall be furnished as a part of the Technical Bid and shall reach OIL's Head-Contract's office at Duliajan on or before 12.45 Hrs (IST) on the bid closing date. A scanned copy of the bid security shall however be uploaded in OIL's E-Procurement portal along with the Technical Bid. The amount of Bid Security shall be as specified in the Forwarding Letter of the Bid Document. Bid without proper & valid Bid Security will be rejected.
- 5.0 The Integrity Pact must be uploaded in OIL's E-Procurement portal along with the Technical Bid digitally signed by the same signatory who digitally signed the Bid i.e. who is duly authorized to sign the Bid. If any bidder refuses to sign Integrity Pact or declines to submit the Integrity Pact, their bid will be rejected.
- 6.0 Bids received through the e-procurement portal shall only be accepted. Bids received in any other form shall not be accepted.
- 7.0 The bid documents are non-transferable. Bid can only be submitted in the name of the bidder in whose name the User ID and Password have been issued. Unsolicited bids will not be considered and will be straightway rejected.
- 8.0 Any physical documents wherever called for, submitted by bidders shall contain no interlineations, white fluid erasures or overwriting except as necessary to correct errors made by the Bidder, in which case such

correction shall be initialled by the person or persons who has/have digitally signed the Bid.

- 9.0 Any Bid containing false statement will be rejected.
- 10.0 Bidders must quote clearly and strictly in accordance with the price schedule outlined in "Price Bid Format" of Bid Document, otherwise the Bid will be summarily rejected.
- 11.0 Bidders shall quote directly and not through their Agent/ Representative/Retainer/Associate in India. Bids submitted by Indian Agent/ Representative/Retainer/Associate on behalf of their foreign principals will not be considered and will be rejected straightway. One Indian Agent/Representative/Retainer/Associate cannot represent more than one foreign principal.
- 12.0 Bidder must accept and comply with the following clauses as given in the Bid Document in toto failing which bid will be rejected –
- i) Performance Security Clause
  - ii) Taxes Clause
  - iii) Insurance Clause
  - iv) Force Majeure Clause
  - v) Termination Clause
  - vi) Arbitration Clause
  - vii) Liability Clause
  - viii) Withholding Clause
  - ix) Liquidated damages Clause
  - x) Firm price
  - xi) EMD/Bid bond
  - xii) Integrity Pact

**D. PRICE EVALUATION CRITERIA:**

The bids conforming to the technical specifications, terms and conditions stipulated in the bidding document and considered to be responsive after subjected to Bid Evaluation Criteria will be considered for further evaluation as per the Price Evaluation Criteria given below:

- 1.0 If there is any discrepancy between the unit price and the total price, the unit price will prevail and the total price shall be corrected. Similarly, if there is any discrepancy between words and figure, the amounts in words shall prevail and will be adopted for evaluation.
- 2.0 For conversion of foreign currency into Indian currency for evaluation of Bids, B.C. selling (Market) rate declared by State Bank of India, one day prior to the date of priced bid opening shall be considered. However, if the time lag between the opening of the bids and final decision exceeds 3(three) months, then B.C. Selling(Market) rate of exchange declared by SBI on the date prior to the date of final decision shall be adopted for conversion and evaluation.
- 3.0 The contract will be signed with successful bidder for the required services as per 'Scope of Work' of the IFB.

- 4.0 The bidders must quote their charges / rates in the manner as called for vide "Schedule of Rates" under **Section - IV** and the summarized price schedule format vide enclosed **Proforma -B**.
- 5.0 The quantities shown against each item in the "Price Bid Format (i.e. in Proforma-B)" shall be considered for the purpose of Bid Evaluation. It is, however, to be clearly understood that the assumptions made in respect of the number of days/ parameters for various operations are only for the purpose of evaluation of the bid and the Contractor will be paid on the basis of the actual number of days/parameter, as the case may be.
- 6.0 To ascertain the inter-se-ranking, the comparison of the responsive bids will be made subject to loading for any deviation. Commercial Bids shall be evaluated taking into account the rates quoted in the **Price Bid Format** as per 'Proforma-B'.

**E. GENERAL:**

- 1.0 In case bidder takes exception to any clause of bid document not covered under BEC, then the Company has the discretion to load or reject the offer on account of such exception if the bidder does not withdraw/modify the deviation when/as advised by company. The loading so done by the Company will be final and binding on the bidders.
- 2.0 To ascertain the substantial responsiveness of the Bid the Company reserves the right to ask the bidder for clarification in respect of clauses covered under BEC also and such clarifications fulfilling the BEC clauses in toto must be received on or before the deadline given by the Company, failing which the offer will be summarily rejected.
- 3.0 If any of the clauses in the BEC contradict with other clauses of the Bid Document elsewhere, then the clauses in the BEC shall prevail.
- 4.0 **CUSTOMS DUTY** : The Tools and the Services under this Contract shall be carried out for petroleum operation under nominated blocks or NELP/other eligible blocks and therefore, Customs Duty is not payable as per the policy of the Govt. of India. Bidders should take note of the same while quoting. No customs duty is therefore considered for evaluation.
- 5.0 **PURCHASE PREFERENCE CLAUSE:**
- 5.1 Purchase Preference to Micro and Small Enterprises:
- 5.1.1 Purchase Preference to Micro and Small Enterprises registered with District Industry Centres or Khadi and Village Industries Commission or Khadi and Village Industries Board or Coir Board or National Small Industries Corporation or Directorate of Handicrafts and Handloom or any other body specified by Ministry of MSME.
- 5.1.2 In case participating MSEs quote price within price band of L1+15%, such MSE shall be considered for award of contract by bringing down their price to L1 price in a situation where L1 price is from someone other than a MSE.
- 5.1.3 In case of more than one such MSE qualifying for 15% purchase preference, the contract shall be awarded to lowest eligible MSE amongst the MSEs qualifying for 15% purchase preference.

5.1.4 In case any part of the work is sub-contracted to a Micro or Small Enterprise as per contract conditions then the contractor shall provide complete details (i.e. name of the subcontractor, value of sub-contacted work, copy of valid registration certificate etc.) of the sub-contractor to OIL.

5.1.5 **DOCUMENTATION REQUIRED TO BE SUBMITTED BY MSEs:**

Copy of valid Registration Certificate, if bidder is a Micro or Small Enterprises (MSE) registered with District Industry Centres or Khadi and Village Industries Commission or Khadi and Village Industries Board or Coir Board or National Small Industries Corporation or Directorate of Handicrafts and Handloom or any other body specified by Ministry of MSME. The Registration Certificate should clearly indicate the monetary limit, if any and the items for which bidder are registered with any of the aforesaid agencies. In case bidding MSE is owned by Schedule Caste or Schedule Tribe entrepreneur, valid documentary evidence issued by the agency who has registered the bidder as MSE owned by SC/ST entrepreneur should also be enclosed.

**5.2 Purchase preference Policy (linked with Local Content) (PP-LC)**

5.2.1 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 (***Annexure- XII enclosed***).

5.2.2 Bidders seeking benefits, under Purchase Preference Policy (linked with Local Content) (PP-LC) shall have to comply with all the provisions **specified at clause No. 37.0 of ITB** and shall have to submit all undertakings / documents applicable for this policy.

**6.0 COMPLIANCE OF THE COMPETITION ACT, 2002** : The bidder shall strictly comply with the provisions of the Competition Act, 2002, more particularly, Section-3 of the Act. Any violation the provisions of the Act shall attract penal action under the Act.

**F. CHECKLIST FOR BEC:** This is enclosed as ***Annexure- A to BEC***.

**END OF BEC**  
**&&&&**

**Part-3**  
**SECTION-I**  
**GENERAL CONDITIONS OF CONTRACT**

**1.0 DEFINITIONS:**

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

- (a) "The Contract" means agreement entered into between Company and Contractor, as recorded in the contract Form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein;
- (b) "The Contract Price" means the price payable to Contractor under the contract for the full and proper performance of its contractual obligations;
- (c) "The Work" means each and every activity required for the successful performance of the services described in Section II, the Terms of Reference.
- (d) "Company" or "OIL" means Oil India Limited;
- (e) "Contractor" means the Contractor performing the work under this Contract.
- (f) "Contractor's Personnel" means the personnel to be provided by the Contractor to provide services as per the contract.
- (g) "Company's Personnel" means the personnel to be provided by OIL or OIL's Contractor (other than the Contractor executing the Contract). The Company representatives of OIL are also included in the Company's personnel.
- (h) "Gross Negligence" means any act or failure to act (whether sole, joint or concurrent) by a person or entity which was intended to cause, or which was in reckless disregard of or wanton indifference to, avoidable and harmful consequences such person or entity knew, or should have known, would result from such act or failure to act. Notwithstanding the foregoing, Gross negligence shall not include any action taken in good faith for the safeguard of life or property.
- (i) "Willful Misconduct" means intentional disregard of good and prudent standards of performance or proper conduct under the Contract with knowledge that it is likely to result in any injury to any person or persons or loss or damage of property.

**2.0 EFFECTIVE DATE, MOBILISATION TIME/DE-MOBILIZATION TIME, DATE OF COMMENCEMENT OF THE CONTRACT AND DURATION OF CONTRACT:**

- 2.1 **EFFECTIVE DATE OF CONTRACT:** The contract shall become effective as of the date Company notifies the Contractor in writing that it has been awarded the contract. This date of issuance of Letter of Award (LOA) by the Company will be the Effective Date of Contract.
- 2.2 **MOBILISATION TIME:** The mobilization of equipment alongwith all accessories and personnel shall be completed by Contractor within 90 days from the date of issuance of mobilization notice by User Department after issuance of LOA. Mobilization shall be deemed to be completed when

Contractor's all equipment (as listed in Section-II) and manpower (approved by OIL) are placed at well site and in readiness to undertake operation as envisaged under the Contract duly certified by the Company's authorized representative.

- 2.3 **DATE OF COMMENCEMENT OF OPERATION:** Date, on which the mobilization (manpower along with equipment & accessories) to 1<sup>st</sup> well site is completed and ready to undertake operation by Contractor in all respects, shall be treated as Date of Commencement of operation.
- 2.4 **DURATION OF CONTRACT:** The duration/completion time of the Contract shall be 3 (three) years from the date of commencement of operation with a provision for extension of the contract duration by another 1 (one) year at same terms and conditions, scope of work and mutually agreed rates limited to the contract rates, at the discretion of OIL. The contract will have a provision for quantity extension by another 2 units of surface production facility setup during the duration of the contract period of 3(three) years or extended period of one year.
- 3.0 **GENERAL OBLIGATIONS OF CONTRACTOR:** Contractor shall, in accordance with and subject to the terms and conditions of this Contract:
- 3.1 Perform the work described in the Terms of Reference (Section II) in most economic and cost effective manner.
- 3.2 Except as otherwise provided in the Terms of Reference and the special Conditions of the contract provide all labour as required to perform the work.
- 3.3 Perform all other obligations, work and services which are required by the terms of this contract or which reasonably can be implied from such terms as being necessary for the successful and timely completion of the work.
- 3.4 Contractor shall be deemed to have satisfied himself before submitting his bid as to the correctness and sufficiency of its bid for the services required and of the rates and prices quoted, which rates and prices shall, except insofar as otherwise provided, cover all its obligations under the contract.
- 3.5 Contractor shall give or provide all necessary supervision during the performance of the services and as long thereafter within the warranty period as Company may consider necessary for the proper fulfilling of Contractor's obligations under the contract.
- 4.0 **GENERAL OBLIGATIONS OF THE COMPANY:** Company shall, in accordance with and subject to the terms and conditions of this contract:
- 4.1 Pay Contractor in accordance with terms and conditions of the contract.
- 4.2 Allow Contractor and his personnel access, subject to normal security and safety procedures, to all areas as required for orderly performance of the work.
- 4.3 Perform all other obligations required of Company by the terms of the contract.

5.0 **PERSONNEL TO BE DEPLOYED BY CONTRACTOR**

- 5.1 Contractor warrants that they will provide competent, qualified and sufficiently experienced personnel to perform the work correctly and efficiently and shall ensure that such personnel observe applicable Company and statutory safety requirement. Upon Company's written request, Contractor, entirely at their own expense, shall remove immediately, from assignment to the work, any personnel of the Contractor determined by the Company to be unsuitable and shall promptly replace such personnel with personnel acceptable to the Company without affecting Company's work.
- 5.2 The Contractor shall be solely responsible throughout the period of this contract for providing all requirements of their personnel including but not limited to their transportation to & fro Duliajan/field site, enroute/local boarding, lodging, medical attention etc. Company shall have no liability or responsibility in this regard.
- 5.3 Contractor's key personnel shall be fluent in English language (both writing and speaking).

6.0 **WARRANTY AND REMEDY OF DEFECTS**

- 6.1 Contractor warrants that they shall perform the work in a first class, workmanlike, and professional manner and in accordance with their highest degree of quality, efficiency and current state of the art technology/oil field practices and in conformity with all specifications, standards and drawings set forth or referred to in the Terms of Reference and with instructions and guidance which Company may, from time to time, furnish to the Contractor.
- 6.2 Should Company discover at any time during the tenure of the Contract or till the Unit/equipment/tools are demobilised from site or base camp (if applicable) that the work does not conform to the foregoing warranty, Contractor shall after receipt of notice from Company, promptly perform any and all corrective work required to make the services conform to the Warranty. Such corrective Work shall be performed entirely at Contractor's own expenses. If such corrective Work is not performed within a reasonable time, the Company, at its option may have such remedial Work performed by others and charge the cost thereof to Contractor subject to a maximum of the contract value payable for the defective work which needs corrective action which the Contractor must pay promptly. In case Contractor fails to perform remedial work, or pay promptly in respect thereof, the performance security shall be forfeited.

7.0 **CONFIDENTIALITY, USE OF CONTRACT DOCUMENTS AND INFORMATION:**

- 7.1 Contractor shall not, without Company's prior written consent, disclose the contract, or any provision thereof, or any specification, plan, drawing pattern, sample or information furnished by or on behalf of Company in connection therewith, to any person other than a person employed by Contractor in the performance of the contract. Disclosure to any such employed person shall be made in confidence and shall extend only so far, as may be necessary for purposes of such performance with prior permission from Company. However, nothing hereinabove contained shall deprive the Contractor of the right to use or disclose any information:

- (a) which is possessed by the Contractor, as evidenced by the Contractor's written records, before receipt thereof from the Company which however the Contractor shall immediately inform to Company ;  
or
  - (b) which is required to be disclosed by the Contractor pursuant to an order of a court of competent jurisdiction or other governmental agency having the power to order such disclosure, provided the Contractor uses its best efforts to provide timely notice to Company of such order to permit Company an opportunity to contest such order subject to prior permission from Company.
- 7.2 Contractor shall not, without Company's prior written consent, make use of any document or information except for purposes of performing the contract.
- 7.3 Any document supplied to the Contractor in relation to the contract other than the Contract itself remain the property of Company and shall be returned (in all copies) to Company on completion of Contractor's performance under the Contract if so required by Company.
- 7.4 During this Contract, Company and its employees, agents, other contractors, sub-contractors (of any tier) and their employees etc may be exposed to certain Confidential information and data of the Contractor. Such information and data shall held by the Company, its employees, agents, other contractors, sub-contractors (of any tier) and their employees in the strictest Confidence and shall not be disclosed to any other party except on a need to know basis.
- 7.5 However, the above obligation shall not extend to information which:
  - i) is, at the time of disclosure, known to the public which Contractor shall immediately inform Company ;
  - ii) is lawfully becomes at a later date known to the public through no fault of Contractor subject to Contractor's undertaking that no information has been divulged by them to the public;
  - iii) is lawfully possessed by Contractor before receipt thereof from Company which should be immediately informed to Company;
  - iv) is developed by Contractor independently of the information disclosed by Company which should be shared with the Company;
  - v) Contractor is required to produce before competent authorities or by court order subject to prior permission from Company;
- 8.0 **TAXES:**
- 8.1 Tax levied on Contractor as per the provisions of Indian Income Tax Act and any other enactment/rules on income derived/payments received under the contract will be on Contractor's account.
- 8.2 Contractor shall be responsible for payment of personal taxes, if any, for all the personnel deployed in India by Contractor.
- 8.3 The Contractor shall furnish to the Company, if and when called upon to do so, relevant statement of accounts or any other information pertaining to work done under the contract for submitting the same to the Tax authorities, on specific request from them in accordance with provisions under the law. Other than the information provided by the Contractor, the Contractor shall not be responsible for any inaccurate information provided by the Company



to the Tax authorities and the Company shall indemnify the Contractor for all claims, expenses, costs or losses of any nature arising from such inaccuracy. Contractor shall be responsible for preparing and filing the return of income etc. within the prescribed time limit to the appropriate authority.

- 8.4 Prior to start of operations under the contract, the Contractor shall furnish the Company with the necessary documents, as asked for by the Company and/ or any other information pertaining to the contract, which may be required to be submitted to the Income Tax authorities at the time of obtaining "No Objection Certificate" for releasing payments to the Contractor.
- 8.5 Corporate income tax will be deducted at source from the invoice at the specified rate of income tax as per the provisions of Indian Income Tax Act as may be in force from time to time and Company will issue TDS Certificate to the Contractor as per the provisions of Income Tax Act.
- 8.6 Corporate and personnel taxes on Contractor shall be the liability of the Contractor and the Company shall not assume any responsibility on this account.
- 8.7 All local taxes, levies and duties, sales tax, octroi, etc. on purchases and sales made by Contractor (except customs duty) shall be borne by the Contractor.
- 8.8 GST: 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. However, the liability for payment of the GST to the appropriate authority in case of Indian bidders and/or overseas bidders having registered office establishment in India will lie on the Contractor. In case of foreign Contractor who does not have registered office establishment in India, the GST shall be paid to the tax authorities by the Company, on behalf of such contractor.

9.0 **GOODS AND SERVICES TAX**

9.1 **GENERAL REMARKS ON TAXES & DUTIES:**

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 or any other form of indirect tax except of **GST** mentioned in the bidding document shall be ignored.

- 9.2 Bidders are required to submit copy of the GST Registration Certificate while submitting the bids wherever **GST** (CGST & SGST/UTGST or IGST) is applicable.
- 9.3 "**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.

- 9.4 Quoted price/rate(s) should be inclusive of all taxes and duties, except **GST(i.e. IGST or CGST and SGST/UTGST applicable in case of interstate supply or intra state supply respectively and cess on GST if applicable) on the final service**. However, GST rate (including cess) to be provided in the respective places in the Price Bid. Please note that the responsibility of payment of GST (CGST & SGST or IGST or UTGST) lies with the Supplier of Goods /Services (Service Provider) only. Supplier of Goods / Services (Service Provider) providing taxable service shall issue an Invoice/ Bill, as the case may be as per rules/ regulation of **GST**. Further, returns and details required to be filled under GST laws & rules should be timely filed by Supplier of Goods / Services (Service Provider) with requisite details.
- 9.5 Bidder should also mention the **Harmonised System of Nomenclature (HSN)** and **Service Accounting Codes (SAC)** at the designated place in SOR.
- 9.6 **Where the OIL is entitled to avail the input tax credit of GST:**
- 9.6.1 OIL will reimburse the **GST** to the Supplier of Goods / Services (Service Provider) at actual against submission of Invoices as per format specified in rules/ regulation of GST to enable OIL to claim input tax credit of **GST** paid. In case of any variation in the executed quantities, the amount on which the **GST** is applicable shall be modified in same proportion. Returns and details required to be filled under GST laws & rules should be timely filed by supplier with requisite details.
- 9.6.2 The input tax credit of **GST** quoted shall be considered for evaluation of bids, as per evaluation criteria of tender document.
- 9.7 **Where the OIL is not entitled to avail/take the full input tax credit of GST:**
- 9.7.1 OIL will reimburse **GST** to the Supplier of Goods / Services (Service Provider) at actual against submission of Invoices as per format specified in rules/ regulation of **GST** subject to the ceiling amount of **GST** as quoted by the bidder. In case of any variation in the executed quantities (If directed and/or certified by the In-Charge) the ceiling amount on which **GST** is applicable will be modified on pro-rata basis.
- 9.7.2 The bids will be evaluated based on total price including GST.
- 9.8 Payments to Service Provider for claiming **GST** amount will be made provided the above formalities are fulfilled. Further, OIL may seek copies of challan and certificate from Chartered Accountant for deposit of **GST** collected from OIL.
- 9.9 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. 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 there under, OIL shall not be liable to make any payment on account of **GST** against such invoice.

- 9.10 **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 contractor/vendor, OIL shall withhold the payment of **GST**.
- 9.11 **GST** payable under reverse charge mechanism for specified services or goods under GST act or rules, if any, shall not be paid to the contractor/vendor but will be directly deposited to the government by OIL.
- 9.12 Where OIL has the obligation to discharge **GST** liability under reverse charge mechanism and OIL has paid or is /liable to pay **GST** to the Government on which interest or penalties becomes payable as per GST laws for any reason which is not attributable to OIL or ITC with respect to such payments is not available to OIL for any reason which is not attributable to OIL, then OIL shall be entitled to deduct/ setoff / recover such amounts against any amounts paid or payable by OIL to Contractor / Supplier.
- 9.13 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 for reasons attributable to Contractor / Vendor, OIL 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 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.
- 9.14 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.
- 9.15 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. Any error of interpretation of applicability of taxes/ duties by the contractor shall be to contractor's account.
- 9.16 It is the responsibility of the bidder to quote the correct GST rate. The classification of goods/services as per GST (Goods & Service Tax) Act should be correctly done by the contractor to ensure that input tax credit on GST (Goods & Service Tax) is not lost to the OIL on account of any error on the part of the contractor.
- 9.17 In case, the quoted information related to various taxes, duties & levies subsequently proves wrong, incorrect or misleading, OIL will have no liability to reimburse the difference in the duty/ tax, if the finally assessed amount is on the higher side and OIL will have to right to recover the difference and in case the rate of duty/ taxes finally assessed is on the lower side.
- 9.18 Notwithstanding anything mentioned elsewhere in the Bidding Document the aggregate liability of OIL towards Payment of Taxes & Duties shall be limited to the volume of GST declared by the bidder in its bid & nothing shall be payable extra except for the statutory variation in taxes & duties.

- 9.19 Further, it is the responsibility of the bidders to make all possible efforts to make their accounting/IT system GST compliant in order to ensure availability of Input Tax Credit (ITC) to Oil India Ltd.
- 9.20 GST liability, if any on account of supply of free samples against any tender shall be to bidder's account.
- 9.21 In case of statutory variation in **GST**, other than due to change in turnover, payable on the contract value during contract period, the Supplier of Goods/ Services (Service Provider) shall submit a copy of the 'Government Notification' to evidence the rate as applicable on the Bid due date and on the date of revision.

Beyond the contract period, in case OIL is not entitled for input tax credit of **GST**, then any increase in the rate of **GST** beyond the contractual delivery period shall be to Service provider's account whereas any decrease in the rate **GST** shall be passed on to the OIL.

Beyond the contract period, in case OIL is entitled for input tax credit of **GST**, then statutory variation in applicable **GST** on supply and on incidental services, shall be to OIL's account.

Claim for payment of **GST**/ Statutory variation, should be raised within two [02] months from the date of issue of 'Government Notification' for payment of differential (in %) **GST**, otherwise claim in respect of above shall not be entertained for payment of arrears.

The base date for the purpose of applying statutory variation shall be the Bid Opening Date.

- 9.22 The contractor will be liable to ensure to have registered with the respective tax authorities, wherever applicable 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.
- 9.23 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 composition system" in column for GST (CGST & SGST/UTGST or IGST) of price schedule.
- 9.24 OIL 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 is entitled for input credit of GST, the same will be considered for evaluation of bid as per evaluation methodology of tender document.
- 9.25 Procurement of Specific Goods: Earlier, there is no tax incidence in case of import of specified goods (i.e. the goods covered under List-34 of Customs Notification no. 12/2012-Cus dated. 17.03.2012 as amended). Customs duty is not payable as per the policy. However, under GST regime, IGST Plus GST

compensation cess (if applicable) would be leviable on such imports. Bidders should quote GST as inclusive considering IGST component for the imported Materials portion while quoting their prices on destination basis. However, GST rate to be specified in the price bid format.

#### 9.26 **Documentation requirement for GST**

The vendor will be under the obligation for invoicing correct tax rate of tax/duties as prescribed under the GST law to OIL, and pass on the benefits, if any, after availing input tax credit.

Any invoice issued shall contain the following particulars

- 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[SAC];
- 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 interstate 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.

GST invoice shall be prepared in triplicate, in case of supply of goods, in the following manner

- a) The original copy being marked as ORIGINAL FOR RECIPIENT;
- b) The duplicate copy being marked as DUPLICATE FOR TRANSPORTER and
- c) The triplicate copy being marked as TRIPLICATE FOR SUPPLIER.

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. (a), (b), (c), (d), (g), (k), (l), (m) & (o) above.

#### 9.27 **Anti-profiteering clause**

As per Clause 171 of GST Act it is mandatory to pass on the benefit due to reduction in rate of tax or from input tax credit to the consumer by way of commensurate reduction in prices. The Supplier of Goods / Services may note the above and quote their prices accordingly.

- 9.27.1 In case the GST rating of vendor on the GST portal / Govt. official website is negative / black listed, then the bids may be rejected by OIL. Further, in case rating of bidder is negative / black listed after award of work for supply of goods / services, then OIL shall not be obligated or liable to pay

or reimburse GST to such vendor and shall also be entitled to deduct / recover such GST along with all penalties / interest, if any, incurred by OIL.

10.0 **INSURANCE:**

- 10.1 The Contractor shall arrange insurance to cover all risks in respect of their personnel, materials and equipment(except when tools/equipment are below Rotary Table or in the well bore) belonging to the Contractor or its subcontractor (if applicable) during the currency of the contract including the third party items/consumables. For materials/equipment belong to the Contractor or its sub-contractor, Contractor may self-insure the same.
- 10.2 Contractor shall at all time during the currency of the contract provide, pay for and maintain the following insurances amongst others except when tools/equipment are below Rotary Table or in the well bore:
- a) Workmen compensation insurance as required by the laws of the country of origin of the employee.
  - b) Employer's Liability Insurance as required by law in the country of origin of employee.
  - c) General Public Liability Insurance or Comprehensive General Liability insurance covering liabilities including contractual liability for bodily injury, including death of persons, and liabilities for damage of property. This insurance must cover all operations of Contractor required to fulfil the provisions under this contract.
  - d) Contractor's equipment used for execution of the work hereunder shall have an insurance cover with a suitable limit (as per international standards)except when tools / equipment are below Rotary Table or in the well bore or Contractor may self-insure its tools/ equipment.
  - e) Automobile Public Liability Insurance covering owned, non-owned and hired automobiles used in the performance of the work hereunder, with bodily injury limits and property damage limits as governed by Indian Insurance regulations.
  - f) Public Liability Insurance as required under Public Liability Insurance Act 1991, if applicable.
- 10.3 Any deductible set forth in any of the above insurance shall be borne by Contractor.
- 10.4 Contractor shall furnish to Company prior to commencement date, certificates of all its insurance policies covering the risks mentioned above.
- 10.5 If any of the above policies expire or are cancelled during the term of this contract and Contractor fails for any reason to renew such policies, then the Company will renew/replace same and charge the cost thereof to Contractor. Should there be a lapse in any insurance required to be carried out by the Contractor for any reason whatsoever, loss/damage claims resulting there from shall be to the sole account of Contractor.
- 10.6 Contractor shall require all of his sub-Contractor to provide such of the foregoing insurance coverage as Contractor is obliged to provide under this Contract and inform the Company about the coverage prior to the commencement of agreements with its sub-Contractors.

- 10.7 All Insurance taken out by Contractor or their sub-contractor shall be endorsed to provide that the underwriters waive their rights of recourse on the Company and to the extent of the liabilities assumed by Contractor under this Contract.
- 10.8 Contractor shall obtain additional insurance or revise the limits of existing insurance as per Company's request in which case additional cost shall be to Contractor's account.
- 11.0 **CHANGES:**
- 11.1 During the performance of the work, Company may make minor change to take care of any supplementary work within the general scope of this Contract including, but not limited to, changes in methodology, and minor additions to or deletions from the work to be performed. Contractor shall perform the work as changed. Changes of this nature will be affected by written order by the Company.
- 11.2 If any change result in an increase in compensation due to Contractor or in a credit due to Company, Contractor shall submit to Company an estimate of the amount of such compensation or credit in a form prescribed by Company. Such estimates shall be based on the rates shown in the Schedule of Rates (Section IV). Upon review of Contractor's estimate, Contractor shall establish and set forth in the Change Order the amount of the compensation or credit for the change or a basis for determining a reasonable compensation or credit for the change. If Contractor disagrees with compensation or credit set forth in the Change Order, Contractor shall nevertheless perform the work as changed, and the parties will resolve the dispute in accordance with Clause 13 hereunder. Contractor's performance of the work as changed will not prejudice Contractor's request for additional compensation for work performed under the Change Order.
- 12.0 **FORCE MAJEURE:**
- 12.1 In the event of either party being rendered unable by 'Force Majeure' to perform any obligation required to be performed by them under the contract, the relative obligation of the party affected by such 'Force Majeure' will stand suspended for the period during which such cause lasts. The word 'Force Majeure' as employed herein shall mean acts of God, war, revolt, agitation, strikes, riot, fire, flood, sabotage, civil commotion, road barricade (but not due to interference of employment problem of the Contractor), acts of government of the two parties, which makes performance impossible or impracticable and any other cause, whether of kind herein enumerated or otherwise which are not within the control of the party to the contract and which renders performance of the contract by the said party impossible.
- 12.2 Upon occurrence of such cause and upon its termination, the party alleging that it has been rendered unable as aforesaid thereby, shall notify the other party in writing within Seventy Two (72) hours of the alleged beginning and ending thereof, giving full particulars and satisfactory evidence in support of its claim.
- 12.3 Should 'force majeure' condition as stated above occurs and should the same be notified within seventy two (72) hours after its occurrence the 'force majeure' rate shall apply for the first fifteen days. Parties will have the right to terminate the Contract if such 'force majeure' conditions continue beyond

fifteen (15) days with prior written notice. Should either party decide not to terminate the Contract even under such condition, no payment would apply after expiry of fifteen (15) days force majeure period unless otherwise agreed to.

13.0 **TERMINATION:**

13.1 **TERMINATION ON EXPIRY OF THE TERMS (DURATION):** This contract shall be deemed to have been automatically terminated on the expiry of duration of the contractor the extension period, if exercised by Company under the provision of the Contract.

13.2 **TERMINATION ON ACCOUNT OF FORCE MAJEURE:** Either party shall have the right to terminate this Contract on account of Force Majeure as set forth in Article 11.0 above.

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

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

13.5 **TERMINATION DUE TO CHANGE OF OWNERSHIP & ASSIGNMENT:** In case the Contractor's rights and /or obligations under this Contract and/or the Contractor's rights, title and interest to the equipment/ material, are transferred or assigned without the Company's consent, the Company may at its absolute discretion, terminate this Contract.

13.6 If at any time during the term of this Contract, breakdown of Contractor's equipment results in Contractors being unable to perform their obligations hereunder for a period of 15 successive days, Company at its option, may terminate this Contract in its entirety without any further right or obligation on the part of the Company, except for the payment of money then due. No notice shall be served by the Company under the condition stated above.

13.7 Notwithstanding any provisions herein to the contrary, the Contract may be terminated at any time by the company on giving 15 (fifteen) days written notice to the Contractor due to any other reason not covered under the above clause from 13.1 to 13.6 and in the event of such termination the Company shall not be liable to pay any cost or damage to the Contractor except for payment of services as per the Contract upto the date of termination including the De-mob cost, if any.

13.8 **CONSEQUENCES OF TERMINATION:** In all cases of termination herein set forth, the relative obligations of the parties to the Contract shall be limited to the period up to the date of termination. Notwithstanding the termination of



this Contract, the parties shall continue to be bound by the provisions of this Contract that reasonably require some action or forbearance after such termination.

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

13.10 In the event of termination of contract, Company will issue Notice of termination of the contract with date or event after which the contract will be terminated. The contract shall then stand terminated and the Contractor shall demobilize their personnel & materials.

14.0 **SETTLEMENT OF DISPUTES AND ARBITRATION:**

14.1 **Arbitration (Applicable for Suppliers/Contractors other than PSU):**

Except as otherwise provided elsewhere in the contract, if any dispute, difference, question or disagreement arises between the parties hereto or their respective representatives or assignees, in connection with construction, meaning, operation, effect, interpretation of the contract or breach thereof which parties are unable to settle mutually, the same shall be referred to Arbitration as provided hereunder:

1. A party wishing to commence arbitration proceeding shall invoke Arbitration Clause by giving 30 days notice to the other party. The notice invoking arbitration shall specify all the points of dispute with details of the amount claimed to be referred to arbitration at the time of invocation of arbitration and not thereafter. If the claim is in foreign currency, the claimant shall indicate its value in Indian Rupee for the purpose of constitution of the arbitral tribunal.

2. The number of arbitrators and the appointing authority will be as under:

<b>Claim amount (excluding claim for interest and counter claim, if any)</b>	<b>Number of Arbitrator</b>	<b>Appointing Authority</b>
Upto Rs. 5 Crore	Sole Arbitrator	OIL
Above Rs. 5 Crore	3 Arbitrators	One Arbitrator by each party and the 3 <sup>rd</sup> Arbitrator, who shall be the presiding Arbitrator, by the two Arbitrators.

3. The parties agree that they shall appoint only those persons as arbitrators who accept the conditions of the arbitration clause. No person shall be appointed as Arbitrator or Presiding Arbitrator who does not accept the conditions of the arbitration clause.

4. Parties agree that there will be no objection if the Arbitrator appointed holds equity shares of OIL and/or is a retired officer of OIL/any PSU. However, neither party shall appoint its serving employees as arbitrator.

5. If any of the Arbitrators so appointed dies, resigns, becomes incapacitated or withdraws for any reason from the proceedings, it shall be lawful for the concerned party/arbitrators to appoint another

person in his place in the same manner as aforesaid. Such person shall proceed with the reference from the stage where his predecessor had left if both parties consent for the same; otherwise, he shall proceed de novo.

6. Parties agree that neither shall be entitled for any pre-reference or pendente-lite interest on its claims. Parties agree that any claim for such interest made by any party shall be void.
7. The arbitral tribunal shall make and publish the award within time stipulated as under:

Amount of Claims and counter claims(excluding interest)	Period for making and publishing of the award(counted from the date of first meeting of the Arbitrators)
UptoRs. 5 Crore	Within 8 months
Above Rs. 5 Crore	Within 12 months

The above time limit can be extended by Arbitrator, for reasons to be recorded in writing, with the consent of the other parties.

8. If after commencement of the arbitration proceedings, the parties agree to settle the dispute mutually or refer the dispute to conciliation, the arbitrators shall put the proceedings in abeyance until such period as requested by the parties.
9. Each party shall be responsible to make arrangements for the travel and stay etc. of the arbitrator pointed by it. Claimant shall also be responsible for making arrangements for travel/stay arrangements of the Presiding Arbitrator and the expenses incurred shall be shared equally by the parties.

In case of sole arbitrator, OIL shall make all necessary arrangements for his travel, stay and the expenses incurred shall be shared equally by the parties.

10. The Arbitration shall be held at the place from where the contract has been awarded. However, parties to the contract can agree for a different place for the convenience of all concerned.
11. The Arbitrator(s) shall give reasoned and speaking award and it shall be final and binding on the parties.
12. Subject to aforesaid, provisions of the Arbitration and Conciliation Act, 1996 and any statutory modifications or re-enactment thereof shall apply to the arbitration proceedings under this clause.

#### 14.2 **Arbitration (applicable in case of Contract awarded on Public Sector Enterprise):**

In the event of any dispute or difference relating to, arising from or connected with the Contract, such dispute or difference shall be referred by either party to the arbitration of one of the Arbitrators in the Department of Public Enterprises, to be nominated by the Secretary to the Government of India, In-Charge of the Bureau of Public Enterprises. The Arbitration and Conciliation Act 1996 shall not be applicable to the Arbitration under this clause. The award of the Arbitrator shall be binding upon the parties to the dispute, provided however, any party aggrieved by such award may make a

further reference for setting aside or revision of the award to the Law Secretary, Deptt. of Legal Affairs, Ministry of Law and Justice, Government of India. Upon such reference, the dispute shall be decided by the Law Secretary or the Special Secretary/Additional Secretary, whose decision shall bind the parties finally and conclusively. The parties in the dispute will share equally the cost of the arbitration as intimated by the Arbitrator.

The venue of all arbitrations under both 13.1 & 13.2 will be Duliagan, Assam. The award made in pursuance thereof shall be binding on the parties.

15.0 **NOTICES:**

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

- |  |  |
|--|--|
| <p>a) <b><u>Company</u></b><br/><b><u>For contractual matters</u></b><br/>GM (Contracts)<br/>OIL INDIA LIMITED<br/>PO DULIAJAN - 786602<br/>ASSAM, INDIA<br/>Fax No. 91-374-2803549<br/>Email: contracts@oilindia.in</p> | <p>b) <b><u>For technical matters</u></b><br/>General Manager [PSS]<br/>OIL INDIA LIMITED<br/>PO Duliagan - 786602,<br/>Assam, India<br/>Fax No. 91-374-2800498<br/>Email: prodoil@oilindia.in</p> |
| <p>c) <b><u>Contractor</u></b><br/>_____<br/>_____<br/>Fax No. :</p>   |  |

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

16.0 **SUBCONTRACTING/ASSIGNMENT:**

16.1 Contractor shall not subcontract, transfer or assign the contract, in full or any part under this contract, to any third party (ies). Except for the main services under this contract, Contractor may sub-contract the petty support services subject to Company's prior approval. However, Contractor shall be fully responsible for complete execution and performance of the services under the Contract.

16.2 If against an order placed by OIL, successful bidder(s)(other than Micro/Small Enterprise) is procuring materials/services from their sub-vendor who is a Micro or Small Enterprise registered with District Industry Centensor Khadi and Village Industries Commission or Khadi and Village Industries Board or Coir Board or National Small Industries Corporation or Directorate of Handicrafts and Handloom or any other body specified by Ministry of MSME with prior consent in writing of the purchasing authority/engineer in charge the details like Name, Registration No., Address, Contact No. details of material and value of procurement made, etc. of such enterprises shall be furnished by the Contractor at the time of submission of invoice/bill

17.0 **MISCELLANEOUS PROVISIONS:**

- 17.1 Contractor shall give notices and pay all fees at their own cost required to be given or paid by any National or State Statute, Ordinance, or other Law or any regulation, or bye-law of any local or other duly constituted authority as may be in force from time to time in India, in relation to the performance of the services and by the rules & regulations of all public bodies and companies whose property or rights are affected or may be affected in any way by the services.
- 17.2 Contractor shall conform in all respects with the provisions of any Statute, Ordinance of Law as aforesaid and the regulations or bye-law of any local or other duly constituted authority which may be applicable to the services and with such rules and regulation public bodies and Companies as aforesaid and shall keep Company indemnified against all penalties and liability of every kind for breach of any such Statute, Ordinance or Law, regulation or bye-law.
- 17.3 During the tenure of the Contract, Contractor shall keep the site where the services are being performed reasonably free from all unnecessary obstruction and shall store or dispose of any equipment and surplus materials and clear away and remove from the site any wreckage, rubbish or temporary works no longer required. On the completion of the services, Contractor shall clear away and remove from the site any surplus materials, rubbish or temporary works of every kind and leave the whole of the site clean and in workmanlike condition to the satisfaction of the Company.
- 17.4 Key personnel cannot be changed during the tenure of the Contract except due to sickness/death/resignation of the personnel in which case the replaced person should have equal experience and qualification, which will be again subject to approval, by the Company.
- 18.0 **LIQUIDATED DAMAGES FOR DEFAULT IN TIMELY MOBILISATION:**
- 18.1 In the event of the Contractor's default in timely Mobilisation of Surface Production Facility, for commencement of operations within the stipulated period, the Contractor shall be liable to pay liquidated damages @ 0.5% of per Surface Production Facility (including Mobilisation cost), per week or part thereof of delay subject to maximum of 7.5% of total contract cost per Surface Production Facility. For example, if the Contractor completes Mobilisation of only one Surface Production Facility, then liquidated damage for the remaining unit(s) [for the unit or units for which the mobilisation time is delayed] shall be deducted from the Contractor.
- 18.2 If the Contractor fails to mobilise within the stipulated date, then the Company reserves the right to cancel the Contract without any compensation whatsoever.
- 18.3 The parties agree that the sum specified above is not a penalty but a genuine pre-estimate of the loss/damage which will be suffered by OIL on account of delay/breach on the part of the Contractor and the said amount will be payable without proof of actual loss or damage caused by such delay/breach and without any demur and shall not be open for any dispute whatsoever.
- 19.0 **PERFORMANCE SECURITY:** The Contractor has furnished to Company a Bank Guarantee No. \_\_\_\_\_ dated \_\_\_\_\_ issued by \_\_\_\_\_ for \_\_\_\_\_ (being 10% of the estimated Contract Price) with validity of 3(three) months beyond the contract period.

The performance security shall be payable to Company as compensation for any loss resulting from Contractor's failure to fulfil their obligations under the Contract. In the event of extension of the Contract period, the validity of the bank guarantee shall be suitably extended by the Contractor. The bank guarantee will be discharged by Company not later than 30 days following its expiry.

- 20.0 **ASSOCIATION OF COMPANY'S PERSONNEL:** Company's engineer/personnel will be associated with the work throughout the operations. The Contractor shall execute the work with professional competence and in an efficient and workman like manner and provide Company with a standard of work customarily provided by reputed IP Survey Contractors to major international oil companies in the petroleum industry.
- 21.0 **LABOUR:** The recruitment of the labour shall be met from the areas of operation and wages will be according to the rates prevalent at the time which can be obtained from the District Authorities of the area. The facilities to be given to the labourers should conform to the provisions of labour laws as per contract Labour (Regulation and Abolition) Act, 1970.
- 22.0 **LIABILITY:**
- 22.1 Except as otherwise expressly provided, neither Company nor its servants, agents, nominees, Contractors, or sub-contractors shall have any liability or responsibility whatsoever to whomsoever for loss of or damage to the equipment and/or loss of or damage to the property of the Contractor and/or their Contractors or sub-contractors, irrespective of how such loss or damage is caused and even if caused by the negligence of Company and/or its servants, agent, nominees, assignees, contractors and sub-Contractors. The Contractor shall protect, defend, indemnify and hold harmless Company from and against such loss or damage and any suit, claim or expense resulting there from.
- 22.2 Neither Company nor its servants, agents, nominees, assignees, Contractors, sub-contractors shall have any liability or responsibility whatsoever for injury to, illness, or death of any employee of the Contractor and/or of its Contractors or sub-contractor irrespective of how such injury, illness or death is caused and even if caused by the negligence of Company and/or its servants, agents nominees, assignees, Contractors and sub-contractors. Contractor shall protect, defend, indemnify and hold harmless Company from and against such liabilities and any suit, claim or expense resulting there from.
- 22.3 The Contractor hereby agrees to waive its right of recourse and further agrees to cause its underwriters to waive their right of subrogation against Company and/or its underwriters, servants, agents, nominees, assignees, Contractors and sub-contractors for loss or damage to the equipment of the Contractor and/or its sub-contractors and/or their employees when such loss or damage or liabilities arises out of or in connection with the performance of the contract limited to the Contractor's liabilities agreed to under this Contract.
- 22.4 The Contractor hereby further agrees to waive its right of recourse and agrees to cause its underwriters to waive their right of subrogation against Company and/or its underwriters, servants, agents, nominees, assignees, Contractors

and sub-contractors for injury to, illness or death of any employee of the Contractor and of its contractors, sub-contractors and/or their employees when such injury, illness or death arises out of or in connection with the performance of the contract limited to the Contractor's liabilities agreed to under this Contract.

- 22.5 Except as otherwise expressly provided, neither Contractor nor its servants, agents, nominees, Contractors or sub-contractors shall have any liability or responsibility whatsoever to whomsoever for loss of or damage to the equipment and/or loss or damage to the property of the Company and/or their Contractors or sub-contractors, irrespective of how such loss or damage is caused and even if caused by the negligence of Contractor and/or its servants, agents, nominees, assignees, Contractors and sub-contractors. The Company shall protect, defend, indemnify and hold harmless Contractor from and against such loss or damage and any suit, claim or expense resulting there from.
- 22.6 Neither Contractor nor its servants, agents, nominees, assignees, Contractors, sub-contractors shall have any liability or responsibility whatsoever to whomsoever for injury or illness, or death of any employee of the Company and/or of its Contractors or sub-contractors irrespective of how such injury, illness or death is caused and even if caused by the negligence of Contractor and/or its servants, agents, nominees, assignees, Contractors and sub-contractors. Company shall protect, defend indemnify and hold harmless Contractor from and against such liabilities and any suit, claim or expense resulting there from.
- 22.7 The Company agrees to waive its right of recourse and further agrees to cause its underwriters to waive their right of subrogation against Contractor and/or its underwriters, servants, agents, nominees, assignees, Contractors and sub-contractors for loss or damage to the equipment of Company and/or its contractors or sub-contractors when such loss or damage or liabilities arises out of or in connection with the performance of the contract.
- 22.8 The Company hereby further agrees to waive its right of recourse and agrees to cause it underwriters to waive their right of subrogation against Contractor and/or its underwriters, servants, agents, nominees, assignees, Contractors and sub-contractors for injury to, illness or death of any employee of the Company and of its Contractors, sub-contractors and/or their employees when such injury, illness or death arises out of or in connection with the performance of the Contract.
- 23.0 **LIMITATION OF LIABILITY** : Notwithstanding any other provisions herein to the contrary, except only in cases of wilful misconduct and/or Gross Negligence,
- (a) Neither the Contractor nor the Company (OIL) shall be liable to the other, whether in Contract, tort, or otherwise, for any consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs.
  - (b) Notwithstanding any other provisions incorporated elsewhere in the contract, the aggregate liability of the Contractor in respect of this contract, whether under Contract, in tort or otherwise, shall not exceed 50% of the Annualized Contract Price, provided however that this limitation shall not apply to the cost of repairing or replacing

defective equipment by the Contractor, or to any obligation of the Contractor to indemnify the Company with respect to Intellectual Property Rights.

- (c) Company shall indemnify and keep indemnified Contractor harmless from and against any and all claims, costs, losses and liabilities in excess of the aggregate liability amount in terms of clause (b) above.

**24.0 INDEMNITY AGREEMENT:**

24.1 Except as provided hereof Contractor agrees to protect, defend, indemnify and hold Company harmless from and against all claims, suits, demands and causes of action, liabilities, expenses, cost, liens and judgments of every kind and character, without limit, which may arise in favour of Contractor's employees, agents, contractors and sub-contractors or their employees on account of bodily injury or death, or damage to personnel/property as a result of the operations contemplated hereby, regardless of whether or not said claims, demands or causes of action arise out of the negligence or otherwise, in whole or in part or other faults.

24.2 Except as provided hereof Company agrees to protect, defend, indemnify and hold Contractor harmless from and against all claims, suits, demands and causes of action, liabilities, expenses, cost, liens and judgments of every kind and character, without limit, which may arise in favour of Company's employees, agents, contractors and sub-contractors or their employees on account of bodily injury or death, or damage to personnel/property as a result of the operations contemplated hereby, regardless of whether or not said claims, demands or causes of action arise out of the negligence or otherwise, in whole or in part or other faults.

25.0 **INDEMNITY APPLICATION:** The indemnities given herein above, whether given by Company or Contractor shall be without regard to fault or to the negligence of either party even though said loss, damage, liability, claim, demand, expense, cost or cause of action may be caused, occasioned by or contributed to by the negligence, either sole or concurrent of either party.

26.0 **SET-OFF:** Any sum of money due and payable to the Contractor (including Performance Security refundable to them) under this or any other Contract may be appropriated by OIL and set-off against any claim of OIL(or such other person or persons contracting through OIL) for payment of a sum of money arising out of this contract or under any other contract made by the Contractor with OIL(or such other person or persons contracting through OIL).

27.0 **WITHHOLDING:** Company may withhold or nullify the whole or any part of the amount due to Contractor, after informing the Contractor of the reasons in writing, on account of subsequently discovered evidence in order to protect Company from loss on account of :-

- a) For non-completion of jobs assigned as per Section-II.
- b) Contractor's indebtedness arising out of execution of this Contract.
- c) Defective work not remedied by Contractor.
- d) Claims by sub-Contractor of Contractor or others filed or on the basis of reasonable evidence indicating probable filing of such claims against Contractor.

- e) Failure of Contractor to pay or provide for the payment of salaries/ wages, contributions, unemployment compensation, taxes or enforced savings with-held from wages etc.
- f) Failure of Contractor to pay the cost of removal of unnecessary debris, materials, tools, or machinery.
- g) Damage to another Contractor of Company.
- h) All claims against Contractor for damages and injuries, and/or for non-payment of bills etc.
- i) Any failure by Contractor to fully reimburse Company under any of the indemnification provisions of this Contract. If, during the progress of the work Contractor shall allow any indebtedness to accrue for which Company, under any circumstances in the opinion of Company may be primarily or contingently liable or ultimately responsible and Contractor shall, within five days after demand is made by Company, fail to pay and discharge such indebtedness, then Company may during the period for which such indebtedness shall remain unpaid, with-hold from the amounts due to Contractor, a sum equal to the amount of such unpaid indebtedness.

Withholding will also be effected on account of the following:-

- i) Order issued by a Court of Law in India.
- ii) Income-tax deductible at source according to law prevalent from time to time in the country.
- iii) Any obligation of Contractor which by any law prevalent from time to time to be discharged by Company in the event of Contractor's failure to adhere to such laws.
- iv) Any payment due from Contractor in respect of unauthorised imports.

When all the above grounds for withholding payments shall be removed, payment shall thereafter be made for amounts so with-hold.

Notwithstanding the foregoing, the right of Company to withhold shall be limited to damages, claims and failure on the part of Contractor, which is directly/indirectly related to some negligent act or omission on the part of Contractor.

#### 28.0 **APPLICABLE LAW:**

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

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

- a) The Mines Act 1952- as applicable to safety and employment conditions
- b) The Minimum Wages Act, 1948
- c) The Oil Mines Regulations, 1984
- d) The Workmen's Compensation Act, 1923
- e) The Payment of Wages Act, 1963
- f) The Payment of Bonus Act, 1965



- g) The Contract Labour (Regulation & Abolition) Act, 1970 and the rules framed there under
- h) The Employees Pension Scheme, 1995
- i) The Interstate Migrant Workmen Act., 1979 (Regulation of employment and conditions of service)
- j) The Employees Provident Fund and Miscellaneous Provisions Act, 1952
- k) GST Act
- l) Customs & Excise Act & Rules

29.0 **RECORDS, REPORTS AND INSPECTION:** The Contractor shall, at all times, permit the Company and its authorised employees and representatives to inspect all the Work performed and to witness and check all the measurements and tests made in connection with the said work. The Contractor shall keep an authentic, accurate history and logs including safety records of each service item with major items consumed, which shall be open at all reasonable times for inspection by the Company designated representatives and its authorised employees and representatives. The Contractor shall provide the Company designated representatives with a daily written report, on form prescribed by the Company showing details of operations during the preceding 24 hours and any other information related to the said services requested by the Company whenever so requested. The Contractor shall not, without Company's written consent allow any third person(s) access to the said information, or give out to any third person information in connection therewith.

30.0 **SUBSEQUENTLY ENACTED LAWS:**

30.1 In the event of introduction of any new legislation or any change or amendment or enforcement of any Act or Law, rules or regulations of Government of India or State Government(s) or Public Body which becomes effective after the date of submission of Price Bid or revised price bid, if any, for this CONTRACT and which results in increased/decreased cost of the works under the CONTRACT through increased/decreased liability of taxes, (other than personnel and Corporate taxes), duties, the Parties shall agree to a revision in pricing to reflect such change subject to the production of documentary proof to the satisfaction of the COMPANY/CONTRACTOR as applicable to the extent which directly is attributable to such introduction of new legislation or change or amendment as mentioned above and adjudication by the competent authority (applicable when disputed by COMPANY) & the courts wherever levy of such taxes/duties are disputed by COMPANY/CONTRACTOR.

30.2 Any increase in net amount of the duties and taxes (i.e. the amount of taxes/duties payable minus eligible credit of taxes / duties paid on input services/inputs) after the contractual completion/mobilization date during the extended period will be to the contractor's account, where delay in completion /mobilization period is attributable to the CONTRACTOR. However, any decrease in net amount of the duties and taxes (i.e. the amount of taxes/duties payable minus eligible credit of taxes / duties paid on input services / inputs) after the contractual completion/mobilization date will be to COMPANY's account.

30.3 The Contract Price and other prices given in the Schedule of Prices are based on the applicable tariff as indicated by the CONTRACTOR in the Schedule of Prices. In case this information subsequently proves to be wrong, incorrect or

misleading, COMPANY will have no liability to reimburse/pay to the CONTRACTOR the excess duties, taxes, fees, if any finally levied/imposed by the concerned authorities. However, in such an event, COMPANY will have the right to recover the difference in case the rate of duty/tax finally assessed is on the lower side.

- 30.4 Notwithstanding the provision contained in clause 29.1 to 29.2 above, the COMPANY shall not bear any liability in respect of:
- i. Personal taxes on the personnel deployed by CONTRACTOR, his sub-contractor / sub-sub-contractors and Agents etc.
  - ii. Corporate taxes and Fringe benefit tax in respect of contractor and all of their sub-contractors, agents etc.
  - iii. Other taxes & duties including Customs Duty, Excise Duty and GST in addition to new taxes etc. in respect of sub-contractors, vendors, agents etc. of the CONTRACTOR.
- 30.5 In order to ascertain the net impact of the revisions/enactment of various provisions of taxes / duties, the CONTRACTOR is liable to provide following disclosure to COMPANY:
- iv. Details of each of the input services used in relation to providing service to COMPANY including estimated monthly value of input service and GST amount.
  - v. Details of Inputs (material/consumable) used/required for providing service to Company including estimated monthly value of input and excise duty/CVD paid/payable on purchase of inputs.
- 31.0 **ROYALTY AND PATENTS:** Each party shall hold harmless and indemnify the other from and against all claim and proceedings for or on account of any patent rights, design, trade mark or other protected rights arising from any use of materials, equipment, processes, inventions and methods which have not been imposed on the attending party by the terms of the contract or the specifications or drawings forming part thereof.
- 32.0 **WAIVER:** Any delay in exercising and any omission to exercise any right, power or remedy exercisable by the Company under this contract shall not impair such right, power or remedy nor shall any waiver by the Company of any breach by the Contractor of any provision of this contract prevent the subsequent enforcement of that provision by the Company or be deemed a waiver by the Company of any subsequent breach by the Contractor.
- 33.0 **CONSEQUENTIAL DAMAGE:** Except as otherwise expressly provided, neither party shall be liable to the other for special, indirect or consequential damages resulting from or arising out of the contract, including but without limitation, to loss or profit or business interruptions, howsoever caused and regardless of whether such loss or damage was caused by the negligence (either sole or concurrent) of either party, its employees, agents or sub-contractors.
- 34.0 **PAYMENTS, MANNER OF PAYMENT, RATES OF PAYMENT:**
- 34.1 Company shall pay to the Contractor during the term of the Contract the amount due from time to time calculated according to the rates of payment set and in accordance with other provisions hereof. No. other payments shall be due from company unless specifically provided for in the Contract. Payment to the third party supplier(s) of the items/consumables shall be

made after receipt of goods at site at Duliagan duly certified by authorized personnel of the Company. All payments will be made in accordance with the terms hereinafter described.

- 34.1.1 Request for payment/part payment to third party i.e. other than the party on whom the contract has been awarded will not be entertained by OIL under any circumstances. The offers stipulating payment/part payment to such third party will be considered as non-responsive and such offers will be rejected.
- 34.2 **MANNER OF PAYMENT:** All payments due by Company to Contractor shall be made at Contractor's designated bank. All bank charges will be to Bidder's account.
- 34.3 Payment of any invoices shall not prejudice the right of company to question the validity of any charges therein, provided company within one year after the date of payment shall make and deliver to contractor written notice of objection to any item or items the validity of which Company questions.
- 34.4 **INVOICES:** Mobilization charges will be invoiced only upon completion of mobilization. Payment of mobilization charges shall be made within 45 days following the date of receipt of undisputed invoices by Company.
- 34.5 Contractor shall send invoice to company on the day following the end of each month for all daily or monthly charges due to the contractor.
- 34.6 Contractor will submit 03 (Three) sets of all invoices duly super scribed 'Original' and 'copy' as applicable to the company for processing payment. Separate invoices for the charges payable under the contract shall be submitted by the Contractor for foreign currency and Indian currency.
- 34.7 Payment of monthly invoices, if undisputed, shall be made within 30 days following the date of receipt of invoice by Company.
- 34.8 Company shall within 30 days of receipt of the invoice notify the contractor of any item under dispute, specifying the reasons thereof, in which event, payment of the disputed amount may be withheld until settlement of the dispute, but payment shall be made of any undisputed portion on or before the due date. This will not prejudice the company's right to question the validity of the payment at a later date as envisaged in Clause 33.3 above.
- 34.9 The acceptance by Contractor of part payment on any billing not paid on or before the due date shall not be deemed a waiver of Contractor's rights in any other billing, the payment of which may then or thereafter be due.
- 34.10 Payment of Final demobilization charges shall be made if applicable within 45 days on receipt of invoice by Company accompanied by the following documents from the Contractor:
- a) Audited account up to completion of the Contract.
  - b) Tax audit report for the above period as required under the Indian Tax Laws.
  - c) Documentary evidence regarding the submission of returns and payment to taxes for the expatriate personnel engaged by the Contractor or by its sub-contractor.

- d) Proof of re-export of all items including the unutilized spares and consumables (excepting consumables consumed during the contract period) and also cancellation of re-export bond if any.
- e) Any other documents as required by applicable Indian Laws.

In case, no demobilization charges are payable, the documents mentioned above will have to be submitted by the Contractor before release of the final payment by the Company. A certificate from Chartered Accountant on (a), (b) & (c) above will suffice.

- 34.11 Contractor shall maintain complete and correct records of all information on which contractor's invoice are based upto 2 (two) years from the date of last invoice. Such records shall be required for making appropriate adjustments or payments by either party in case of subsequent audit query/objection.

**END OF SECTION - I**  
**&&&**

**Part-3**  
**SECTION – II**

**TERMS OF REFERENCE /SCOPE OF WORK**

**A. Preamble**

- 1.0 Introduction:** Oil India Ltd (OIL), a premier National Oil Company engaged in the business of Exploration, Production and Transportation of Crude oil and Natural Gas intends to hire 4 (four) set of Surface Production facility Service and other related accessories for a period of 3 (three) years for operations in Assam and Arunachal Pradesh with a provision for extension by another 1 (one) year or part thereof with manpower with a provision for quantity extension by another 2(two) units.
- 2.0 Description:** This section establishes the scope and describes the specifications, instructions, standards and other documents including the specifications for any tools or equipment to be supplied, which the Contractor shall satisfy or adhere to in the performance of the work.
- 3.0 Definition of Work:** The contractor is to provide Equipments as per the list given in **Appendix-I** with associated equipment / tools & services on hiring as mentioned in clause 1.0 of this section or till the completion/ abandonment of last well at the same rates, terms and conditions. The equipment provided by the contractor will be utilized as production facility operations in vertical wells, high angle deviated wells (S-bend, J-bend, extended reach, horizontal). Well depths are in the depth range of 2000 – 6000 metres. Maximum working pressure will be of 10,000 psi and bottom hole temperature ranges between 70 to 125°C.
- 3.1** OIL intends to hire the surface production facility service package to carry out surface production operation in few exploratory and remotely located wells (Minimum 30 nos.) under its operational areas in Assam and Arunachal Pradesh.
- 3.2** Subsequent to completion of initial surface production testing and establishment of commercially viable hydrocarbon in a particular well, the surface production facility service will be utilized for continuous engagement in that particular well itself to be utilized as Well Head Set up (WHS) for regular production on rental basis.
- 3.3** In the event of utilizing the supplied surface production facility service package as a regular production setup, the provision for handling/producing 4-5 cluster wells shall be made available by the contractor. Accordingly, provision of multipoint (4-5 points) production header(manifold) **shall require to be made available by the contractor as and when advised by OIL.**
- 3.4** The well will be handed over to the contractor for carrying out surface production services and for regular production after initial completion and activation.
- 3.5** The Scope of Services under This Contract is broadly as:
- i) Initial surface production testing of the newly completed drilling wells. (Well completion, activation, etc. shall be done by the company (OIL).
  - ii) Surface Production and data gathering of producing gas/oil wells.
  - iii) Regular production as a surface production facility (round the clock) in shift basis.

- iv) To build facility set up for flaring of produced gas. The company will provide requisite land, ROW/ROU and pipings for setting up flare pit at a distance of about 90 mtrs away from the well head plinth.
- v) Measure and record continuously produced fluid flow rates, surface pressure (FTHP, CHP and AP) and temperature of the produced fluid at the wellheads & test separators in order to keep the well in good health and producing condition.
- vi) Regular collection of well head sample, gas sample for the necessary analysis. The bidder shall test basic sample analysis (oil water content, salinity, Gas SG, pH...) in its own well site laboratory. Detailed Gas sample analysis, Bottom-hole Pressure-Temperature, PVT sampling & analysis will be carried out by OIL.
- vii) To build facility set up for loading of produced liquid/fluid to 12kl / 20kl capacity OIL's hired tankers for transportation to Company Designated Location.
- viii) Custody transfer / transportation of crude oil through OIL's tankers from respective well sites to Company Designated Location shall be OIL's responsibility.
- ix) The Contractor shall have to supply and use their own tools & equipment/ facilities etc as given in Appendix-I to undertake the above services.
- x) The Contractor shall have to provide their competent / skilled manpower (personnel) as given in Appendix-II on call out basis to undertake the above services.
- xi) The Contractor shall have to arrange for fooding, lodging and transportation service for their personnel as well as provisioning of materials / operational consumables including Petroleum Oil & Lubricants etc for smooth functioning of the Production Facility. OIL will provide chemicals viz Glycol, Methanol, De-Emulsifier, Flow improver etc as and when required.
- xii) The deliverables of the Surface Production Facility are broadly but not limited to:
  - a) Surface Flow rate data acquisition. (Reservoir pressure & temperature survey and analysis will be carried out by OIL).
  - b) Daily (on hourly basis) Oil & Gas production rate, bean size, flowing tubing head pressure, Shut-in tubing head pressure (if well is kept shut), flowing tubing head temperature, oil water content, pH, Salinity, SG of gas. The contractor shall collect Representative reservoir fluid at surface. Fluid sample analysis- Compositional analysis and PVT analysis (Will Be carried out by OIL).
  - c) Final Report on Surface Production Data preparation & submission.
- xiii) While operating the Surface Production Facility by the successful bidder, the company (OIL) shall have the adequate monitoring, supervision and control over the overall operation including transportation of crude oil.
- xiv) Strict compliance with statutory regulations like Mines and related acts/legislation, IBR, OMR, OISD norms and Pollution Control Board (state/central) etc. are to be complied by the successful bidder.
- xv) After completion of production operation in a particular well, the advice for inter- location movement (ILM) of production testing unit and Contractor's personnel to other well sites shall be given by the Company. However, due to some unforeseen circumstances, in case, the next well is not ready for production operations and preceding well (i.e. where initial production testing was carried out) was also not viable for regular production, then OIL will issue interim demobilization notice as mentioned in clause no 11.0 of Part-3 Section-III, till the next well is ready for Production Operation. Such advice will be issued by the Company and shall be applicable during the

- contractual period.
- xvi) Any other jobs relating to production facility services but not covered herein shall be carried out by the contractor at no additional cost to the company.
  - xvii) The quantum of job may vary depending upon drilling activities to be taken up by the Company during the course of the contract and needs to be attended by the Contractor. The Contractor following mobilization of crew and equipment, will be required to provide the intended service as desired by the company as and when required basis in line with the contractual terms.
  - xviii) The Contractor's entire fleet of equipment must meet the safety requirement and duty condition of safe, trouble free and uninterrupted operation as per sound industry practices. The contractor shall undertake operation and maintenance (O&M) of the equipment's forthwith after supply of the equipment and shall be responsible for arranging all resources including competent manpower as per requirements of Indian Mines Act, its bye-laws & other legislations in force and all resources/facilities for continuous 24 (twenty four) hours operations on shift basis, routine & scheduled maintenance including running repairs and provisioning of relevant spares and consumables in relation thereto.

#### **OIL / GAS WELL DETAILS:**

The majority of oil/gas fields in Upper Assam Valley lie in the south-eastern part of a hidden basement high. The alluvium covered foreland shelf zone of Upper Assam, which is a part of the major Assam-Arakan basin, forms the north-eastern corner of the Indian sub-continent. The estimated non-associated gas-in-place in Company's upper Assam fields is about 85.9 BCM of which 4.7 BCM has been produced till 01.04.2011.

The bulk of the hydrocarbons discovered so far in the region are contained in the theTipams of Miocene age, Barails of Oligocene age and the Lakadong + Therrias of Paleocene/Eocene age. The presence of the producible oil/gas has also been established in younger Girujan-clay Formations of Upper Miocene age in some areas of Upper Assam basin.

Out of the wells drilled so far in the Upper Assam basin, some wells have penetrated the entire Tertiary sequence and other wells have been drilled down to Upper and/or middle parts of Barail formation of Oligocene age. Information obtained from these wells shows that except a few thin Paleocene/Eocene Limestone beds, the sediments are primary clastic in the Paleocene/Eocene times; rocks were deposited in marine environments which gradually graded into deltaic/fluviatile environments through Oligocene onwards.

Majority of the oil / gas wells are completed with 5. 1/2" production casing and 2.7/8" tubing strings. Only a few newly drilled wells are completed with 3 1/2" tubing in 9 5/8" casing. Few new wells are to be completed with 3 1/2" – 4 1/2" tubing in 7" - 9 5/8" casing. There is no open-hole completion. The existing Non Associated gas wells are generally produced through individual surface production facilities like Indirect Heaters or Heater Separator Units; Some are produced in OCSs (Oil Collecting Station) also.

No sour gas been encountered.

Open-flow potential and build-up tests had earlier been carried out in a few wells. Only limited pressure-production data are available.

Maximum Flow rate : 20000 to 500000 SCMD of gas & liquid upto 450 KLPD

Maximum FTPH : 350 ksc.

Geothermal gradient : 2.5°C / 100 mtrs.

a) Water content (Produced)	: 0% - 90%
b) API gravity of oil	: 20 Deg - 35 Deg (for OIL), : 30° to 55° API (For Mainly Condensate)
c) Water specific gravity	: 1.02 - 1.08
d) Gas gravity	: 0.65 - 0.80 (Air = 1)
e) Pour Point of oil	: 27 Deg - 33 Deg C.
f) Wax (Paraffin) content	: 10% maximum by volume
g) Sand /solid/silt content	: There may be some amount of and/silt/drillingfluid content in the well stream.

This geological map of the Garo, Khasi, and Jaintia hills illustrates the distribution of oil fields and structures. The map includes a coordinate grid, a north arrow, and a scale bar (0 to 40 km). Key features include:

- Structures Identified:** Represented by solid black lines, including the Naga Thrust and Margherita Thrust.
- Structures Drilled:** Represented by dashed black lines.
- Oil's Operational Areas:** Indicated by yellow shaded regions.
- Geological Features:** Blue areas represent water bodies, and green areas represent forested regions.
- Locations:** Numerous towns and villages are labeled, such as Jorhat, Dibrugarh, Tezpur, and Jorhat.
- Legend:** Located in the bottom right corner, defining the symbols for structure types and operational areas.

The majority of oil/gas fields in Upper Assam basin lie in the south-eastern part of a hidden basement high. The alluvium covered foreland shelf zone of Upper Assam, which is a part of the major Assam-Arakan basin, forms the north-eastern corner of the Indian sub-continent (Text Fig.- 1 refers).

In OIL's fields, primary exploration/development target has been crude oil resources. Out of the wells drilled so far in the Upper Assam basin, some wells have penetrated the entire Tertiary sequence and other wells have been drilled down to Upper and/or middle parts of Barail formation of Oligocene age. Information obtained from these wells show that except for a few thin Paleocene/Eocene Limestone beds, the sediments are primary clastic in the

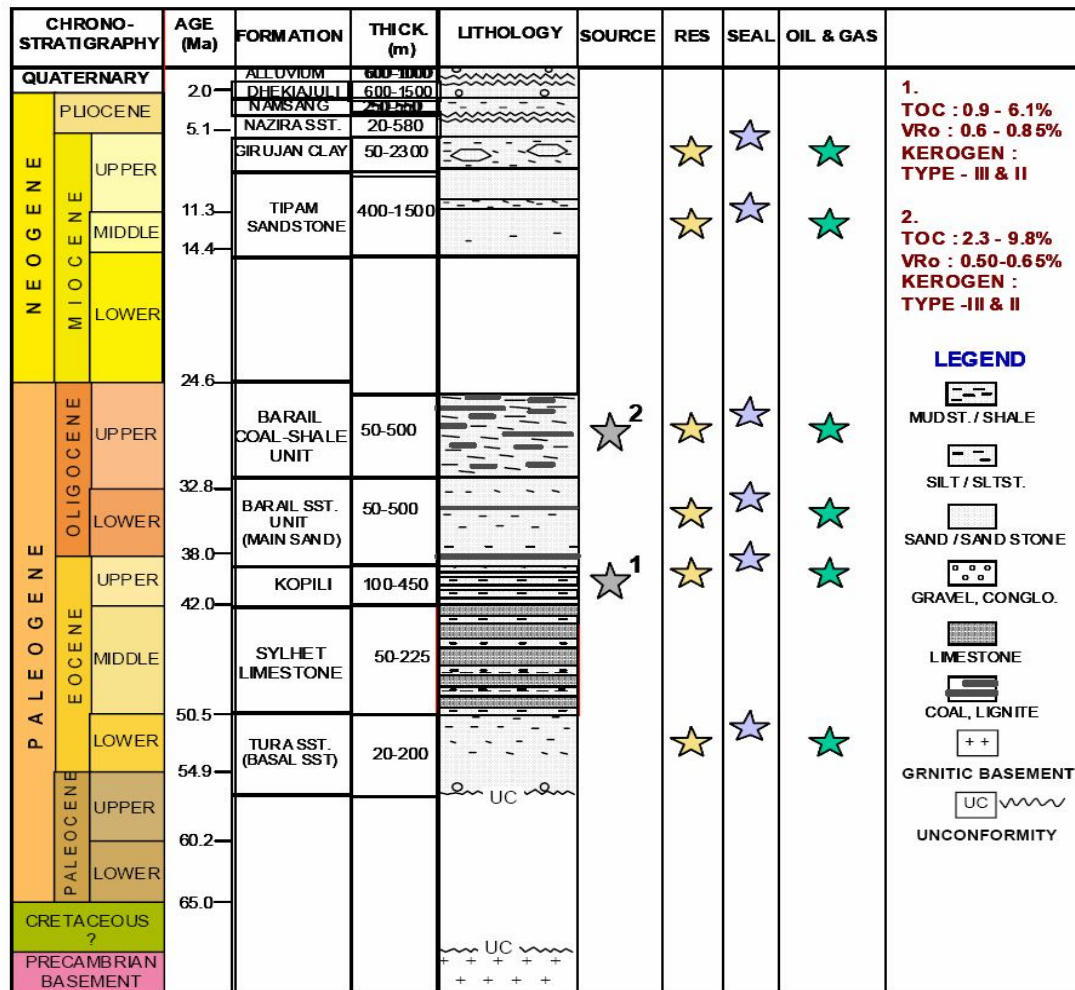


Paleocene/Eocene times; rocks were deposited in marine environments which gradually graded into deltaic/fluvial environments through Oligocene onwards.

The thickness of Tertiary sediments in the Upper Assam Shelf Basin ranges from 2.0 Km to more than 7.0 km, and include shallow marine Paleogene and continental Neogene and younger sediments overlying a granitic basement. The generalized stratigraphic succession of Upper Assam basin is given in Text Fig.-2.

The general lithology of producing formations encountered in drilled wells, are as follows:

### TIPAMS



**Text Fig. 2: Generalized Stratigraphic Succession of Upper Assam Basin**

This is predominantly arenaceous range and is composed of salt and pepper coloured, medium grained sandstone with bands of blue and bluish gray shale. Some coal streaks are found at middle and lower Tipam.

The Tipams sands are fluvial in origin. Petrographically, the Tipams sandstones are described as lithic-arkosic arenites ranging from fine to medium grained but locally coarse grained and conglomeratic. The predominant clay types vary from kaolinite in the Lower Tipams to smectite and smectite-chlorite in the Upper Tipams.

Porosities: 18-21%, up to 25%.  
Permeability : 1 – 400 md  
Bottom Hole Temp: 62 – 90 °C generally 70 °C

#### BARAIL

It is commonly divided into two stage viz. Argillaceous and Arenaceous. The argillaceous range of Barail consists of mostly bluish gray mudstone with thin bands of fine grained sandstone and thin streaks of coal. In some areas well developed extra bands of fine grained sandstone ranges are found. The arenaceous range is comprised of mostly fine to medium grained sandstone with occasionally coal streaks, calcareous mudstone and bluish gray shale.

The Barails sands were deposited in a deltaic environment. The sandstones of the Barails are primarily quartz lithic arenites, typically fine or fine-medium grained and moderately well sorted. The lithic fragments are dominated by metamorphic schists but also include some mudrocks. Siderite is indicated as widespread cement varying from locally minor to moderately abundant. Ankerite and quartz overgrowths are locally present and kaolinite is the predominant clay mineral.

Porosities 20-23%, up to 30%  
Permeability: 1 – 500 md  
Bottom Hole Temp: 65 – 100 °C generally 80 °C

#### LAKADONG+THERRIA

This stage is consists of carbonaceous shale with light gray to dark gray splintery shale, bluish gray shale, fine to coarse grained saccharoidal to calcareous, glauconitic sandstone. Thin stringers of coal, white and brownish charts are mostly present in middle and lower part.

Porosities 15-18%  
Permeability: 100 – 4000 md  
Bottom Hole Temp: 90 – 120 °C generally 105 °C

#### LANGPAR

Composed of mostly medium to coarse grained arkosic sandstone along with bluish shale streaks.

Porosities 13-20%  
Permeability: 100 – 2000 md  
Bottom Hole Temp: 100 – 110 °C

**5.0 PRESENCE OF CO<sub>2</sub>& H<sub>2</sub> S:** Presence of CO<sub>2</sub> (around 2% - Max 10%). The wells are expected to be H<sub>2</sub>S free.

#### **B. SCOPE OF WORK:**

OIL seeks to hire Surface production facility service package in OIL's operational area in Assam and Arunachal Pradesh. Details of the **formations** are already described in the preceding paragraph. The details of Work/ Services to be performed under the Contract are explained in the subsequent paragraphs.

#### **1.0 SURFACE PRODUCTION FACILITY SERVICE:**

The production testing service shall consist of following:

- a. Service of surface equipment like choke manifold, oil and gas separator with water and gas flow meter, pumps, automatic remote controlled multiple surface safety valves, choke manifold, adequate surface flow lines, temperature/pressure and flow measurement, basic produced fluid analysis, Data acquisition facilities and ESD/PSD systems, spares and any other materials required to perform production facility services.
- b. Surface Production Facility supervisor for (i) Pre Job planning and post job management (ii) Periodical Hydraulic testing of all surface testing equipment (iii) Flow initialization and testing/production operation of the well (iv) operation and maintenance of all surface equipment (v) Relief valve calibration (vi) Sample collection and transportation to OIL office for further testing (vii) Trouble shooting & rectification (viii) System Inspection (ix) Production data collection and analysis and (x) Any other service required to ensure an efficient & safe Production facility operation.
- c. Documentation to be submitted may include but not limited to equipment certification, inventory report, recent pressure test chart, relief valve calibration report, P&ID and Surface production facility equipment layout drawings, operating procedures and post job report.
- d. To build facility set up for Surface Production Facility tool/equipment storage, equipment servicing and testing, spares & consumables etc. at Company's well site/Supply base.
- e. The deliverables of the Surface Production Facility are broadly but not limited to:
  - i) Surface Flow rate data acquisition. (Reservoir pressure & temperature survey and analysis will be carried out by OIL).
  - ii) Daily (on hourly basis) Oil & Gas production rate, bean size, flowing tubing head pressure, Shut-in tubing head pressure (if well is kept shut), flowing tubing head temperature, oil water content, pH, Salinity, SG of gas. The contractor shall collect Representative reservoir fluid at surface. Fluid sample analysis- Compositional analysis and PVT analysis (Will Be carried out by OIL).
  - iii) Final Report on Surface Production Data preparation & submission.
- f. To build facility set up for flaring of produced gas. The company will provide requisite land and ROW/ROU for setting up flare pit at a distance of about 90 mtrs away from the well head plinth.
- g. To build facility set up for loading of produced liquid / fluid to 12KI / 20KL capacity bowsters for transportation to CTF, Duliajan.
- h. OIL at its discretion may ask the contractor to divert the produced crude oil/gas through flowline to the nearby installation.

## **2.0 GENERAL NOTES**

- a. Details of Tools/Equipment and their operational requirement are given in Appendix-I
- b. The Scope of Work under operation and maintenance of the equipments includes all that are required for safe, trouble-free and uninterrupted operation as per appropriate industry practices. The Contractor shall undertake operation and maintenance (O&M) of the equipment forthwith after supply and shall be responsible for arranging all resources including competent manpower as per requirements, its bye-laws & other legislations in force; employee insurance & benefits and all resources / facilities for continuous twenty four hour operations on shift basis; public liability insurance, routine & scheduled maintenance including running repairs and provisioning of relevant spares and consumables in relation thereto.

- c. The Contractor shall maintain and preserve all records and documents relating to the performance of the Work mentioned in scope of work and anything else that may reasonably be required to preserve for a period of 3 (three) years from completion of this Contract.

### 3.0 **SPECIAL NOTES**

- a. Supply of Tool/ Equipment/ Manpower/ Consumables required for ensuring trouble free efficient operation for the assigned services is the sole responsibility of the Contractor.
- b. The Contractor shall make themselves available for a joint discussion with OIL to formulate pre job planning after the award of Contract and prior to mobilization without any extra charge to OIL.

### 4.0 **REFERENCE STANDARDS:**

The total design and service shall be governed by but not limited to, the following reference standards wherever applicable –

√	API Spec 5CT	Specifications for tubulars and threads
√	API Spec 5L	Specifications for Line pipe
√	API Spec 6A	Specifications for valves and wellhead equipment
√	API Spec RP 17B	Recommended practice for flexible pipes
√	API RP 44	Recommended practice for sampling petroleum reservoir fluids.
√	API RP 520	Recommended practice for sizing, selection and installation of pressure relieving devices.
√	API RP 521	Recommended practice for pressure relieving and depressuring systems
√	ASME-Section-VIII Divn. I and II	Rules for construction of pressure vessels
√	ANSI/ASME B 31.3	Chemical plant and petroleum refinery piping.
√	API RP 54	Recommended practice for Safety and health for oil & gas well drilling and servicing operation.
√	Relevant OISD, CPCB, APCB etc. standards and bye laws.	

### 5.0 **PERSONNEL:**

- a. The Contractor shall provide competent personnel with requisite experiences & qualifications as per the **Appendix-II** on round the clock basis. OIL reserves the right to decide for engagement of these personnel on the basis of verification of relevant documents prior to engagement.
- b. The Contractor shall furnish along with their bid the detailed bio-data and supporting documents regarding academic qualification and experience of all the crew members to be deployed under the Contract as per **Appendix- II**.
- c. Personnel deployed should be conversant with relevant safety practices.
- d. Key Personnel should have good working knowledge in English.
- e. If the Contractor is unable to provide the personnel initially identified in their offer and seek for deployment of alternate personnel having requisite qualification and experience set forth in the Contract, the Contractor may do so by taking prior approval from OIL.
- f. The Production Facility In-charge shall head the team of Contractor's crew and shall carry out all the jobs in consultation with OIL's representative. He

shall report to the office of the OIL's representative regularly and also as and when called for receiving instruction / resolving any issue on contractual obligation. He must be available at call.

- g. The Contractor may replace their personnel during their due off/ leave provided equivalent category of personnel is deployed and subject to approval from Company on their credentials.
- h. The Contractor shall ensure that all the personnel shall have a full medical examination in accordance with accepted medical standard prior to engagement. In Case of any medical emergency/treatment of contractor's personnel's, the contractor shall be responsible for their treatment i.e. all such treatment cost has to be borne by the contractor. However, OIL Hospital facility may be availed on chargeable basis.
- i. Company reserves the right to disqualify a person in case of indiscipline, unfit due to medical reason, incompetence etc. to Work under the Contract.
- j. Contractor may deploy additional personnel, if required, by taking prior approval from the Company. Such additional personnel shall be provided by the Contractor at their own cost.

**6.0 VINTAGE OF TOOLS / EQUIPMENT:**

All major equipment offered for this tender i.e. Separator, Choke Manifold, Oil Transfer Pump and Surge Tank shall not be manufactured before 01.01.2012.

**7.0 SAFETY, HEALTH AND ENVIRONMENT:**

Contractor shall comply with applicable environmental laws, statutory regulations as applicable to Oil Mines in India.

The Contractor is required to provide all its personnel with Personal Protective Equipment as per international practice, which may include, as appropriate, but without limitation the following:

- Safety Helmet
- 100% cotton or fire proof overalls
- Safety Foot ware
- Safety Goggles
- Other PPE, including gloves. Safety goggles/visor, hearing protection, safety belts etc.

**8.0 SUPPLY BASE:**

It will be contractor's responsibility to maintain adequate space and utilities at their appointed base in and around Duliagan for storage of their Equipment, Tools etc. and workshop needs. All costs associated with establishing and running such facility will be to the Contractor's account.

**9.0 TOOLS/EQUIPMENT/SPARES/CONSUMABLES:**

The Contractor shall provide tools/equipment for the complete services. The Contractor shall keep sufficient back up tools and equipment, spares, elastomers, redress kits, etc. in order to ensure uninterrupted services. An indicative list of tools and equipment are given below. Any additional tools/equipments required to fulfil the scope of work but not covered in the list are also to be supplied by Contractor at no extra charge.

SURFACE PRODUCTION FACILITY (One Package)			
SL No	ITEMS	UNIT	QTY
1	SURFACE SAFETY VALVE (SSV)	Each	1
2	HEAT EXCHANGER	Each	1
3	HIGH PRESSURE PIPING PACKAGE	Set	1
4	MEDIUM PRESSURE PIPING PACKAGE	Set	1
5	LOW PRESSURE PIPING (VENT AND RELIEF LINES) PACKAGE	Set	1
6	3" FLEXIBLE FLOW LINE (COFLEXIP HOSE - 45FT) - OPTIONAL	Set	1
7	DATA HEADER	Each	1
8	CHOKE MANIFOLD	Each	1
9	SURFACE PRESSURE & TEMPERATURE RECORDER	Each	2
10	SEPARATOR (1440 PSI)	Each	1
11	SURGE TANK	Each	1
12	GAUGE TANK	Each	8
13	OIL TRANSFER/LOADING PUMPS-5000BPD (BOWSER LOADING)	Each	1
14	FLARE BURNER FOR FLARING & FLARE SET UP FACILITY	Package	1
15	AIR COMPRESSORS	Each	2
16	OIL DIVERTER MANIFOLDS	Each	1
17	GAS DIVERTER MANIFOLDS	Each	1
18	PRODUCTION SHUT DOWN (PSD) SYSTEM	Each	1
19	SURFACE DATA ACQUISITION SYSTEM WITH ACCESSORIES	Set	1
	SAMPLE BOTTLES / SAMPLER		
20	A. OIL SAMPLE CANS, 5 LITRE, IATA CONFORMING,	Each	10
	B. OIL SAMPLE CANS, 1 LITRE, IATA CONFORMING	Each	20
	C. WATER SAMPLE BOTTLES, 1 LITRE, PLASTIC OR GLASS	Each	10
	D. LABELS AND CONSUMABLES FOR ALL THE ABOVE	Set	1
21	SAFETY EQUIPMENTS	As Required	
22	TOOLS, CROSS- OVERS & SPARES	As Required	
23	FITTINGS AND NEEDLE VALVES	As Required	
24	63 kVA GENSET (ACOUSTIC ENCLOSURE)	Each	2
25	CHEMICAL INJECTION PUMP - CAPACITY-56 GPD	Each	1
26	ANY OTHER EQUIPMENT / TOOLS FOR SUCCESSFUL SURFACE TESTING SERVICE, BUT NOT MENTIONED ABOVE	As Required	

**NOTE 1:** No back up for the above table is required. The contractor has to provide sufficient back up of SPF equipment spares/ consumables ('O' rings, elastomers/ rubber seals, redressing kits etc) in order to ensure uninterrupted services.

**NOTE 2:** Any additional tools / equipments required to fulfil the scope of work but not covered in the above Table are also to be supplied by the contractor at no extra cost.

**NOTE 3:**

The above list of tools/ equipment/ spares/ consumables is indicative and shall be used for evaluation purpose. However, the Company reserves the right to modify the quantities or remove some of tools/ equipment/ spares/ consumables at the time of Award of Contract.

**A. SPECIFICATION OF SOME OF THE MAJOR TOOLS AND EQUIPMENTS:**

**1.0 SURFACE PRODUCTION FACILITY SERVICES**

All data headers and pressure bleed off points upstream of and including the choke manifold shall each be equipped with double block and bleed needle valves with 10,000 psi minimum pressure rating. The details of the required Surface Production Facility (SPF) Equipment and accessories suitable for 10000 psi working pressure are as under:

**1.1 SURFACE SAFETY VALVE (SSV)**

- Suitable line connection is required to connect the upstream of SSV with **X-mass tree (2 9/16" X 2 1/16" X 5K/10K)** and downstream to be connected with choke manifold.
- Working Pressure 10,000 psi
- Test pressure 15000 psi
- Shall be hydraulically operated fail-safe to closed position
- Shall be able to close in less than 25 seconds at operating pressure.
- Shall be complete with a control system, with an interface to the Production Shut Down System(PSD) for emergency remote closure in parallel with the surface tree production wing valve
- Should be frame mounted with lifting eyes and slings/chains

**1.1.1 HEAT EXCHANGER (10000 PSI) – 1NO**

- The Contractor shall provide Heat Exchanger along with Indirect water bath heater.(The Indirect Water Bath heater shall be equipped with diesel fired burners to heat up water in the water bath heater which will then be circulated through the 10000 psi H-EX for exchanging heat with well fluids).
- In the HEX the pressure coil should have minimum two passes through the heater for efficient heat transfer.
- The Heat Exchanger shall be of minimum 2 MM BTU/Hr capacity
- Working Pressure 10,000 psi
- Automatic diesel shut down valve activated by pilot light stoppage installed in the Indirect bath heater burner system.
- Flame arrestor at burner air inlet (in case of natural Draft) or Necessary safety gears in case of Forced draft burners are to be there in the indirect diesel fired water bath heater. The water bath heater shall be able to maintain bath temperature on min 80 deg C.

**1.3 HIGH PRESSURE PIPING PACKAGE**

- Suitable for 10K WP.
- Set to include elbows, straights, swivels and any x-overs needed for connections.
- All piping connection upstream of choke manifold to be high pressure piping of suitable size, length.

**1.4 MEDIUM PRESSURE PIPING PACKAGE**

- Suitable for 5K WP.
- Set to include elbows, straights, swivels and any x-overs needed for connections
- All piping connection downstream of choke manifold to upstream of separator to be medium pressure piping of suitable size, length.

**1.5 LOW PRESSURE PIPING (VENT AND RELIEF LINES) PACKAGE**

- Set to include elbows, straights, swivels and any x-overs needed
- Suitable for 1.5K WP
- All piping connection downstream of separator to be low pressure piping of suitable size, length.

**1.6 2" / 3"(WITH 3" TO 2" REDUCER)FLEXIBLE FLOW LINE (COFLEXIP HOSE-45FT)**

- Should be of single length (45 feet), suitable for connecting X-mass tree with stand pipe even in stabbed out condition if permanent packer is used.
- 3" to 2" reducer
- W.P. 10000 psi

**1.7 DATA HEADER**

- 10000 psi rated to be sited upstream of choke manifold.
- Shall have sufficient points for pressure and temperature gauges(thermo-wells or strap-on thermo-transducers), electronic data acquisition sensors, dead weight tester, sampling and injection, each equipped with double needle valves.

**1.8 CHOKE MANIFOLD- 1 NO**

- Two flow paths, one with facilities to install and change fixed chokes and one with an adjustable choke. Each flow path shall have minimum two closing valves with bleed off facilities between the upstream and downstream valve and ports for pressure measurement and bleed off on both sides.
- Working Pressure 10000 psi
- Test pressure 15000 psi
- API 6A solid block Gate valves
- Minimum 4 valve configuration
- All valves in the choke manifold shall have the same pressure rating
- One full set of choke beans up to 64/64"
- Pressure gauge with ½" NPT connection
  - 0 – 10000 psi
  - 0 – 5000 psi
  - 0 – 1000 psi
  - 0 – 500 psi
  - 0 – 100 psi
- Hand wheels & choke bean wrench
- Steel braided rubber tube with connection ½" NPT size 10' long suitable for 10000 psi for sampling purpose.
- Shall be arranged on a frame, including lifting eyes and slings/chains

**1.9 SURFACE PRESSURE & TEMPERATURE RECORDER**

- Recorders should have mechanical as well as digital output and operation.
- Pressure to be tapped from 1/2" NPT needle valve box.
- Temperature to be measured from 1/2" Autoclave weld neck pocket or strap-on thermo-transducer.
- Provided with sufficient length of high pressure hose (10,000 psi WP) with 1/2" NPT connectors
- Chart drive mechanical, one revolution in 24 hrs.



- For digital recorders data should be recorded versus time.

#### **1.10 SEPARATOR (1440 PSI DESIGN PRESSURE) – 1 NO**

- Shall be suitable for three phase separation
- For Gas well Liquid handling capacity – 0 to 100 KLPD (0 – 600BPD), Gas handling capacity – 30000 scmd to 750000 scmd at an operating pressure of 300 psi.
- For Oil well Liquid handling capacity – 10 to 300 KLPD (60 – 1650 BPD), Gas handling capacity – 2000 scmd to 100000 scmd at an operating pressure of 50 psi.
- Vessel sizing calculation is to be provided.
- The following features shall be included:
  - Pressure control system
  - Oil level control system with liquid level glass
  - Positions for both data acquisition transducers and pressure and temperature gauges on vessel, gas and oil lines.
  - Oil, water and gas metering facilities to cover the full flow capacity range of the separator.
    - Suitable flow meters to measure liquid and gas flow rates
  - Sampling outlets at oil, gas and water lines
  - Flange connection in vertical section of gas outlet line for gas sample collection.
  - Shall be equipped with manhole situated so that internal visual inspection and cleaning can be done
  - Inlet manifold shall enable by-pass to either oil or gas discharge line. The manifold shall be equipped with sufficient valves to isolate the vessel itself
  - Shall be equipped with two independent pressure relief devices, protecting the vessel against overpressure/rupture. Each individual device shall be capable of discharging the maximum well production rate in case of overpressure.

#### **1.11 SURGE TANK – 1 NO**

- Shall have a capacity of minimum 80 bbls, two compartments.
- Shall be able to operate up to a pressure of minimum of 50 psi
- LP gas meter to allow GOR calculation
- The following features shall be included
  - Pressure control system
  - Externally mounted Liquid level glasses for visual inspection of liquid/gas interface
  - Shall be equipped with positions for analog pressure and temperature measurement on vessel
  - Inlet manifold shall enable by-pass of fluid to oil discharge line. The manifold shall be equipped with sufficient valves to isolate the vessel itself
  - Shall be equipped with pressure relief device, protecting the vessel against overpressure/rupture
  - Grounding device

#### **1.12 GAUGE TANK/ CRUDE OIL STORAGE TANK**

- Atmospheric working pressure

- Minimum 200 bbls capacity – 8nos
- Calibrated dip sticks
- Externally mounted sight glass and by-pass manifold.
- Associated pipe fittings for inlet and outlet connections
- Fitted with stair case, dip measuring device/valves etc.

#### **1.13 OIL TRANSFER PUMPS**

- Should be hooked up in the manifold of **gauge tank** for direct suction and delivery to enable loading of 12kl/20kl capacity bowzers.
- Shall be capable of emptying tank during flowing with a rate of minimum 25 klph.
- Driven by flame proof electric motor or compressed air.
- Check valves fitted to pump or pump manifold to prevent backflow through the pump.

#### **1.14 GAS BURNER FOR FLARING**

- Shall be capable of complete combustion of up to 30 MMScf/day gas without fall-out.
- One (1) environmentally friendly gas flare shall be supplied. The burner design shall be such that flaring of hydrocarbons gas is smokeless, fallout-free and achieved at minimum noise levels.
- The flaring system shall be capable of flaring oil in case of emergency.
- Noise level shall be within the range 45 – 55 db.
- Minimum three head Burner
- Includes remote electrical ignition system
- Piping package for flare connection will be OIL's Scope.

#### **1.15 AIR COMPRESSORS**

- Should be able to supply sufficient quantity of air as per bidders design requirement for efficient flaring & all pneumatic control gears.
- Electrical/diesel powered.
- Complete with hoses and suitable end connection to connect with air line of burner.

#### **1.16 OIL DIVERTER MANIFOLDS**

- To divert oil to flare or process equipment as required
- WP 1440 psi.
- Should have ball/plug valves.

#### **1.17 GAS DIVERTER MANIFOLDS**

- To divert gas to flare.
- WP 1440 psi.
- Should have ball/plug valves.

#### **1.18 PRODUCTION SHUT DOWN (PSD) SYSTEM**

- Shall be capable of shutting in the well on the surface safety valve. Activation shall take place as automatic functions from sensors installed as mutually agreed using API RP 14C as a guideline, or by manual activation of PSD shut down panel located at the following minimum places:
  - Assembly Area
  - Separator Area
  - Storage Tank Area.

- A box with lid, to avoid accidental activation of PSD, shall protect Push Button panel.
- Each set should have 3 nos. of high –low pilots.
- One no. high-low pilot each between
  - Flow head & Choke manifold
  - Choke Manifold & Heater
  - Separator & Tank

#### **1.19 SURFACE DATA ACQUISITION SYSTEM**

- Sensors for Pressure and temperature measurement, level transducers
- Cabling
- Sampling Rate: Sampling to be done every 1mins. The records in hard copy generated will be in every 15 mins.
- Provision shall be available for continuous monitoring of wellhead pressure and temperature at surface test tree, annulus pressure, separator oil, gas and water flow rates, separator pressure and temperature, and separator downstream parameters
- All sensors and metering devices shall have valid calibration.

#### **1.20 SAMPLE BOTTLES**

- Oil sample cans, 5 ltrs, IATA conforming – 10
- Oil sample cans, 1 ltrs, IATA conforming – 20
- Water sample bottles, 1 litre, plastic or glass – 10
- Labels and consumables for all the above

#### **1.21 SAFETY EQUIPMENTS**

- Fire extinguishers
- Portable H<sub>2</sub>S (Level-10 ppm and beyond) and CO<sub>2</sub> detection equipment
- Portable explosimeter
- Personnel protective equipment

#### **1.22 TOOLS, CROSS-OVERS & SPARES**

- Containerized workshop / store with power and lighting.
- Includes all hand tools, all types of cross-overs, spare parts etc required for surface testing operations
- Hose baskets, pipe racks and baskets etc

#### **1.23 FITTINGS AND NEEDLE VALVES**

Needle valves and fittings, to supply all pressure, temperature and sampling point upstream of the heater with double block and bleed.

#### **1.24 63 KVA GENSET**

- 63 KVA 3 phase, 415 Volts Electric Start, Air Cooled Diesel Genset having Engine & Alternator close coupled and mounted on a fabricated skid/frame housed in a Acoustic Enclosure complete with all ancillaries / equipments including earthing materials, earthing pit and ground earthing.
- Shall be able to provide sufficient power to run all the contractors tools & equipments.
- Shall be diesel driven.

#### **1.25 CHEMICAL INJECTION PUMP**

- a. Working pressure 10000 psi
- b. Capable of injecting against full shut in wellhead pressure.

- c. Shall be equipped with a pressure relief device, if maximum pump pressure is higher than the maximum working pressure of the component it is pumping in to.
- d. Shall be suitable for methanol & glycol injection
- e. Pumping capacity = 56 gallons per day @ 10,000 psi.
- f. Pump should be pneumatically driven positive displacement.
- g. Pump to be provided with check valve.
- h. Provided with sufficient length of high pressure hose (10,000 psi WP) with 1/2" NPT connectors.

## **2.0 OPERATIONAL REQUIREMENT:**

### **SURFACE EQUIPMENT**

- a. The pressure relief system from all relief devices shall be routed to relief headers for high and low pressure relief. It will be Contractor's responsibility to ensure that the relief system is suitably sized to discharge the maximum gas and / or liquid design flow rate. The discharge shall be directed to the flare.
- b. The interconnecting piping shall be laid and installed by the Contractor after due approval from the OIL in charge at site. All piping shall be safely anchored and secured. When the piping installation has a change of pressure rating, the lower rated pipe shall be adequately protected against overpressure.
- c. All major equipment downstream of the choke manifold shall have the feature to be bypassed.
- d. Burning of hydrocarbons shall take place without any pollution to atmosphere. All effort shall be made to minimize smoke to air.
- e. The heat radiation calculations shall be submitted for OIL showing the maximum exposure at maximum production rate in a worst case scenario.
- f. All surface pressure containing piping and vessel shall be installed in such a way that blow down of the equipment is possible from a safe area through a manual activation feature.
- g. All process control shall be local pneumatic control.
- h. All the surface equipment necessary for the job shall be skid mounted for ease of transportation and installation.
- i. Area illumination using FLP electrical lighting system/facility, earthing system and other ancillary equipments that are run on electrical power using sound proof generators (contractor's scope) are to be provided by the contractor.
- j. Maintenance: It is expected that periodic maintenance of the equipment shall be carried out at the time of Inter location Movement. However, if the production testing continues beyond 20 days, the bidder will be provided 1 day (24 hours) time in a calendar month to carry out necessary maintenance/repairing job. Cumulative servicing period cannot be brought forward to the next month(s).
- k. Safety Equipment / Services:
  - a. The Contractor shall observe all safety regulations in accordance with acceptable oilfield practices and applicable Indian Laws including provisions of Oil Mines Regulations, India, OISD & State Pollution Control Board. The Contractor shall take all measures reasonably necessary to provide safe working conditions and shall exercise due care and caution in preventing fire, explosion and blow out.
  - b. DGMS approved Electrical & Instrumentation equipment shall be acquired and used by the contractor, wherever applicable.

I. SECURITY SERVICES:

The Contractor shall be wholly responsible for complete Security of their personnel, their surface well test package, Well Sites, Base Camp, etc. during ILM, operations, transit etc. and arrange suitable, complete and best Security services accordingly on round the clock basis for their personnel and equipment & other materials of the Company (handed over through proper documents) at well sites throughout the tenure of the contract. All security related issues shall be dealt with by the Contractor on their own including dealing with Government agencies. Suitable fencing with security gate & proper area lighting at well site as well as at camp sites will be the sole responsibility of the Contractor. The Company will in no case be involved in security related issues. The Contractor shall also be responsible for safety and security of the Company's personnel / equipment / tools / materials etc. at the well site and at camp site and shall provide best security services to them during the tenure of the contract.

3.0 GENERAL STANDARD OF EQUIPMENT

- All equipment supplied for use upstream of and including the choke manifold is to be rated to a minimum of 10,000 psi WP unless otherwise specified. All equipment supplied for use downstream of the choke manifold upto separator is to be rated to a minimum of **5,000 psi and all the equipments supplied for use in downstream of separator shall be 1500 psi** unless otherwise specified.
- Surface Production Facility Equipment should be capable of handling **2000 bbl/day liquids, 15MMscf/day Gas.**
- All surface vessel/equipments are to be skid mounted
- All lifting equipment should have been manufactured in accordance with API specifications 8A and 8C and should be inspected and certified according to API recommended practice RP8B Categories I-IV.

NOTE:

- a. CIVIL jobs: Initial site preparation and any civil jobs emerging due to movement of OIL's equipments will be OIL's scope.
- b. Well Plinth civil works will be carried out by OIL.
- c. Security & fencing will be solely under contractor's scope.
- d. Valid DGMS approval for any electrical and instrumentation equipment's wherever applicable.
- e. Safety & Emergency First Aid items as per Indian Oil Mines Regulations and OISD guideline to be kept in well site by the contractor.
- f. Extra storage tanks if required will be provided by OIL.
- g. Mines Vocational Training may be given by OIL.
- h. Double electrical earthingstrips per equipment should be provided.
- i. During activation well fluid coming out will be directed to the gauge tank bypassing separator & surge tank. The tank evacuation through bowsers will be OIL's scope.
- j. **FLARE PIT:** For flaring of produced gas during well testing, flare pit is must in case of exploratory well or development wells where flow line connection to permanent set up is not possible.

For preparation of flare pit following jobs needs to be carried out:

SL NO	PRACTICE FOLLOWED IN OIL	OIL'S SCOPE	BIDDER'S SCOPE
1	Procurement of land measuring area 30mtrs x 30mtrs and as well as approach road of 1.5mtrs breadth. to the flare pit from the well plinth	√	
2	Construct the flare pit covering the area of Size:20 Mtrs x 20 Mtrs by asbestos walling about 16 ft height		√
3	Make trestle approach road to the flare pit for lying of flare line as well as for walking in case of low lying area		√
4	Make earthen bundh around the flare pit area up to a height of 1.5mtrs to prevent crude oil over flowing to the neighboring area of the flare pit in case of system malfunctioning or carryover		√
5	Erect security fencing with jingle wire around the flare pit in order to avoid any cattle movement and touching of hot asbestos wall. Erect security fencing with jingle wire around the periphery of the well plinth.		√
6	(i).Making of flare line using 4 1/2"OD line pipe from separator gas out let with flare manifold of 6"or 8" size having three /four nos of 4"outlets (ii)Anchoring of the flare manifold. (iii)Make a trestle at the flare pit (if required).  Necessary 4 1/2"OD line pipe will be provided by OIL.		√

**QUALIFICATION AND EXPERIENCE OF PERSONNEL:**

**1.0 SURFACE PRODUCTION FACILITY IN-CHARGE (SPFI): 1 NOS.**

- The Person should be Graduate In Engineering with 4years' experience or Diploma in Engineering with 7 years' experience or Graduate in Science with 10 years of experience in operation and maintenance of Surface Testing / Facility.
- He should have adequate administrative skills to independently run the operation and manage a group of manpower deployed under him. Amongst these people, he should handle any industrial unrest scenario arising out his subordinates.
- The SPFI shall head the team of Contractor's crew and shall carry out all the jobs in consultation with OIL's representative. He shall report to the office of the OIL's representative regularly and also as and when called for receiving instruction / resolving any issue on contractual obligation.
- To recommend surface production plan and equipment layout to OIL India Ltd. for approval.
- The SPFI shall attend duty as and when the job demands and shall be available for 24 Hours and shall be in constant touch with the Company representatives stationed at well site.
- He shall be responsible for all surface data acquisition.
- He will be overall responsible for the trouble free operation of all the equipment's.
- He should conversant with all the software to be used for the above services.
- SPFI will be responsible for Pre Job planning, design, operation, post job management, final test report preparation & submission, system inspection and maintenance of Surface Production Facility equipment.
- He should have knowledge of Hazardous Area and conversant with relevant Safety and Environment Regulations. In operation and maintenance of all the tools and tackles, machineries used for the operation. He should have experience to critical and emergency situation.

**2.0 SURFACE PRODUCTION SUPERVISOR (SPS) :1 NOS**

- Person should be shall be diploma in engineering with 3 years' experience or 12th standard with 7years' experience in Surface production Facility operation.
- The person will be responsible for all the operation mentioned in Scope of Work.
- The person is to report to SPFI for any abnormality in the operation.
- The surface production supervisor should be able to work as an expert of well testing and should be able to supervise operations, repair and maintenance of SPF equipment during well testing.
- He should be well versed with the latest testing technology, work procedures, in accordance with internationally recognized safe well testing methodology.

**3.0 OPERATOR: 2 NOS**

- The Surface Production Facility Operator should have a minimum of 5 years of experience in operating production testing surface equipment.
- All the said personnel should possess valid training certificates from approved agencies under International Safety Management Code in

respect of fire prevention and fire fighting and first aid in addition to medical fitness certificate.

- The Contractor should submit a list of personnel who are likely to be deployed for the subject services to Operator for approval. They should fulfill the above qualifications and experience.
- The Contractor shall furnish a list of available personnel who will be deputed for providing services at the beginning of the contract

#### **4.0 OTHER CREW MEMBERS:**

- Personnel deployed by the Contractor other than the mentioned above, in any operation shall be conversant with oil field operation.

#### **5.0 LIST OF KEY PERSONNEL:**

The following table shows the summary of list of competent personnel to be deployed by the Contractor

<b>Sl. No</b>	<b>Description</b>	<b>Nos.</b>
<b>1</b>	<b>SURFACE PRODUCTION FACILITY IN-CHARGE (SPFI)</b>	<b>1</b>
<b>2</b>	<b>SURFACE PRODUCTION SUPERVISOR (SPS) PER SHIFT</b>	<b>1</b>
<b>3</b>	<b>OPERATOR(SPFO) PER SHIFT</b>	<b>2</b>

**END OF SECTION - II**

**&&&&**



**Part-3**  
**SECTION - III**

**SPECIAL CONDITIONS OF CONTRACT**

**1.0 DEFINITIONS:**

Following terms and expression shall have the meaning hereby assigned to them unless the context otherwise requires:

- 1.1 "Equipment" means all the equipment required for execution of the work under the scope of works including Tools, machineries, hardware, software and other accessories.
- 1.2 "Base" means where the Contractor will establish camp for their equipment and personnel.
- 1.3 "Operating Area" means those areas in Assam/Arunachal Pradesh where the Contractor shall carry out the work under this bid.
- 1.4 "Site" means the land and other places, on/under/in or through which the works are to be executed by the Contractor and any other land and places provided by the company for working space or any other purpose as designated hereinafter as forming part of the Site.
- 1.5 "Company's items" means the equipment, materials and services, which are to be provided by company at the expense of company.
- 1.6 "Contractor's items" means the Equipment, materials and services, which are to be provided by Contractor to carry out the job satisfactorily.
- 1.7 "Date of Commencement" means the date on which the mobilization is completed in all respects to the first candidate well.
- 1.8 "Contractor's personnel" means the personnel as mentioned under section terms of reference and technical specification, to be provided by Contractor to conduct operations hereunder.
- 1.9 "Contractor's representatives" means such persons duly appointed by the Contractor to act on Contractor's behalf and notified in writing to the company.
- 1.10 "Day" means a calendar day of twenty-four (24) consecutive hours beginning at 06:00 hrs. and ending at 06:00 hrs.
- 1.11 "Approval" as it relates to Company, means written approval.
- 1.12 "Facility" means and includes all property of Company owned or hired, to be made available for services under this Contract and as described in this agreement which is or will be a part of the Company.
- 1.13 "Certificate of Completion" means certificate issued by the Company to the Contractor stating that he has successfully completed the jobs/works assigned to him and submitted all necessary reports as required by the Company.
- 1.14 "Gross Negligence" means any act or failure to act (whether sole, joint or concurrent) by a person or entity which was intended to cause, or which was in reckless disregard of or wanton indifference to, avoidable and harmful consequences such person or entity knew, or should have known, would result from such act or failure to act.

**2.0 MOBILISATION:**

- 2.1 The mobilization of equipment alongwith all accessories and personnel shall be completed by Contractor within 90 days from the date of issuance of mobilization notice by User Department after issuance of LOA. Mobilization shall be deemed to be completed when Contractor's all equipment (as listed in Section-II) and manpower (approved by OIL) are placed at well site and in readiness to undertake operation as envisaged under the Contract duly

- certified by the Company's authorized representative.
- 2.2 Contractor shall issue a Notice of Readiness for Inspection to the Company. Company shall inspect the Contractors Equipment within 7 (seven) days of receipt of the Contractors Notice of Readiness for Inspection.

If the Company fails to inspect the Contractors Equipment within 7 (seven) days (per well servicing package) from the receipt of Notice of Readiness for Inspection, the Contractor's Equipment's shall be deemed to be Inspected.

- 2.3 **COMPLETION OF DEMOBILISATION:** Demobilization shall be completed by Contractor within 60 days of expiry / termination of the contract. After the completion of work, all equipment, accessories etc. brought into India on re-export basis shall be re-exported by Contractor except consumables and spares. In case of failure to do so in the allotted time hereof except under circumstances relating to Force Majeure, company reserves the right to withhold the estimated amount equivalent to the customs duty and/or penalty leviable by customs on such default in re-export from Contractor's final settlement of bills. In the event all / part of the equipment etc. are transferred by Contractor within the country to an area where no nil customs duty is applicable and/or sold to a third party after obtaining permission from company and other appropriate government clearances in India, then Contractor shall be fully liable for payment of the customs duty.

**3.0 CONTRACTOR'S PERSONNEL:**

- 3.1 Except as otherwise hereinafter provided the selection, replacement, and engagement; Contractor shall determine remuneration of Contractor's personnel. Such employees shall be solely of Contractor's employees. Contractor shall ensure that its personnel will be competent and efficient. However, the Contractor shall provide details of experience, qualification and other relevant data of the personnel to be deployed for scrutiny and clearance by the company before the actual deployment. The Contractor shall not deploy its personnel unless cleared by the company.
- 3.2 The Contractor shall have a base office at Base camp at Duliajan to be manned by competent personnel, who shall act for the Contractor in all matters relating to Contractor's obligations under the Contract.
- 3.3 Contractor shall provide all manpower for necessary supervision and execution of all work under this contract to company's satisfaction except where otherwise stated. The minimum number of key personnel to be deployed is mentioned in this document.
- 3.4 Replacement of Contractor's personnel: Contractor will immediately remove and replace any Contractor's personnel, who in the opinion of Company, is incompetent, or negligent or of unacceptable behaviour or whose employment is otherwise considered by Company to be undesirable.
- 3.5 The Contractor's representative shall have all power requisite for performance of the Work. He shall liaise with the Company's representative for the proper co-ordination and timely completion of the job and on any other matters pertaining to the job.
- 3.6 The Expatriate personnel of the Contractor shall possess a MHA (Ministry of Home Affairs) clearance and the Contractor shall ensure that the MHA

- clearance is obtained at his own responsibility and cost prior to any expatriate personnel mobilized to the field.
- 3.7 Personnel provided by the Contractor shall observe all safety and statutory norms applicable to the Company.
- 3.8 If the Contractor plans to change any personnel from the list, the Contractor shall notify Company in advance of the intended change and give Company the above mentioned particulars of the new person. Company reserves the right to reject any person on such list, and any subsequent changes to the list. A notice period of one week shall be given to mobilize personnel.
- 3.9 An undertaking from all the personnel as per Performa (Annexure-III) shall be forwarded after deployment of manpower prior to mobilization.
- 4.0 COMPANY'S REQUISITES:**
- 4.1 Contractor shall, prior to mobilization, furnish to Company a list of all personnel who are to perform the Services. The list shall show each person's qualifications, details of Work history and previous employment with dates, training courses attended, and copies of all pertinent certifications. Personnel must be fluent in written and spoken English.
- 4.2 If the Contractor plans to change any personnel from the list, the Contractor shall notify Company in advance of the intended change and give Company the above mentioned particulars of the new person.
- 4.3 Company reserves the right to reject any person on such list, and any subsequent changes to the list.
- 4.4 A notice period of 5 days shall be given to mobilize the personnel.
- 5.0 CONTRACTOR'S ITEMS:**
- 5.1 Contractor shall provide equipment and personnel to perform the services under the Contract as specified in this document.
- 5.2 Contractor shall be responsible for maintaining at its own cost adequate stock levels of items including spares and replenishing them as necessary.
- 5.3 Contractor shall be responsible for the maintenance and repair of all equipment and will provide all spare parts, materials, fuel/lubricants, consumables etc. during the entire period of the contractual period.
- 5.4 Contractor will provide all POL for operation of Contractor's equipment both at well-site and camp-site at Contractor's cost. There shall be no escalation in the day rates and others throughout the duration of the Contract including extension, if any, on account of any price increase in fuel / lubricants.
- 5.5 Zero day rate with penalty as per clause 18.0 (b) hereunder will be applicable for shutdown of operations on account of inadequate supply of Contractor's items, including but not limited to POL, lubricants, personnel etc.
- 6.0 CONDUCTING OPERATIONS:**
- 6.1 The Contractor shall carry out all operations mentioned hereunder with due diligence in a safe and workman like manner and in accordance with accepted International oilfield practices.
- 6.2 All the equipment and materials to be provided by Contractor shall be in first class working condition.
- 6.3 Contractor shall be solely responsible for the operation and maintenance of all the equipment.
- 6.4 Upon completion of a operation in a well, statement stating that the well has been completed in accordance with the terms of this Contract and signed by the representatives of both Contractor and Company, will be made available to Company.

- 6.5 **Safety:** The Contractor shall observe such safety regulations in accordance with acceptable oil field practice and applicable Indian Laws. Contractor shall take all necessary measures reasonably to provide safe working conditions and shall exercise due care & caution in preventing fire, explosion and blow out and maintain fire-fighting equipment in sound condition at all times during operation. Contractor shall conduct safety drills etc. regularly.
- 7.0 CONTRACTOR'S SPECIAL OBLIGATIONS:**
- 7.1 It is expressly understood that Contractor is an independent party and that neither it nor its employees and its subcontractors are employees or agents of Company provided, however, Company is authorized to designate its representative, who shall at all times have access to all the equipment and materials and all records, for the purposes of observing, inspecting and designating the Work to be performed hereunder by Contractor. The Contractor may treat Company's representative at well site as being in charge of Company's designated personnel at well site. The Company's representative may, amongst other duties, observe, test, check and control implementation of operations, equipment and inspect works performed by Contractor or examine records kept at well site by Contractor.
- 7.2 The Contractor shall furnish full particulars of crews e.g. name, nationality, passport number, date and place of issue and expiry date of passport, father's name, date and place of birth, designation etc., three (3) weeks before the start of activities.
- 7.3 The Contractor shall primarily and solely be responsible for obtaining customs clearance for importation, if any, into India of the Contractor's equipment, spare parts, consumables etc. in connection with the execution of the Work. Any demurrage in this process will be at the Contractor's cost. Contractor shall bear all requisite port fees, clearance fees, transit agent fees, inland transportation charges from port to Site etc.
- 7.4 The Contractor will be fully responsible for any unauthorized imports or wrong declaration of goods and will have to pay the penalty and other consequences as levied by the port/customs authorities for such unauthorized imports.
- 7.5 **Subject to clause No. 9.0 of 'Special Conditions of Contract', the Contractor shall bear all expenses on account of repair/ replacement of all their equipment etc. consequent upon any damage/ loss/ non-performance during the course of operation.**
- 7.6 The Contractor shall be bound by laws and regulations of Government of India and other statutory bodies in India in respect of use of wireless sets, maps, charts, entry regulations, security restrictions, foreign exchange, work permits, customs etc.
- 7.7 The Contractor shall use to the fullest extent all facilities available in India provided they are technically/ operationally acceptable.
- 7.8 The Contractor shall follow its own safety rules, in addition to rules prescribed under Indian Laws in this respect.
- 7.9 The Contractor shall arrange for security of their camp sites, fly camps, equipment, establishment etc. while in Contractor's custody at their own cost.
- 7.10 The equipment/tools to be furnished by the Contractor under this Contract is the Contractor's property and shall always remain in the possession of the Contractor with the exclusive right to use of such equipment/tools by the Contractor for providing services under this Contract.
- 7.11 The Contract Price shall remain firm and fixed during the execution of the Contract and not subject to variation on any account.

- 7.12 The Contractor shall be responsible for, and shall provide for all requirements of their personnel, and of their sub-contractor, if any, including but not limited to their insurance, housing, medical services, messing, transportation (both air and land transportation), vacation, salaries and all amenities, termination payment and all immigration requirement and taxes, if any, payable in India or outside at no charge to the Company.
- 7.13 The Production Facility Supervisor shall have all power requisite for performance of the Work. He shall liaise with the Company's representative for the proper coordination and timely completion of the job and on any other matters pertaining to the job.
- 7.14 **Compliance With Company's Instructions:** The Contractor shall comply with all instructions of Company consistent with the provision of this Contract, but not limited to Work program, safety instructions, confidential nature of information, etc. Such instructions shall, if the Contractor requests, be confirmed in writing by Company's representative.
- 7.15 **WELL RECORDS:** Contractor shall keep/provide the record of operation on daily basis of each well on to the Company's Representative.
- 7.16 **Confidentiality of Information:** All information obtained by Contractor in the conduct of operations hereunder shall be considered confidential and shall not be divulged by Contractor or its employees to anyone other than Company's representative. This obligation of Contractor shall be in force even after the termination of the Contract.
- 7.17 Contractor shall arrange for inland transportation of all equipment, etc. from their Supply base/ port of import to the place of work and back at the end of the work at their own expense. Arrangement of Road Permits and payment of Entry Tax for bringing equipment/material to Work place shall be Contractor's responsibility.
- 7.18 In case the Contractor imports the equipment etc. on re-export basis, the Contractor shall ensure for re-export of the equipment and all consumables and spares (except those consumed during the Contract period) and complete all documentation required. Company will issue necessary certificates etc. as required. The Contractor should arrange for re-export of equipment within 15 days of notice of demobilization issued by the Company. If the re-export is not completed within the specified period, customs duty, penalty etc. levied by customs authorities for such delay shall be to Contractor's account and same will be deducted by the Company from Contractor's bills and Performance Security

## **8.0 FOOD, ACCOMMODATION, TRANSPORTATION AND MEDICAL FACILITY AT WELLSITE AND CAMPSITE**

- 8.1 Contractor shall provide food & services for all its own & its sub-contractor's personnel.
- 8.2 Transportation of Contractor's personnel from base camp to work place will be arranged by Contractor.
- 8.3 Medical Facilities: The Contractor shall arrange for medical facilities for their personnel. However, OIL may provide services of OIL Hospital as far as possible in emergency case on payment basis.

## **9.0 LOSS / DAMAGE:**

### **9.1 DAMAGE OR LOSS OF SURFACE EQUIPMENT:**

The Contractor shall at all times be solely responsible for any damage to or loss or destruction of the surface equipment and its other property,

irrespective of how such loss, damage or destruction is caused, and even if caused by the negligence of the Company and/or its servants, agents, nominees, assignees, contractors and subcontractors; and the Contractor shall hold harmless and indemnify the Company from and against any expenses, loss or claim related to or resulting from such loss, damages or destruction.

If the Contractor's items are declared to be total loss and/or construed to be total loss, as determined by the applicable insurance coverage, this Contract shall terminate for the occurrence of the event causing such loss and each party shall there upon be released of all further obligations here under in respect of this Contract, except for its payment of monies then due or liabilities to be charged in respect of the Work already done under this Contract.

**9.2 CATASTROPHIC EVENTS:**

The Company shall defend, indemnify and hold Contractor harmless from and against any claim arising out of the following, except to the extent that the same were caused by and/or attributable to Contractor's Willful Misconduct:

- (i) Pollution, contamination or radiation damage, including the cost of containment, cleanup and disposal.
- (ii) Subsurface loss or damage, including loss of or damage to any reservoir formation, strata, well or borehole or in-hole equipment, or impairment of any property right to water, oil, gas or other mineral substances.
- (iii) Damage, loss or destruction, or personal injury or death arising on the surface as a result of subsurface occurrence (including blow out) including damage to or loss or destruction of any equipment, drilling rig, platform or other fixed or floating structure at or around the well site, and
- (iv) Killing or regaining control of a wild well, or re-drilling, reworking, or fishing including the cost thereof.

**9.3 INDEMNITY:** Due to the uncertainty of variable well conditions and the fact that interpretation of logs are opinions based upon inferences from measurements and empirical relationships with respect to which analysts may differ, Contractor cannot and does not warrant the accuracy of completeness of any interpretation, recommendation reservoir description, analysis, measurement, log, report, study, advice, design or data, furnished by the Contractor hereunder ("information"), and the Company has full responsibility for any decision of whatever nature (including without limitation any financial or operational decision) based upon the information and shall defend, indemnify and hold the Contractor harmless in respect thereof, notwithstanding anything herein to the contrary.

**9.4 LOSS OF RADIOACTIVE SOURCE:** If any radioactive source is lost in a well, at the well site, or while being transported by, or under the control or custody of Company, Company shall be solely responsible for recovery or abandonment of the source or explosive. If the source or explosive cannot be recovered, or if the container is broken, Company shall immediately comply with all laws and regulations applicable to Company, or to Contractor as owner or supplier of the source or explosive and shall indemnify Contractor in respect thereof, and shall further keep Contractor informed of all related developments.

## 9.5 **BLOWOUT AND POLLUTION**

- a. **BLOWOUT OR CRATER:** While carrying out any surface production facility operation, if any blowout or crater occurs due to gross negligence of contractor, contractor should take urgent necessary action to bring the well under control. If the bidder fails to control such situation and if OIL or any other third party is engaged, the contractor shall bear the cost and expenses incurred thereon as mutually agreed upon and shall indemnify and hold company harmless in this regard. This provision is not to be interpreted as company assuming any liability for loss of property, damages, loss of life or injuries caused by such a blowout, except as otherwise provided under the terms and conditions of the contract.
- b. **POLLUTION AND CONTAMINATION:** Contractor shall assume all responsibility and liability for cleaning up and removal of pollution or contamination which originates above the surface from spills of fuels, lubricants etc. wholly in Contractor's possession and control and/or directly associated with Contractor's equipment and facilities. The Company shall assist the Contractor in providing the suitable site for safe disposal of such contamination.

## 12.0 **CUSTOMS DUTY**

- 12.1 Company shall use the Tools/equipment along with the Services under the Contract in the PEL/ML areas renewed/issued to Company after 1.4.1999 and therefore, in terms of Notification No. 21 dated 01.03.2002, goods specified in List-12 imported in connection with petroleum operations under this Contract would attract zero customs duty. Company will issue Recommendatory Letter to Directorate General of Hydrocarbons(DGH), Ministry of Petroleum & Natural Gas, as per Government guidelines for issuance of Essentiality Certificate (EC) from Directorate General of Hydrocarbons, to enable the Contractor to import goods at concessional (Nil) customs duty so as to provide the services under this Contract provided these goods are specified in the List-12 of the aforesaid Notification. **However, under GST regime, IGST Plus GST compensation cess (if applicable) would be leviable on such imports.**
- 12.2 Contractor shall provide the list of items to be imported by them under the Contract in the format specified in Proforma-A along with their bid for issuance of Recommendatory Letter to DGH. Contractor shall made written request to Company immediately after shipment of the goods indicated by them in Proforma-A, along with the Invoices and all shipping documents (with clear 15 working days' notice) requesting Company for issuance of the Recommendatory Letter. OIL shall issue the Recommendatory provided all the documents submitted by the Contractor are found in order as per contract. It shall be however, Contractor's responsibility to obtain EC from DGH and clear the goods through customs. OIL shall not be liable in whatsoever manner for the rejection of their claims for zero customs duty by any of the authorities including DGH arising solely as a result of any default on the part of the Contractor.
- 12.3 All imports and import clearances under the contract shall be done by the contractor and OIL shall not provide any assistance in this regard.
- 12.4 However, in the event customs duty becomes leviable during the course of contract arising out of a change in the policy of the Government, Company

shall be liable for payment of the customs duties leviable in India on Contractor's items as provided in Proforma-A or the actual whichever is less (for the first time import) and at actuals (for subsequent imports), provided Contractor furnishes all necessary documents indicating the estimated customs duty at least 10 days in advance. Such payment of Customs Duty shall be arranged by Company and made available to the representatives of Contractor at Kolkata within 3 working days after Contractor submits the undisputed and clear necessary documents / duty assessment papers at Company's office at Kolkata. Contractor would be responsible for passing such payment to customs authorities at the port of entry. Company's obligation for Customs Duty payment shall be limited / restricted to the tariff rates as assessed by the Customs on the day of clearance, or as on the last day of the stipulated mobilization period. In case of clearance thereafter, on the CIF value of items in Proforma-A will be frozen and any increase in Customs Duty on account of increase in value on these will be to the Contractor's account. Furthermore, in case the above CIF value is not acceptable to assessing Customs Officer and as a result if any excess Customs Duty becomes payable, it shall be to Contractor's account. Before filing Bill of lading, Bill of entry, the Contractor must consult the Company to avoid payment of excess Customs Duty.

- 12.4.1 Contractor shall, however, arrange clearance of such items from Customs and port authorities in India and shall pay all requisite demurrages, if any, clearance fees/charges, port fees, clearing and forwarding agent fees/charges, inland transport charges etc. Company shall provide all assistance by issuance of necessary letter of authority or other relevant documents and necessary help.
- 12.5 Contractor must ensure that the spares and consumables imported by them for providing the services under Contract are properly used in executing their job under the Contract in the PEL/ML areas of Company for which EC has been obtained. Contractor shall furnish to Company a certificate as and when the spares and consumables are used/consumed certifying that the spares and the consumables imported by them have been consumed in those ML and PEL areas under the contract for which ECs were obtained by them. In order to avoid any misuse of the spares and consumables imported by the Contractor for providing the services under the Contract, Contractor shall furnish an Undertaking similar to that being furnished by Company to Customs of suitable amount before issue of the Recommendatory Letter.
- 12.6 **DEMOBILISATION & RE-EXPORT:** The Contractor shall arrange for and execute demobilization of the Tools/Equipment/Spare/Accessories/Manpower etc. upon receipt of notice for demobilization from Company. Demobilization shall mean completion/termination of the contract and shall include dismantling of the tools/equipment, including the manpower and re-export of the tools/equipment (if re-exportable) including the unutilized spares and consumables at the cost of the contractor. Demobilization shall be completed by Contractor within 60 days of issue of demobilization notice by Company. Immediately after re-exporting the tools/equipment and the unused spares and consumables, Contractor shall submit the detail re-export documents to Company as documentary proof of re-exporting the tools/equipment and the unused spares and consumables. In case of failure to re-export any of the items as above within the allotted time period of 60 days except under circumstances relating to Force Majeure, Company



reserves the right to withhold the estimated amount equivalent to the Customs Duty and/or penalty leviable by Customs on such default in re-export from Contractor's final settlement of bills and Performance Security.

- 12.6.1 In the event all/part of the tools/equipment etc. are transferred by Contractor within the country to an area where nil Customs Duty is not applicable and/or sold to a third party after obtaining permission from Company and other appropriate government clearances in India including permission from DGH and Customs authorities, then Contractor shall be fully liable for payment of the Customs Duty .
- 12.6.2 Contractor must furnish an undertaking that "the tools/equipment imported and also spares/accessories & consumables which remained unutilized after the expiry of the contract, would be re-exported at their own cost after completion of contractual obligation after observing all the formalities/rules as per Customs Act or any other relevant Act of Govt. of India applicable on the subject". In case of non-observance of formalities of any provisions of the Customs Act or any other Act of Govt. of India, the Contractor shall be held responsible for all the liabilities including the payment of Customs Duty and penalties to the Govt. on each issue. Non-compliance of these provisions will be treated as breach of contract and their Performance Bank Guarantee will be forfeited.
- 12.6.3 In the event all/part of the equipment etc. are transferred by Contractor after expiry/termination of the contract within the country to another operator for providing services, and/or sold to a third party, Contractor shall obtain all necessary Govt. of India clearances including permission from DGH and Customs authorities for transferring to another operator and/or sale of the tools/equipment and the unused spares and consumables to a third party. Company will not be responsible for any non-compliance of these formalities by Contractor. Payment of Customs Duty and penalties(if any) imposed by Govt. of India or Customs authorities for transferring the items in part or in full to an area where Nil Customs Duty is not applicable or sale of the items shall be borne by the Contractor and Contractor indemnifies Company from all such liabilities.
- 13.0 CONFIDENTIALITY:** Contractor agrees to be bound by professional secrecy and undertake to keep confidential any information obtained during the conduct of well operations, including, but not limited to, formations encountered, testing and surveying of the well. And to take all-reasonable steps to ensure the contractor's personnel likewise keep such information confidential.
- 13.1 This obligation shall keep in force even after the termination date and until such information will be disclosed by company.
- 13.2 Contractor shall handover to company all company's documents or drafts concerning operations carried out and which are still in its possession before transferring the equipment's /Unit to another sphere.
- 13.3 Contractor shall forbid access to the equipment's /Unit to any people not involved in the well operations or not authorized by the company to have access to the equipment's /Unit, however, this provision is not applicable to any Government and/or police representative on duty.

**14.0 RIGHTS AND PRIVILEGES OF COMPANY:** Company shall be entitled –

- 14.1 To check the surface production facility and other Contractor's items before the commencement of operation. If they are not found in good order or do not meet specifications as per Section- II or in case of non-availability of some of the Contractor's items listed therein, the contractor may not be allowed for commencement until the contractor has remedied such default.
- 14.2 To approve the choice of sub-contractors for any essential third party contract, concerning materials, equipment, personnel and services to be rendered by Contractor. Sub-contract may be entered into by Contractor only after company's approval.
- 14.3 To check, at all times, Contractor's stock level, to inspect Contractor's equipment and request for renovation or replacement thereof, if found in unsatisfactory condition or not conforming to regulations or specifications.
- 14.4 To order suspension of operations while and whenever:
- a) Contractor's personnel is deemed by company to be not satisfactory, or
  - b) Contractor's equipment does not conform to regulations or to the specifications laid down in the Contract.
  - c) Contractor's equipment turns into a danger to personnel on or around the well servicing unit or to the well, or
  - d) Contractor's insurance in connection with the operations hereunder is found by company not to conform to the requirements set forth in the contract.
  - e) Contractor fails to meet any of the provisions in the contract.
  - f) Any shortage in key/additional (compulsory) personnel and inadequacy of other personnel.

**15.0 EMERGENCY**

The Company shall be entitled in emergency (the existence of which shall be determined by Company) at its own discretion, to direct Contractor's equipment and personnel if Company's interest will demand so.

- 16.0 HEADINGS:** The headings of the clauses of the contract are for convenience only and shall not be used to interpret the provisions thereof.

- 17.0 LIQUIDATED DAMAGES FOR DEFAULT IN TIMELY MOBILISATION:** Refer Clause No. 17.0 under GCC.

**18.0 PENALTY:**

In the event of the Contractor failure to strictly adhere in providing equipment, the penalty shall be levied at the following rates.

Sl no	FAILURE	PENALTY
a	Shut down/break down of any Tool(s) / Equipment(s) during any operation	Zero rate as per clause No. K of SOR, Section-IV will be applicable for the period of shut down on pro-rata basis plus penalty of 15% of the Total Operating day rate charge for the period of shutdown, if the equipment is not brought into operation within 2 hrs.

b	Shut down of any operation due to non-availability of Equipment(s)/manpower/ tools/spares/consumables etc.	Zero rate as per clause No. K of SOR, section-IV will be applicable for the period of delay on prorata basis plus penalty of 15% of the Total Operating day rate charge for the period of shutdown.
c	Delay in Interim Mobilization of Manpower.	Any delay in Interim Mobilization of Manpower beyond the standard, as stipulated in clause No. D of SOR, Section-IV, penalty at the rate of 2% per hour of total cost for Interim Mobilization of personnel subject to maximum of 15% shall apply.

## **19.0 PRE-CHECKS AND PRE-TESTS OF EQUIPMENT/ACCESSORIES:**

19.1 The Contractor shall test, carry out all necessary pre-checks and pre-tests of the equipment/ accessories to ensure trouble free and safe operation prior to each job or as instructed by the Company's Representative. Contractor shall record results of all such tests in the daily job report.

This will include carrying out hydraulic pressure testing of the entire surface production facility setup in presence of Company's Representative prior to every job. Any failure in the pressure testing will be treated as shut down till the entire surface testing setup is successfully pressure tested and will draw penalty as per clause No. 18.0 of SCC, Section-III.

**19.2 DISCIPLINE:** The Contractor shall maintain strict discipline and good order among their employees and their sub-contractors, if any, and shall abide by and conform to all rules and regulations promulgated by the Company. Should the Company feel with just cause that the conduct of any of the Contractor's personnel is detrimental to Company's interest; the Company shall notify Contractor in writing the reasons for requesting removal of such personnel. The Contractor shall remove and replace such employees at their expense within 7 days from the time of such instruction given by the Company.

19.3 The Contractor shall not make Company liable to reimburse the Contractor to the statutory increase in the wage rates of the contract labour appointed by the Contractor. Such statutory or any other increase in the wage rates of the contract labour shall be borne by the Contractor.

19.4 Moreover, the Contractor should obtain and produce in advance before commencement of work, the following certificate / approvals:

- (i) Total manpower list
- (ii) All certificates as per applicable laws including Mines Acts.
- (iii) Regional Labour certificate, if required.

## **20.0 ASSOCIATION OF COMPANY'S PERSONNEL:**

20.1 Company may depute one or more than one representative(s)/ engineer(s) to act on its behalf for overall co-ordination and operational management at location. Company's representative will be vested with the authority to order any changes in the Scope of Work to the extent so authorized and notified by the Company in writing. He shall liaise with the Contractor and monitor progress to ensure timely completion of the jobs. He shall also have the authority to oversee the execution of jobs by the Contractor and to ensure compliance of provisions of the Contract.

- 20.2 Company's representatives shall have free access to all the equipment of the Contractor during operations as well as idle time for the purpose of observing/ inspecting the operations performed by the Contractor in order to judge whether, in Company's opinion, the Contractor is complying with the provisions of the Contract.
- 20.3 The Contractor should maintain sufficient stock of the critical spare part to avoid any major shut down. Contractor must observe all safety and statutory norms applicable to the Company to prevent surface pollution and injury to personnel working in the area.
- 21.0 **AREA OF OPERATION:** The Company reserves the right to deploy the Contractor for Services against this Contract under the same rates, terms and conditions anywhere in its operational areas in the states of Assam & Arunachal Pradesh
- 22.0 **If any of the clauses in the SCC contradict with other clauses of the GCC then the clauses in the SCC shall prevail.**

**END OF SECTION – III**

**Part-3**  
**SECTION – IV**

**SCHEDULE OF RATES**

This tender is floated on the concept of Framework contract to finalize the technically qualified bidders. Based on the requirement of OIL, within these terms and conditions, Price Bid will be sought from all the technically qualified bidder for further requirements. To ascertain the inter-se-ranking, the comparison of the responsive bids will be made subject to loading for any deviation. Commercial Bids shall be evaluated taking into account the rates quoted in the Priced Bid Format as per 'Proforma-B'.

As part of this, based on the current requirement, Proforma -B is to be submitted for 4(four) nos. of Surface Production Facility Services for OIL's operational area in Assam and Arunachal Pradesh for a period of 3 years

The quantities mentioned against each item in Price Bid Format /Price Schedule is for evaluation purposes only. **However, payment shall be made for the actual work done.**

**1.0 MOBILIZATION CHARGES TO FIRST WELL (A):**

**CONTRACTOR'S TOOLS & EQUIPMENT WITH ALL ACCESSORIES:**

- a) Mobilization charge as mentioned in the Proforma-B shall be payable one time on lump sum basis. Mobilization charge is inclusive of all tools, equipment, spares, consumables, accessories etc.
- b) Mobilization charges will be payable only when Mobilization is completed in all respect as per clause 2.2 of General Condition of the Contract.
- c) Mobilization charges cover all local and foreign cost to be incurred by the Contractor to mobilize the equipment to the appointed site and include all local and foreign taxes, port fees, inland transport etc., but excluding customs duty, which will be to the Company's account, if applicable on the items.
- d) The Company will provide all necessary documents as required for Customs Clearance only on receipt of request from the Contractor and all such request must be made by the Contractor well in advance so that the Company can make necessary arrangement for providing the documents in time without causing any delay for the Customs / Port Clearance.
- e) In the event of the Contractor quoting Mobilization charge above 7.5 % of the contract value (per unit of Surface production facility), only 7.5% of the contract value (per unit of Surface production facility) will be paid after successful completion of the mobilization and the balance amount will be released after successful completion of the contract.

**2.0 DE-MOBILIZATION CHARGES FROM LAST WELL (B):**  
**(TOOLS & EQUIPMENT WITH ALL ACCESSORIES)**

- a) The demobilization charges shall be payable one time on lump sum basis which include all charges towards demobilization of all contractor's equipment/tools upon completion of the assignment of works under this

contract to the satisfaction of Company. Company shall give 10 (ten) days' notice to contractor to commence demobilization.

- b) Demobilization shall be completed by Contractor within 60 days of expiry / termination of the contract. Contractor will ensure that demobilization is completed within the aforesaid period. No charge whatsoever will be payable from the date of notice to demobilize.
- c) All charges connected with demobilization including all fees and taxes in relation thereto and insurance & freight on export outside India will be to Contractor's account.
- d) The contractor has to provide documentary evidence of re-exporting all the items exported under EC against this tender for payment of final demobilization.

**3.0 MOBILIZATION CHARGE FOR PERSONNEL (INITIAL/INTERIM) (C):**

The competent personnel to carry out assigned activity shall be mobilized by Contractor on "Call out" basis. The "Call-out" notice to Contractor will be issued by Company on each assignment at least 5 days in advance.

- a) Mobilization Charges of Personnel shall be payable to the Contractor after the completion of Mobilization of Personnel for each job. The Contractor shall mobilize the personnel on receipt of Call Out notice from the Company.
- b) Mobilization Charges shall cover all costs of Contractor including but not limited to travel expenses, in-transit accommodation charges, personal insurance etc. for Contractor's Personnel to reach the Company's designated Site on receipt of the mobilization notice from Company.

**4.0 DE-MOBILIZATION CHARGE FOR PERSONNEL (FINAL/INTERIM) (D):**

- a) Demobilization Charges of personnel shall be payable to the Contractor after the departure of Contractor's personnel from any well Site on receipt of demobilization notice from Company Representative.

**NOTE:** The Company retains the right to "mobilize & demobilize" Contractor's personnel "to and from" any location/well site depending upon operational requirement. Also the Company retains right to remobilize the personnel to any drilling location/well-site at any time during the course of the Contract depending upon operational requirement. Thus Contractor is required to fulfil their obligation on Mobilization/ Demobilization of personnel upon receipt of appropriate notice from the Company.

**5.0 DAILY RENTAL CHARGES FOR SURFACE PRODUCTION FACILITY SERVICE EQUIPMENT & TOOLS (E):**

The Daily Rental Charge for Equipment shall be payable under the following conditions:

- a. Contractor's equipment is defect free and ready to undertake operation. The charges will be considered on day rate basis for a day of 24 hours (From 06.00 Hrs to 06.00 Hrs. next day). Daily rental charges will be applicable after commencement of the contract.
- b. If there is any equipment not available in operating condition, Daily Rental Charge for that particular period will not be paid.

- c. If there is shut down of the equipment or under maintenance beyond 2 hours during operation then zero rate will be applicable and penalty for that period will be applicable as per clause No. 18.0 of SCC, section- III for the period till the equipment's are brought back into operation.
- d. Daily Rental Charges shall cover expenditure related to civil jobs for flare pit setup and any other civil jobs mentioned in "scope of work" under NOTE, Section II, Appendix-I.

**6.0 OPERATING DAY RATE CHARGE FOR SURFACE FACILITY SERVICE EQUIPMENT & TOOLS (F):**

- a) The Operating Day Rate Charges for Surface Production facility equipment shall be payable for the period when the equipment are set-up & pressure tested at site, ready for well test operation and hooked up with the X-mas tree, till disconnected from the X-mas tree.
- b) Operating Day Rate charge covers the operating charge of all the associated services as indicated in the Scope of work. Operating Day Rate charge shall cover charges for fuel, spares, equipment maintenance, well test deliverables report preparation etc.
- c) The Operating Day Rate charge shall be payable for the period when the equipment are in operation. The operating Day rate Charge for equipment shall not be less than 35% of the Daily Rental Charges for equipment.
- d) The Operating Day Rate Charges will be considered on day rate basis for a day of 24 hrs. for any time in part thereof, the charges shall be computed on pro-rata basis.
- e) Operating Day Rate charge is payable in addition to the Daily Rental Charge when the equipment and manpower are in actual field operation.
- f) If the Contractor's tool/equipment fails to perform, for any reason in the duration of operation, then no Operating Day Rate Charges shall become payable for the entire unit of the service until the equipment/tool is put back in to operating condition or evidence by demonstration of operation in actual tests or use to the satisfaction of OIL.

**7.0 OPERATING DAY RATE CHARGES FOR PERSONNEL (G):**

- a) The Operating Day Rate charges for Personnel shall be payable for personnel with Surface Production Facility (SPF) Service for the period when the Surface Production facility equipment are in Operation.
- b) The Operating Day Rate charges for Personnel will be considered on day rate basis for a day of 24 hours. For any time in part thereof, the charges shall be computed on pro-rata basis.
- c) The Operating Day Rate charges for Personnel shall not be payable if the Contractor's tool/equipment fails to perform, for any reason in the duration of operation until the equipment/tool is put back in to operating condition. There will be no other charge payable to the Contractor "Job-Wise" or "Job-Nature" wise.

#### **8.0 STANDBY DAY RATE CHARGES FOR PERSONNEL (H):**

- a) Standby Day Rate charges for Contractor's personnel shall be payable for the period, the Contractor completes Mobilization of Contractor's personnel at the designated Location till the Demobilization notice to Contractor's Personnel is served by Company Representative except during operations.
- b) No Standby Day Rate charges for Personnel will be payable when the person is entitled for Operating Day Rate charges for Personnel.
- c) A standby Day Rate charge for Personnel caters to idle time against temporary halt due to operational reasons.
- d) Standby Day Rate charges for Personnel shall cease with effect from the day, the Company serves "demobilization notice" to the Contractor's Personnel.
- e) Standby Day Rate charges for Personnel will be payable per 24 hours a day (pro-rata basis for part thereof up to the completed full hours only) and will be applicable against temporary halt of operations due to repair/ shut down of tools/ Equipment etc.
- f) The Standby Day Rate charges for Personnel shall not be payable if the Contractor's tool/equipment fails to perform, for any reason in the duration of operation until the equipment/tool is put back in to operating condition.
- g) Standby Day Rate charges for personnel shall not be more than 50% of the Operating Day Rate charges for personnel.

#### **9.0 INTER LOCATION MOVEMENT CHARGES (I):**

- a) This will cover expenses incurred for disassembly and transfer of the Contractor's equipment from one location (after completion of a job) to the next location. The charge is on per number (NO) of ILM.
- b) Distance between two locations is expected to be not more than 30 KM (approximately).
- c) Movement to the first site will be covered under initial mobilization.

#### **10.0 ADDITIONAL INTERLOCATION MOVEMENT CHARGES BEYOND 30 KMS (J):**

This will cover expenses incurred for transfer of the Contractor's equipment from one location (after completion of a job) to the next location if the distance between two locations is more than 30 KM. The charge is on per Kilometer basis for excess kilometer-age beyond 30 Kms. This will be payable in addition to INTER LOCATION MOVEMENT CHARGES (I), if the distance between two locations is more than 30 KM.

#### **11.0 INTERIM DEMOBILIZATION and INTERIM MOBILIZATION CHARGES (K): Contingency**

Interim De-mobilization & Remobilization charges will be applicable once interim demobilization notice is issued from the current well to till interim re-mobilization to the next well is complete upon receipt of notice from the company. The charges will be payable on lump sum which will be inclusive of ILM charges for equipment & manpower. No Charges except INTERIM DEMOBILIZATION and INTERIM MOBILIZATION CHARGES will be applicable once interim demobilization notice is issued till interim



remobilization is completed. Interim Mobilization shall be completed within 7 days of issuance of interim remobilization notice. **If interim remobilization notice is not served by OIL within 60 days of issuance of interim demobilization notice, then it will be deemed to be De-mobilized completely.**

Note: Also note that either charges against clause no 9.0 & 10.0 above (i.e. **INTER LOCATION MOVEMENT CHARGES (I): and ADDITIONAL INTERLOCATION MOVEMENT CHARGES BEYOND 30 KMS (J)**) or clause no 11.0 (i.e. **INTERIM DEMOBILIZATION and INTERIM MOBILIZATION CHARGES (K)**) will be applicable at a time. This is will be based on notice issued by the Company.

## **12.0 ZERO RATES**

Notwithstanding any provision in this Contract, no charges shall be payable for the period, the job or activity assigned to the Contractor is halted due to break-down of Contractor's tools/equipment, non-availability of key personnel or for any other reason whatsoever attributable to the Contractor.

## **13.0 FORCE MAJEURE**

- a) The Force majeure rate shall be payable during the first 15 days period of force majeure. No payment shall accrue to the Contractor beyond the first 15 days period unless mutually agreed upon. However, if either party decides for termination with 15 days notice beyond the first 15 days, the rate of payment during 15 days notice period shall be force majeure rate per day.
- b) Payment towards 'Force Majeure' rate shall be 50% of Standby Dayrate Charges. Payment shall be made considering 1(one) full 'Force Majeure' day = ½ (half) day Standby Dayrate Charge.

## **14.0 Special Note:**

- 14.1 Unless stated otherwise in the Bidding Documents, the Contract shall be for the whole works as described in Bidding Documents, based on the rates and prices submitted by the Bidder and accepted by the Employer. The price/rate(s) quoted by the Bidders will be inclusive of all taxes except **GST(i.e. IGST or CGST and SGST/UTGST applicable in case of interstate supply or intra state supply respectively and Cess on GST , if applicable) on the final services**. However, GST rate (including cess) to be provided in the respective places in the Price Bid.
- 14.2 Bidder should also mention the **Harmonised System of Nomenclature (HSN)** and **Service Accounting Codes (SAC)** at the designated place in SOR.
- 14.3 Price Bids shall be evaluated on overall lowest cost to OIL (L-1 offer) basis i.e. considering total quoted price for all services including GST(CGST & SGST/UTGST or IGST)
- 14.4 OIL will prefer to deal with registered bidder 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 is entitled for input credit of GST, the same will be considered for evaluation of bid as per evaluation methodology of tender document.

- 14.5 Price Bid without giving any of the details of the taxes (Including rates and amounts) will be considered as inclusive of all taxes including GST.  
When a bidder mentions taxes as extra without specifying the rates & amount, the offer will be loaded with maximum value towards taxes received against the tender for comparison purposes. If the bidder emerges as lowest bidder after such loading, in the event of contract/order on that bidder, taxes mentioned by OIL on the Purchase Order/ Contracts will be binding on the bidder.
- 14.6 0(zero) % Input Tax Credit on GST (Goods & Service Tax) is available to OIL & the same shall be considered for the Purpose of evaluation.

**END OF SECTION – IV**

**&&&&**

**LIST OF ITEMS (Equipment, Tools, Accessories, Spares & consumable)**  
**TO BE IMPORTED IN CONNECTION WITH EXECUTION**  
**OF THE CONTRACT SHOWING CIF VALUE**

Srl #	Item Description	Qty /Unit	Rate	Total	Freight & Insurance	CIF Value	Port & other charge	Landed Cost	Is it re-exportable? YES or NO	Year of Mfg.	HSN Code
A	B	C	D	E = C x D	F	G = F + E	H	I = G+H	J	K	L

- (1) The items which are not of consumable in nature and required to be re-exported outside India after completion of the Contract should be indicated as "YES" in column "J".
- (2) The items, which are of consumable in nature should be indicated as "NO" in column "J".
- (3) For estimation of applicable customs duty, the bidders are required to indicate customs tariff code (i.e. HSN Code) of each item in column "L".

Authorised Person's Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Seal of the Bidder:

**Proforma-B [Priced Bid Format] and Porforma-BB(PP-LC)[Caluclation of Local Content Services] is enclosed separately as MS-XL sheet**

**BIDFORM**

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

**Sub: IFB No. CDG5746P18**

*Gentlemen,*

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

We undertake, if our Bid is accepted, to commence the work within (\_\_\_\_\_) days calculated from the date of issue of Letter of Award (LOA).

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

We agree to abide by this Bid for a period of 120 days from the date fixed for Bid closing and it shall remain binding upon us and may be accepted at any time before the expiration of that period.

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

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

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2017/2018.

**Authorised Person's Signature:** \_\_\_\_\_

**Name:** \_\_\_\_\_

**Designation:** \_\_\_\_\_

**Seal of the Bidder:**

**STATEMENT OF NON-COMPLIANCE**  
**(Only exceptions/deviations to be rendered)**

1.0 The Bidder shall furnish detailed statement of **exceptions/deviations**, if any, to the tender stipulations, terms and conditions in respect of each Section of Bid Document in the following format:

Section No.	Clause No. (Page No.)	Non-Compliance	Remarks

2.0 In addition to the above the Bidder shall furnish detailed information pertaining to construction, operational requirements, velocity-pattern, added technical features, if any and limitations etc. of the Inspection Tool proposed to be deployed.

**Authorised Person's Signature:** \_\_\_\_\_

**Name:** \_\_\_\_\_

**Designation:**\_\_\_\_\_

**Seal of the Bidder:**

**NOTE:** OIL INDIA LIMITED expects the bidders to fully accept the terms and conditions of the bid document. However, should the bidders still envisage some exceptions/deviations to the terms and conditions of the bid document, the same should be indicated as per above format and submit along with their bids. If the "**Statement of Compliance**" in the above Proforma is left blank (or not submitted along with the technical bid), then it would be construed that the bidder has not taken any exception/deviation to the tender requirements.

**FORM OF BID SECURITY (BANK GUARANTEE)**

To:  
M/s. OIL INDIA LIMITED,  
CONTRACTS DEPARTMENT,  
Duliajan, Assam, India, Pin - 786 602

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

SEALED with the common seal of the said Bank this \_\_\_\_ day of \_\_\_\_ 2017.

THE CONDITIONS of these obligations are:

1. If the Bidder withdraws their Bid within its original/extended validity; or
2. The Bidder modifies/revises their bid suomoto; or
3. The Bidder does not accept the contract; or
4. The Bidder does not furnish Performance Security Deposit within the stipulated time as per tender/contract; or
5. If it is established that the Bidder has submitted fraudulent documents or has indulged into corrupt and fraudulent practice.

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

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

The details of the Issuing Bank and Controlling Bank are as under:

- A. Issuing Bank:  
BANK FAX NO:  
BANK EMAIL ID:  
BANK TELEPHONE NO.:  
IFSC CODE OF THE BANK:
- B. Controlling Office:  
Address of the Controlling Office of the BG issuing Bank:  
Name of the Contact Person at the Controlling Office with Mobile No. and e-mail address:

SIGNATURE AND SEAL OF THE GUARANTORS \_\_\_\_\_  
Name of Bank & Address \_\_\_\_\_  
Witness \_\_\_\_\_  
Address \_\_\_\_\_  
\_\_\_\_\_  
(Signature, Name and Address)

Date: \_\_\_\_\_  
Place: \_\_\_\_\_

- \* The Bidder should insert the amount of the guarantee in words and figures.
- \*\* Date of expiry of Bank Guarantee should be as specified in the tender document.

**Note:**

The Bank Guarantee issuing bank branch must ensure the following:

The Bank Guarantee issued by the bank must be routed through SFMS platform as per the following details:

- i) "MT 760 / MT 760 COV for issuance of bank guarantee.
- ii) "MT 760 / MT 767 COV for amendment of bank guarantee.

The above message/intimation shall be sent through SFMS by the BG issuing bank branch to Axis Bank, Duliajan Branch, IFS Code – UTIB0001129, Branch address – AXIS Bank Ltd., Duliajan Branch, Daily Bazar, Jyotinagar, Duliajan, District Dibrugarh, PIN – 786602.



**FORM OF PERFORMANCE BANK GUARANTEE**

To:  
M/s. OIL INDIA LIMITED,  
CONTRACTS DEPARTMENT,  
Duliajan, Assam, India, Pin - 786 602.

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

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

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

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

This guarantee is valid until the -----day of -----

The details of the Issuing Bank and Controlling Bank are as under:

- A. Issuing Bank:  
BANK FAX NO:  
BANK EMAIL ID:  
BANK TELEPHONE NO.:  
IFSC CODE OF THE BANK:
- B. Controlling Office:  
Address of the Controlling Office of the BG issuing Bank:  
Name of the Contact Person at the Controlling Office with Mobile No. and e-mail address:

SIGNATURE AND SEAL OF THE GUARANTORS \_\_\_\_\_

Designation \_\_\_\_\_

Name of Bank \_\_\_\_\_

Address \_\_\_\_\_

Witness \_\_\_\_\_

Address \_\_\_\_\_  
\_\_\_\_\_

Date .....

Place \_\_\_\_\_

**Note:**

The Bank Guarantee issuing bank branch must ensure the following:

The Bank Guarantee issued by the bank must be routed through SFMS platform as per the following details:

- i) "MT 760 / MT 760 COV for issuance of bank guarantee.
- ii) "MT 760 / MT 767 COV for amendment of bank guarantee.

The above message/intimation shall be sent through SFMS by the BG issuing bank branch to Axis Bank, Duliajan Branch, IFS Code – UTIB0001129, Branch address – AXIS Bank Ltd., Duliajan Branch, Daily Bazar, Jyotinagar, Duliajan, District Dibrugarh, PIN – 786602.

**AGREEMENT FORM**

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

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

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

WHEREAS, Company had issued a firm Letter of Award No. \_\_\_\_\_ dated \_\_\_\_\_ based on Offer No. \_\_\_\_\_ dated \_\_\_\_\_ submitted by the Contractor against Company's IFB No. \_\_\_\_\_. All these aforesaid documents shall be deemed to form and be read and construed as part of this agreement/contract. However, should there be any dispute arising out of interpretation of this contract in regard to the terms and conditions with those mentioned in Company's tender document and subsequent letters including the Letter of Intent and Contractor's offer and their subsequent letters, the terms and conditions attached hereto shall prevail. Changes, additions or deletions to the terms of the contract shall be authorized solely by an amendment to the contract executed in the same manner as this contract.

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

1. In this Agreement words and expressions shall have the same meanings as are respectively assigned to them in the Conditions of Contract referred to.
2. In addition to documents herein above, the following Sections and Annexures attached herewith shall be deemed to form and be read and construed as part of this agreement viz.:
  - (a) Section-I indicating the General Conditions of this Contract;
  - (b) Section-II indicating the Terms of Reference;
  - (c) Section-III indicating the Special Terms & Condition;
  - (d) Section-IV indicating the Schedule of Rates.

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

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

Signed, Sealed and Delivered,

For and on behalf of  
Company (Oil India Limited)

for and on behalf of Contractor  
(M/s. \_\_\_\_\_)

Name:

Name:

Status:

Status:

In presence of

In presence of

1.

1.

2.

2.

**PROFORMA LETTER OF AUTHORITY**

TO  
**GM (CONTRACTS)**  
Oil India Ltd.,  
P.O. Duliagan - 786 602  
Assam, India

Sir,

**Sub: OIL's IFB No. CDG5746P18**

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

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

Yours Faithfully,

**Authorised Person's Signature:** \_\_\_\_\_

**Name:** \_\_\_\_\_

**Designation:** \_\_\_\_\_

**Seal of the Bidder:**

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

**AUTHORISATION FOR ATTENDING BID OPENING**

TO  
**GM (CONTRACTS)**  
Oil India Ltd.,  
P.O. Duliajan - 786 602  
Assam, India

Date: \_\_\_\_\_

Sir,

**Sub : OIL's IFB No. CDG5746P18**

We authorise Mr. /Mrs. \_\_\_\_\_ (Name and address) to be present at the time of opening of the above IFB due on \_\_\_\_\_ at Duliajan on our behalf.

Yours Faithfully,

**Authorised Person's Signature:** \_\_\_\_\_

**Name:** \_\_\_\_\_

**Designation:** \_\_\_\_\_

**Seal of the Bidder:**

**Note:** This letter of authority shall be on printed letter head of the Bidder and shall be signed by a person who signs the bid.

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**CHECKLIST FOR BEC**

**Annexure- A to BEC**

Bidders to mark (√) **Provided** or **Not Provided** along with the Reference File No. and page No. whichever is applicable

Sl No.	Description	Reference File No. and Page No. of Bidder's Quote	Provided	Not Provided
1	<b><u>Clause No. I of BEC:</u></b> In support of clause no. I, the bidder shall submit a declaration signed by its authorized representative conforming compliance to technical specifications as mentioned in bid document.			
2	<b><u>Clause No. A.1.1.(i) of BEC:</u></b> The bidder shall have the experience of providing Surface Production Setup facility / Surface Production Testing Service in at least five (5) numbers of oil/gas wells using minimum 10000 psi rated well test package during the last 7 (seven) years reckoned from the original bid closing date.			
3	<b><u>Clause No. A.1.1.(ii) of BEC:</u></b> In support of the experience criteria of A.1.1.i) above, the bidder must furnish the following documentary evidences self-certified, in the form of:  a) Copies of Relevant pages of the contract document showing Contract Number, period of contract and Scope of work etc. b) Copies of completion Certificate(s) or payment certificate(s) or any other documents which substantiate completion of the jobs, issued by the client(s) with contact details of the issuing person/organization (e-mail address, Phone Number, Fax number etc.).			
4	<b><u>Clause No. A.1.1.(iii) of BEC:</u></b> All major equipment offered for this tender i.e. Separator, Choke Manifold, Oil Transfer Pump and Surge Tank shall not be more than 5 (seven) years old (i.e. manufactured not before 01.01. 2012). Bidder has to provide self-			

	declaration confirming compliance to the same.			
5	<p><b><u>Clause No. A 1.2 of BEC:</u></b>  <b><u>Bid from Indian Company/Indian Joint Venture Company with Technical Collaboration/Joint Venture Partner:</u></b>  In case, the bidder is an Indian Company/Indian Joint Venture Company who does not meet the experience criteria as per clause No. A.1.1.i) above, may also bid on the strength of Technical Collaborator/Joint Venture Partner provided all the following criteria are complied:</p> <p>a) The primary bidder shall have the experience of successfully completing at least 1(one) Nos. of contracts for providing oilfield services relating to oil and gas well operations like Drilling / Workover / Production Testing /Matrix Acidization/ Well Stimulation / Sand Control, during the last 07(seven) years prior to the original bid closing date. In support of the experience, the bidder shall submit documentary evidences as per clause A.1.1.ii) above.</p> <p style="text-align: center;">OR</p> <p>The primary bidder shall have the experience of successfully providing services relating to oil and/or gas well operations like Drilling / Workover / Production Testing / Well Stimulation / Matrix Acidization/ Sand Control continuously for a period of at least 1 (one) year to be reckoned from the original bid closing date under a single contract.</p> <p>a) The primary bidder shall meet the financial criteria clause B sub-clauses 1.0, 2.0, 3.0, 4.0 and 5.0 below.</p> <p>b) The Technical Collaborator/Joint Venture Partner at its own shall meet the experience criteria A.1.1.i) above. The experience of the Technical Collaborator /Joint Venture with other firms will not be qualified. In this regard, the documents establishing experience of the Technical Collaborator/Joint Venture Partner shall be submitted as per clause A.1.1.ii) above.</p>			
6	<b><u>Clause No. A 1.3 of BEC:</u></b>			



	Indian bidders quoting based on technical collaboration/ joint venture, shall submit a Memorandum of Understanding (MOU)/Agreement with their technical collaborator/ joint venture partner clearly indicating their roles under the scope of work which shall be addressed to OIL and shall remain valid and binding for the contract period under this tender.			
7	<p><b><u>Clause No. A 1.4 of BEC:</u></b></p> <p>In case, the bidder is a consortium of companies, the following requirement should be satisfied by the bidder:</p> <ul style="list-style-type: none"> <li>(a) The Leader of the consortium shall satisfy the minimum experience requirement as per clause No. A.1.1.i) or the clause A.1.2.a above.</li> <li>(b) If the Leader of the consortium meets the clause A.1.2.a but does not meet the requirement as per clause No. A.1.1.i), then any of the consortium members shall individually meet clause A.1.1.i).</li> <li>(c) The consortium members shall have to meet the financial criterion mentioned in Clause No. B 2.0 below.</li> <li>(d) Consortium bids shall be submitted with a Memorandum of Understanding (MOU) between the consortium members duly signed by the authorized Executives of the consortium members clearly defining the role/scope of work of each partner/member, binding the members jointly and severally to the responsibility for discharging all obligations under the contract and identifying the Leader of Consortium. Unconditional acceptance of full responsibility for executing the 'Scope of Work' of this bid document by the Leader of the Consortium shall be submitted along with the Technical bid.</li> <li>(e) Only the Leader of the consortium shall buy the bid document, submit bid and sign the contract agreement (in the event of</li> </ul>			

	award of contract) on behalf of the consortium. <b>NOTE:</b> The Bid Security shall be in the name of the Leader of the consortium on behalf of consortium with specific reference to consortium bid and name & address of consortium members. Similarly the Performance Security shall be in the name of the Leader on behalf of the consortium			
8	<b>Clause No. A 1.5 of BEC:</b> Bidder(s) quoting in Collaboration/joint venture Partnership/ Consortium with any firm are not allowed to quote separately/independently against this tender. The collaborator is also not allowed to quote separately/independently against this tender. All the bids received in such case will be summarily rejected			
9	<b>Clause No. A 1.6 of BEC:</b> <b><u>Eligibility criteria in case bid are submitted on the basis of experience of the parent/ subsidiary company:</u></b> Offers of those bidders who themselves do not meet the experience criteria as stipulated in Clause Nos. A. 1.1 (i) and B. 1.0 & 2.0 can also be considered provided the Bidder is a subsidiary company of the parent company in which the parent company has 100% stake or parent company can also be considered on the strength of its 100% subsidiary. However, the parent/ subsidiary company of the Bidder should on its own meet the experience as stipulated in the BEC and should not rely for meeting the experience criteria on its sister subsidiary/ co-subsidiary company or through any other arrangement like Technical Collaboration agreement. In that case as the subsidiary company is dependent upon the experience of the parent company or vice-versa with a view to ensure commitment and involvement of the parent/ subsidiary company for successful execution of the contract, the participating bidder should enclose an Agreement (as per format enclosed as <b>Annexure-VI(a)</b> in Part-4) between the parent and the subsidiary company or vice-versa and Parent/ Subsidiary Guarantee (as per format enclosed as <b>Annexure-VI(b)</b> in Part-4) from the parent/ subsidiary company to OIL for fulfilling the obligation under the Agreement, along with the Technical bid.			

10	<p><b><u>Clause No. A 1.7 of BEC:</u></b> The bidders must confirm their compliance in their "Technical" bid to complete the mobilization within 90 days from the date of issue of Mobilization Notice after issuance of Letter of award (LOA). Offers without confirmation of stipulated mobilization time or with mobilization time more than 90 days will be summarily rejected. The bidder shall confirm compliance of this in their technical bid.</p>			
12	<p><b><u>Clause No. B 1.0 of BEC:</u></b> The bidder shall have an annual financial turnover of minimum <b>Rs. 12.52 Crore</b> (or equivalent <b>1.95 million USD</b>) during any of the preceding 03(three) financial/accounting years reckoned from the original bid closing date</p>			
13	<p><b><u>Clause No. B 2.0 of BEC:</u></b> In case of Consortium of companies, the Leader of the Consortium shall have an annual financial turnover of minimum <b>Rs. 12.52 Crore</b> (or equivalent of <b>1.95 million USD</b>) during any of the preceding 03(three) financial/accounting years reckoned from the original bid closing date and other member(s) of the Consortium shall have an annual financial turnover of minimum <b>Rs. 6.26 Crore</b> (or equivalent <b>0.97 million USD</b>) during any of the preceding 03(three) financial/accounting years reckoned from the original bid closing date</p>			
14	<p><b><u>Clause No. B 3.0 of BEC:</u></b> "Net worth of bidder must be positive for preceding financial/ accounting year. The bidder to provide A certificate issued by a practicing Chartered /Cost Accountant (with Membership Number and Firm Registration Number), certifying the Annual turnover &amp; Net worth as per format prescribed in ANNEXURE-B to BEC</p>			
15	<p><b><u>Clause No. B 4.0 of BEC:</u></b> Considering the time required for preparation of Financial Statements, if the last date of preceding financial / accounting year falls within the preceding six months reckoned from the original bid closing date and the Financial Statements of the preceding financial / accounting year are not available with</p>			

	<p>the bidder, then the financial turnover of the previous three financial/accounting years excluding the preceding financial / accounting year will be considered. In such cases, the Net worth of the previous financial / accounting year excluding the preceding financial / accounting year will be considered. However, the bidder has to submit an affidavit/undertaking certifying that 'the balance sheet/Financial Statements for the financial year ..... has actually not been audited so far'.</p> <p><b>Note:</b></p> <p>(a) For proof of Annual Turnover &amp; Net worth any one of the following document must be submitted along with the bid:-</p> <p>i) A certificate issued by a practicing Chartered /Cost Accountant (with Membership Number and Firm Registration Number), certifying the Annual turnover &amp; Net worth as per format prescribed in <b>ANNEXURE-B to BEC</b></p> <p style="text-align: center;">OR</p> <p>ii) Audited Balance Sheet along with Profit &amp; Loss account. In case of foreign bidders, self-attested/digitally signed printed published accounts are also acceptable.</p> <p>(b) In case the bidder is a Central Govt. Organization/PSU/State Govt. Organization/Semi-State Govt. Organization or any other Central/State Govt. Undertaking, where the auditor is appointed only after the approval of Comptroller and Auditor General of India and the Central Government, their certificates may be accepted even though FRN is not available. However, bidder to provide documentary evidence for the same.</p>			
16	<p><b>Clause No. B 5.0 of BEC:</b></p> <p>In case the bidder is a subsidiary company (should be a 100% subsidiary of the parent/ultimate parent/holding company) who does not meet financial criteria by itself and submits bid based on the financial strength of its parent/ultimate parent/holding company, then following documents need to be submitted along with the technical bid:</p>			

	<ul style="list-style-type: none"> <li>(i) Audited Balance Sheet and Profit Loss Account of the parent/ultimate parent/ holding company.</li> <li>(ii) Corporate Guarantee on parent/ultimate parent/holding company's letter head signed by an authorized official undertaking that they would financially support their 100% subsidiary company for executing the project/job in case the same is awarded to them, and</li> <li>(iii) The bidder is a 100% subsidiary company of the parent/ultimate/holding parent company.</li> <li>(iv) Documents proving that Net worth of the parent/ultimate parent company is positive for the accounting year preceding the bid closing date"</li> </ul>			
17	<p><b><u>Clause No. B 6.0 of BEC:</u></b></p> <p>In case the Audited Balance sheet and Profit Loss Account submitted along with the bid are in currencies other than INR or US\$, the bidder shall have to convert the figures in equivalent INR or US\$ considering the prevailing conversion rate on the date on which the Audited Balance Sheet and Profit &amp; Loss Account is signed. A CA Certificate is to be submitted by the bidder regarding converted figures in equivalent INR or US\$.</p>			
18	<p><b><u>Clause No. C1.0 of BEC:</u></b></p> <p>Bids shall be submitted under single stage two Bid system i.e. Technical Bid and Priced Bid separately in the OIL's e-Tender portal. The Technical Bid is to be uploaded as per Scope of Work &amp; Technical Specification of the tender in <b>"Technical Attachments" Tab</b> and Priced Bid as per Proforma-B uploaded in the <b>"Notes &amp; Attachments" Tab</b>. Bids shall be rejected outright if the prices are indicated in the technical bids. Bids not conforming to this two bid system shall be rejected outright.</p> <p>Bidder to provide a declaration / confirmation for the same signed by its authorized signatory.</p>			
19	<p><b><u>Clause No. C 2.0 of BEC:</u></b></p> <p>Bidder shall offer firm prices. Price quoted by the successful bidder must remain firm during the execution of the contract and not subject to variation on any account.</p>			

	Bidder to provide a declaration / confirmation for the same signed by its authorized signatory.			
20	<b><u>Clause No. C 3.0 of BEC:</u></b> Bids with shorter validity will be rejected as being non-responsive . Bidder to provide a declaration / confirmation for the same signed by its authorized signatory.			
21	<b><u>Clause No. C 4.0 of BEC:</u></b> Bid Security in Original shall be furnished as a part of the Technical Bid and shall reach OIL's Head-Contract's office at Duliagan on or before 12.45 Hrs (IST) on the bid closing date. A scanned copy of the bid security shall however be uploaded in OIL's E-Procurement portal along with the Technical Bid. The amount of Bid Security shall be as specified in the Forwarding Letter of the Bid Document. Bid without proper & valid Bid Security will be rejected.			
22	<b><u>Clause No. C 5.0 of BEC:</u></b> The Integrity Pact must be uploaded in OIL's E-Procurement portal along with the Technical Bid digitally signed by the same signatory who digitally signed the Bid i.e. who is duly authorized to sign the Bid. If any bidder refuses to sign Integrity Pact or declines to submit the Integrity Pact, their bid will be rejected.			
23	<b><u>Clause No. C 6.0 of BEC:</u></b> Bids received through the e-procurement portal shall only be accepted. Bids received in any other form shall not be accepted.			
24	<b><u>Clause No. C 7.0 of BEC:</u></b> The bid documents are non-transferable. Bid can only be submitted in the name of the bidder in whose name the User ID and Password have been issued. Unsolicited bids will not be considered and will be straightway rejected.			
25	<b><u>Clause No. C 8.0 of BEC:</u></b> Any physical documents wherever called for, submitted by bidders shall contain no interlineations, white fluid erasures or overwriting except as necessary to correct errors made by the Bidder, in which case such correction shall be initialed by the person or persons who has/have digitally			

	signed the Bid.			
26	<b><u>Clause No. C 9.0 of BEC:</u></b> Any Bid containing false statement will be rejected.			
27	<b><u>Clause No. C 10.0 of BEC:</u></b> Bidders must quote clearly and strictly in accordance with the price schedule outlined in "Price Bid Format" of Bid Document, otherwise the Bid will be summarily rejected.			
28	<b><u>Clause No. C 11.0 of BEC:</u></b> Bidders shall quote directly and not through their Agent/ Representative/Retainer/Associate in India. Bids submitted by Indian Agent/ Representative/Retainer/Associate on behalf of their foreign principals will not be considered and will be rejected straightway. One Indian Agent/Representative/Retainer/Associate cannot represent more than one foreign principal.			
29	<b><u>Clause No. C 12.0 of BEC:</u></b> Bidder must accept and comply with the following clauses as given in the Bid Document in toto failing which bid will be rejected – i) Performance Guarantee Clause. ii) Force Majeure Clause iii) Tax Liabilities Clause iv) Arbitration Clause v) Acceptance of Jurisdiction and Applicable Law vi) Liquidated damage and penalty clause vii) Safety, Environment & Labour Law viii) Termination Clause ix) Integrity Pact			
30	<b><u>Clause No. D</u></b> The bids conforming to the technical specifications, terms and conditions stipulated in the bidding document and considered to be responsive after subjected to Bid Evaluation Criteria will be considered for further evaluation as per the Price Evaluation Criteria given below:			

31	<p><b>Clause No. D 1.0 of BEC:</b> If there is any discrepancy between the unit price and the total price, the unit price will prevail and the total price shall be corrected. Similarly, if there is any discrepancy between words and figure, the amounts in words shall prevail and will be adopted for evaluation.</p>			
32	<p><b>Clause No. D 2.0 of BEC:</b> For conversion of foreign currency into Indian currency for evaluation of Bids, B.C. selling (Market) rate declared by State Bank of India, one day prior to the date of priced bid opening shall be considered. However, if the time lag between the opening of the bids and final decision exceeds 3(three) months, then B.C. Selling(Market) rate of exchange declared by SBI on the date prior to the date of final decision shall be adopted for conversion and evaluation.</p>			
33	<p><b>Clause No. D 3.0 of BEC:</b> The contract will be signed with successful bidder for the required services as per 'Scope of Work' of the IFB.</p>			
34	<p><b>Clause No. D 4.0 of BEC:</b> The bidders must quote their charges / rates in the manner as called for vide "Schedule of Rates" under <b>Section - IV</b> and the summarized price schedule format vide enclosed <b>Proforma -B</b>.</p>			
35	<p><b>Clause No. D 5.0 of BEC:</b> The quantities shown against each item in the "Price Bid Format (i.e. in Proforma-B)" shall be considered for the purpose of Bid Evaluation. It is, however, to be clearly understood that the assumptions made in respect of the number of days/ parameters for various operations are only for the purpose of evaluation of the bid and the Contractor will be paid on the basis of the actual number of days/parameter, as the case may be.</p>			
36	<p><b>Clause No. D 6.0 of BEC:</b> To ascertain the inter-se-ranking, the comparison of the responsive bids will be made subject to loading for any deviation. Commercial Bids shall be evaluated taking into account the rates quoted in the <b>Price Bid Format</b> as per 'Proforma-B'.</p>			



37	<p><b><u>Clause No. E 1.0 of BEC:</u></b> In case bidder takes exception to any clause of bid document not covered under BEC, then the Company has the discretion to load or reject the offer on account of such exception if the bidder does not withdraw/modify the deviation when/as advised by company. The loading so done by the Company will be final and binding on the bidders.</p>			
38	<p><b><u>Clause No. E 2.0 of BEC:</u></b> To ascertain the substantial responsiveness of the Bid the Company reserves the right to ask the bidder for clarification in respect of clauses covered under BEC also and such clarifications fulfilling the BEC clauses in toto must be received on or before the deadline given by the Company, failing which the offer will be summarily rejected.</p>			
39	<p><b><u>Clause No. E 3.0 of BEC:</u></b> If any of the clauses in the BEC contradict with other clauses of the Bid Document elsewhere, then the clauses in the BEC shall prevail.</p>			
40	<p><b><u>Clause No. E 4.0 of BEC:</u></b> <b><u>CUSTOMS DUTY</u></b> : The Tools and the Services under this Contract shall be carried out for petroleum operation under nominated blocks or NELP/other eligible blocks and therefore, Customs Duty is not payable as per the policy of the Govt. of India. Bidders should take note of the same while quoting. No customs duty is therefore considered for evaluation.</p>			
41	<p><b><u>Clause No. E 5.0 of BEC:</u></b> <b><u>PURCHASE PREFERENCE CLAUSE:</u></b> <b><u>Clause No. E 5.1 of BEC:</u></b> Purchase Preference to Micro and Small Enterprises registered with District Industry Centres or Khadi and Village Industries Commission or Khadi and Village Industries Board or Coir Board or National Small Industries Corporation or Directorate of Handicrafts and Handloom or any other body specified by Ministry of MSME.</p>			
42	<p><b><u>Clause No. E 5.1.2 of BEC:</u></b> In case participating MSEs quote price within price band of L1+15%, such MSE shall be considered for award of contract by bringing down their price to L1 price in a situation where L1 price is from someone other than a MSE.</p>			

43	<p><b><u>Clause No. E 5.1.3 of BEC:</u></b> In case of more than one such MSE qualifying for 15% purchase preference, the contract shall be awarded to lowest eligible MSE amongst the MSEs qualifying for 15% purchase preference.</p>			
44	<p><b><u>Clause No. E 5.1.4 of BEC:</u></b> In case any part of the work is sub-contracted to a Micro or Small Enterprise as per contract conditions then the contractor shall provide complete details (i.e. name of the subcontractor, value of sub-contacted work, copy of valid registration certificate etc.) of the sub-contractor to OIL.</p>			
45	<p><b><u>Clause No. E 5.1.5 of BEC:</u></b> <b><u>DOCUMENTATION REQUIRED TO BE SUBMITTED BY MSEs:</u></b> Copy of valid Registration Certificate, if bidder is a Micro or Small Enterprises (MSE) registered with District Industry Centres or Khadi and Village Industries Commission or Khadi and Village Industries Board or Coir Board or National Small Industries Corporation or Directorate of Handicrafts and Handloom or any other body specified by Ministry of MSME. The Registration Certificate should clearly indicate the monetary limit, if any and the items for which bidder are registered with any of the aforesaid agencies. In case bidding MSE is owned by Schedule Caste or Schedule Tribe entrepreneur, valid documentary evidence issued by the agency who has registered the bidder as MSE owned by SC/ST entrepreneur should also be enclosed.</p>			
46	<p><b><u>Clause No. E 5.2 of BEC:</u></b> <b>Purchase preference Policy (linked with Local Content) (PP-LC)</b></p>			
47	<p><b><u>Clause No. E 5.2.1 of BEC:</u></b> <b>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&amp;NG shall be applicable in this tender (Annexure- XII enclosed).</b></p>			

48	<p><b><u>Clause No. E 5.2.2 of BEC:</u></b>  Bidders seeking benefits, under Purchase Preference Policy (linked with Local Content) (PP-LC) shall have to comply with all the provisions specified at clause No. 37.0 of ITB and shall have to submit all undertakings / documents applicable for this policy.</p>			
49	<p><b><u>Clause No. E 6.0 of BEC:</u></b>  <b><u>COMPLIANCE OF THE COMPETITION ACT, 2002</u></b> : The bidder shall strictly comply with the provisions of the Competition Act, 2002, more particularly, Section-3 of the Act. Any violation the provisions of the Act shall attract penal action under the Act.</p>			

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**CERTIFICATE OF ANNUAL TURNOVER & NET WORTH**

TO BE ISSUED BY PRACTISING **CHARTERED ACCOUNTANTS' FIRM** ON THEIR LETTER HEAD

**TO WHOM IT MAY CONCERN**

This is to certify that the following financial positions extracted from the audited financial statements of M/s..... (Name of the Bidder) for the last three (3) completed accounting years upto .....**(as the case may be)** are correct.

<b>YEAR</b>	<b>TURN OVER</b> In INR (Rs.) Crores / US \$ Million)	<b>NET WORTH</b> In INR (Rs.) Crores / US \$ Million)

\*Rate of Conversion (if used any): USD 1.00 = INR.....

Place:

Date:

Seal:

Membership No. :

Registration Code:

Signature

**INTEGRITY PACT**

Between

Oil India Limited (OIL) hereinafter referred to as "The Principal"

And

(Name of the bidder).....hereinafter referred to as "The Bidder/Contractor"

**Preamble :**

The Principal intends to award, under laid down organizational procedures, contract/s for -----. The Principal values full compliance with all relevant laws and regulations, and the principles of economic use of resources, and of fairness and transparency in its relations with its Bidder/s and Contractor/s.

In order to achieve these goals, the Principal cooperates with the renowned international Non-Governmental Organisation "Transparency International" (TI). Following TI's national and international experience, the Principal will appoint an external independent Monitor who will monitor the tender process and the execution of the contract for compliance with the principles mentioned above.

**Section 1 - Commitments of the Principal**

A. The Principal commits itself to take all measures necessary to prevent corruption and to observe the following principles:-

1. No employee of the Principal, personally or through family members, will in connection with the tender for, or the execution of a contract, demand, take a promise for or accept, for him/herself or third person, any material or immaterial benefit which he/she is not legally entitled to.
2. The Principal will, during the tender process treat all Bidders with equity and reason. The Principal will in particular, before and during the tender process, provide to all Bidders the same information and will not provide to any Bidder confidential/additional information through which the Bidder could obtain an advantage in relation to the tender process or the contract execution.
3. The Principal will exclude from the process all known prejudiced persons.

B. If the Principal obtains information on the conduct of any of its employees which is a criminal offence under the relevant Anti-Corruption Laws of India, or if there be a substantive suspicion in this regard, the Principal will inform its Vigilance Office and in addition can initiate disciplinary actions.

## **Section 2 - Commitments of the Bidder/Contractor**

- A. The Bidder/Contractor commits itself to take all measures necessary to prevent corruption. He commits himself to observe the following principles during his participation in the tender process and during the contract execution.
1. The Bidder/Contractor will not, directly or through any other person or firm, offer, promise or give to any of the Principal's employees involved in the tender process or the execution of the contract or to any third person any material or immaterial benefit which he/she is not legally entitled to, in order to obtain in exchange any advantage of any kind whatsoever during the tender process or during the execution of the contract.
  2. The Bidder/Contractor will not enter with other Bidders into any undisclosed agreement or understanding, whether formal or informal. This applies in particular to prices, specifications, certifications, Subsidiary contracts, submission or non-submission of bids or any other actions to restrict competitiveness or to introduce cartelisation in the bidding process.
  3. The Bidder/Contractor will not commit any offence under the relevant Anticorruption Laws of India; further the Bidder/Contractor will not use improperly, for purposes of competition or personal gain, or pass on to others, any information or document provided by the Principal as part of the business relationship, regarding plans, technical proposals and business details, including information contained or transmitted electronically.
  4. The Bidder/Contractor will, when presenting his bid, disclose any and all payments he has made, is committed to or intends to make to agents, brokers or any other intermediaries in connection with the award of the contract.
- B. The Bidder/Contractor will not instigate third persons to commit offences outlined above or be an accessory to such offences.

## **Section 3 - Disqualification from tender process and exclusion from future Contracts**

If the Bidder, before contract award has committed a transgression through a violation of Section-2 or in any other form such as to put his reliability or credibility as Bidder into question, the Principal is entitled to disqualify the Bidder from the tender process or to terminate the contract, if already signed, for such reason.

1. If the Bidder/Contractor has committed a transgression through a violation of Section 2 such as to put his reliability or credibility into question, the Principal is entitled also to exclude the Bidder/Contractor from future contract award processes. The imposition and duration of the exclusion will be determined by the severity of the transgression. The severity will be

determined by the circumstances of the case, in particular the number of transgressions, the position of the transgressions within the Company hierarchy of the Bidder and the amount of the damage. The exclusion will be imposed for a minimum of 6 months and maximum of 3 years.

2. The Bidder accepts and undertakes to respect and uphold the Principal's Absolute right to resort to and impose such exclusion and further accepts and undertakes not to challenge or question such exclusion on any ground, including the lack of any hearing before the decision to resort to such exclusion is taken. This undertaking is given freely and after obtaining independent legal advice.

3. If the Bidder/Contractor can prove that he has restored/recouped the Damage caused by him and has installed a suitable corruption prevention system, the Principal may revoke the exclusion prematurely.

4. A transgression is considered to have occurred if in light of available evidence no reasonable doubt is possible.

#### **Section 4 - Compensation for Damages**

1. If the Principal has disqualified the Bidder from the tender process prior to the award according to Section 3, the Principal is entitled to demand and recover from the Bidder liquidated damages equivalent to 3 % of the value of the offer or the amount equivalent to Earnest Money Deposit/Bid Security, whichever is higher.

2. If the Principal has terminated the contract according to Section 3, or if the Principal is entitled to terminate the contract according to section 3, the Principal shall be entitled to demand and recover from the Contractor liquidated damages equivalent to 5% of the contract value or the amount equivalent to Security Deposit/Performance Bank Guarantee, whichever is higher.

3. The bidder agrees and undertakes to pay the said amounts without protest or demur subject only to condition that if the Bidder/Contractor can prove and establish that the exclusion of the Bidder from the tender process or the termination of the contract after the contract award has caused no damage or less damage than the amount or the liquidated damages, the Bidder/Contractor shall compensate the Principal only to the extent of the damage in the amount proved.

#### **Section 5 - Previous transgression**

1. The Bidder declares that no previous transgression occurred in the last 3 years with any other Company in any country conforming to the TI approach or with any other Public Sector Enterprise in India that could justify his exclusion from the tender process.

2. If the Bidder makes incorrect statement on this subject, he can be disqualified from the tender process or the contract, if already awarded, can be terminated for such reason.

## **Section 6 - Equal treatment of all Bidders/ Contractor/ Sub Contractors**

1. The Bidder/Contractor undertakes to demand from all sub Contractors a commitment in conformity with this Integrity Pact, and to submit it to the Principal before contract signing.
2. The Principal will enter into agreements with identical conditions as this one with all Bidders, Contractors and Sub Contractors.
3. The Principal will disqualify from the tender process all bidders who do not sign this Pact or violate its provisions.

## **Section 7 - Criminal charges against violating Bidders/ Contractors/Sub Contractors**

If the Principal obtains knowledge of conduct of a Bidder, Contractor or Sub Contractor, or of an employee or a representative or an associate of a Bidder, Contractor or Sub Contractor, which constitutes corruption, or if the Principal has substantive suspicion in this regard, the Principal will inform the Vigilance Office.

## **Section 8 - External Independent Monitor/ Monitors (three in number depending on the size of the contract) (to be decided by the Chairperson of the Principal)**

1. The Principal appoints competent and credible external independent Monitor for this Pact. The task of the Monitor is to review independently and objectively, whether and to what extent the parties comply with the obligations under this agreement.
2. The Monitor is not subject to instructions by the representatives of the parties and performs his functions neutrally and independently. He reports to the Chairperson of the Board of the Principal.
3. The Contractor accepts that the Monitor has the right to access without restriction to all Project documentation of the Principal including that provided by the Contractor. The Contractor will also grant the Monitor, upon his request and demonstration of a valid interest, unrestricted and unconditional access to his project documentation. The same is applicable to SubContractors. The Monitor is under contractual obligation to treat the information and documents of the Bidder/ Contractor/SubContractor with confidentiality.
4. The Principal will provide to the Monitor sufficient information about all meetings among the parties related to the Project provided such meetings could have an impact on the contractual relations between the Principal and the Contractor. The parties offer to the Monitor the option to participate in such meetings.
5. As soon as the Monitor notices, or believes to notice, a violation of this agreement, he will so inform the Management of the Principal and request the Management to discontinue or heal the violation, or to take other relevant action. The monitor can in this regard submit non-binding



recommendations. Beyond this, the Monitor has no right to demand from the parties that they act in a specific manner, refrain from action or tolerate action.

6. The Monitor will submit a written report to the Chairperson of the Board of the Principal within 8 to 10 weeks from the date of reference or intimation to him by the 'Principal' and, should the occasion arise, submit proposals for correcting problematic situations.

7. If the Monitor has reported to the Chairperson of the Board a substantiated suspicion of an offence under relevant Anti-Corruption Laws of India, and the Chairperson has not, within reasonable time, taken visible action to proceed against such offence or reported it to the Vigilance Office, the Monitor may also transmit this information directly to the Central Vigilance Commissioner, Government of India.

8. The word 'Monitor' would include both singular and plural.

### **Section 9 - Pact Duration**

This Pact begins when both parties have legally signed it. It expires for the Contractor 12 months after the last payment under the respective contract, and for all other Bidders 6 months after the contract has been awarded.

If any claim is made/ lodged during this time, the same shall be binding and continue to be valid despite the lapse of this pact as specified above, unless it is discharged/determined by Chairperson of the Principal.

### **Section 10 - Other provisions**

1. This agreement is subject to Indian Law. Place of performance and jurisdiction is the Registered Office of the Principal, i.e. New Delhi.

2. Changes and supplements as well as termination notices need to be made in writing. Side agreements have not been made.

3. If the Contractor is a partnership or a consortium, this agreement must be, signed by all partners or consortium members.

4. Should one or several provisions of this agreement turn out to be invalid, the remainder of this agreement remains valid. In this case, the parties will strive to come to an agreement to their original intentions.

-----  
For the Principal

-----  
For the Bidder/Contractor

Place: Duliajan

Witness1 : .....

Date:

Witness 2: .....

**&&&&**

**FORMAT OF AGREEMENT BETWEEN BIDDER AND THEIR PARENT COMPANY  
/ 100% SUBSIDIARY COMPANY (As the case may be)**

**(TO BE EXECUTED ON STAMP PAPER OF REQUISITE VALUE  
AND NOTORISED)**

This agreement made this \_\_\_\_ day of \_\_\_\_ month \_\_\_\_ year by and between M/s. \_\_\_\_\_ (Fill in the Bidder's full name, constitution and registered office address) hereinafter referred to as bidder on the first part and M/s. \_\_\_\_\_ (Fill in full name, constitution and registered office address of Parent Company/Subsidiary Company, as the case may be) hereinafter referred to as "Parent Company/Subsidiary Company (Delete whichever not applicable)" of the other part:

**WHEREAS**

M/s. Oil India Limited (hereinafter referred to as OIL) has invited offers vide their tender No. \_\_\_\_\_ for \_\_\_\_\_ and M/s \_\_\_\_\_ (Bidder) intends to bid against the said tender and desires to have technical support of M/s. \_\_\_\_\_ [Parent Company/Subsidiary Company (Delete whichever not applicable)] and whereas Parent Company/Subsidiary Company (Delete whichever not applicable) represents that they have gone through and understood the requirements of subject tender and are capable and committed to provide the services as required by the bidder for successful execution of the contract, if awarded to the bidder.

Now, it is hereby agreed to by and between the parties as follows:

1. M/s. \_\_\_\_\_ (Bidder) will submit an offer to OIL for the full scope of work as envisaged in the tender document as a main bidder and liaise with OIL directly for any clarifications etc. in this context.
2. M/s. \_\_\_\_\_ (Parent Company/Subsidiary Company (Delete whichever not applicable)) undertakes to provide technical support and expertise, expert manpower and procurement assistance and project management to support the bidder to discharge its obligations as per the Scope of work of the tender / Contract for which offer has been made by the Parent Company/Subsidiary Company (Delete whichever not applicable) and accepted by the bidder.
3. This agreement will remain valid till validity of bidder's offer to OIL including extension if any and till satisfactory performance of the contract in the event the contract is awarded by OIL to the bidder.
4. It is further agreed that for the performance of work during contract period bidder and Parent Company/Subsidiary Company (Delete whichever not applicable) shall be jointly and severally responsible to OIL for satisfactory execution of the contract.

5. However, the bidder shall have the overall responsibility of satisfactory execution of the contract awarded by OIL.

In witness whereof the parties hereto have executed this agreement on the date mentioned above.

For and on behalf of

(Bidder)

For and on behalf of

(Parent Company/Subsidiary  
Company (Delete whichever not  
applicable)

M/s.

Witness:

1)

2)

M/s.

Witness:

1)

2)

**PARENT COMPANY/ SUBSIDIARY COMPANY GUARANTEE**

**(Delete whichever not applicable)**  
**(TO BE EXECUTED ON STAMP PAPER OF REQUISITE VALUE**  
**AND NOTORISED)**  
**DEED OF GUARANTEE**

THIS DEED OF GUARANTEE executed at ..... this ..... day of ..... by M/s ..... (mention complete name) a company duly organized and existing under the laws of ..... (insert jurisdiction/country), having its Registered Office at ..... hereinafter called "the Guarantor" which expression shall, unless excluded by or repugnant to the subject or context thereof, be deemed to include its successors and permitted assigns.

**WHEREAS**

M/s Oil India Limited, a company duly registered under the Companies Act 1956, having its Registered Office at Duliajan in the State of Assam, India, hereinafter called "OIL" which expression shall unless excluded by or repugnant to the context thereof, be deemed to include its successor and assigns, invited tender number ..... for ..... on .....

M/s ..... (mention complete name), a company duly organized and existing under the laws of ..... (insert jurisdiction/country), having its Registered Office at ..... (give complete address) hereinafter called "the Company" which expression shall, unless excluded by or repugnant to the subject or context thereof, be deemed to include its successor and permitted assigns, have, in response to the above mentioned tender invited by OIL, submitted their bid number ..... to OIL with one of the condition that the Company shall arrange a guarantee from its parent company guaranteeing due and satisfactory performance of the work covered under the said tender including any change therein as may be deemed appropriate by OIL at any stage.

The Guarantor represents that they have gone through and understood the requirement of the above said tender and are capable of and committed to provide technical and such other supports as may be required by the Company for successful execution of the same.

The Company and the Guarantor have entered into an agreement dated ..... as per which the Guarantor shall be providing technical and such other supports as may be necessary for performance of the work relating to the said tender.

Accordingly, at the request of the Company and in consideration of and as a requirement for OIL to enter into agreement(s) with the Company, the Guarantor hereby agrees to give this guarantee and undertakes as follows:

1. The Guarantor (Parent Company / **100% Subsidiary Company (Delete whichever not applicable)**) unconditionally agrees that in case of non-performance by the Company of any of its obligations in any respect, the

Guarantor shall, immediately on receipt of notice of demand by OIL, take up the job without any demur or objection, in continuation and without loss of time and without any cost to OIL and duly perform the obligations of the Company to the satisfaction of OIL.

2. The Guarantor agrees that the Guarantee herein contained shall remain valid and enforceable till the satisfactory execution and completion of the work (including discharge of the warranty obligations) awarded to the Company.
3. The Guarantor shall be jointly with the Company as also severally responsible for satisfactory performance of the contract entered between the Company and OIL.
4. The liability of the Guarantor, under the Guarantee, is limited to the 50% of the annualized contract price entered between the Company and OIL. This will, however, be in addition to the forfeiture of the Performance Guarantee furnished by the Company.
5. The Guarantor represents that this Guarantee has been issued after due observance of the appropriate laws in force in India. The Guarantor hereby undertakes that the Guarantor shall obtain and maintain in full force and effect all the governmental and other approvals and consents that are necessary and do all other acts and things necessary or desirable in connection therewith or for the due performance of the Guarantor's obligations hereunder.
6. The Guarantor also agrees that this Guarantee shall be governed and construed in accordance with the laws in force in India and subject to the exclusive jurisdiction of the courts of ....., India.
7. The Guarantor hereby declares and represents that this Guarantee has been given without any undue influence or coercion, and that the Guarantor has fully understood the implications of the same.
8. The Guarantor represents and confirms that the Guarantor has the legal capacity, power and authority to issue this Guarantee and that giving of this Guarantee and the performance and observations of the obligations hereunder do not contravene any existing laws.

For & on behalf of (Parent Company/Subsidiary Company (Delete whichever not applicable))

M/s \_\_\_\_\_

Witness:

1. Signature \_\_\_\_\_  
Full Name \_\_\_\_\_  
Address \_\_\_\_\_

Signature \_\_\_\_\_  
Name \_\_\_\_\_  
Designation \_\_\_\_\_

Common seal of the  
Company\_\_\_\_\_

Witness:

2. Signature \_\_\_\_\_  
Full Name \_\_\_\_\_  
Address \_\_\_\_\_

**PARENT/ULTIMATE PARENT/HOLDING COMPANY'S CORPORATE  
GUARANTEE TOWARDS FINANCIAL STANDING**

**(Delete whichever not applicable)**

(TO BE EXECUTED ON COMPANY'S LETTER HEAD)

**DEED OF GUARANTEE**

THIS DEED OF GUARANTEE executed at ..... this ..... day of ..... by M/s ..... (mention complete name) a company duly organized and existing under the laws of ..... (insert jurisdiction/country), having its Registered Office at ..... hereinafter called "the Guarantor" which expression shall, unless excluded by or repugnant to the subject or context thereof, be deemed to include its successors and permitted assigns.

WHEREAS

M/s. Oil India Limited (hereinafter referred to as OIL) has invited offers vide their Tender No. \_\_\_\_\_ for \_\_\_\_\_ and M/s \_\_\_\_\_ (Bidder) intends to bid against the said tender and desires to have Financial support of M/s \_\_\_\_\_ [Parent/Ultimate Parent/Holding Company(Delete whichever not applicable)] and whereas Parent/Ultimate Parent/Holding Company(Delete whichever not applicable) represents that they have gone through and understood the requirements of subject tender and are capable and committed to provide the Financial support as required by the bidder for qualifying and successful execution of the contract, if awarded to the bidder.

Now, it is hereby agreed by the Guarantor to give this Guarantee and undertakes as follows:

1. The Guarantor confirms that the Bidder is a 100% subsidiary of the Guarantor.
2. The Guarantor agrees and confirms to provide the Audited Annual Reports of any of the preceding 03(three) financial/accounting years reckoned from the original bid closing date.
3. The Guarantor have an annual financial turnover of minimum **Rs. 12.52 Crore** (or equivalent **1.95 million USD**) during any of the preceding 03(three) financial/accounting years reckoned from the original bid closing date.
4. **Net worth** of the Guarantor is positive for preceding financial/ accounting year.
5. The Guarantor undertakes to provide financial support to the Bidder for executing the project/job, in case the same is awarded to the Bidder.
6. The Guarantor represents that:

(a) this Guarantee herein contained shall remain valid and enforceable till the satisfactory execution and completion of the work (including discharge of the warranty obligations) awarded to the Bidder.

(b) the liability of the Guarantor, under the Guarantee, is limited to the 50% of the annualized contract price entered between the Bidder and OIL. This will, however, be in addition to the forfeiture of the Performance Guarantee furnished by the Bidder.

(c) this Guarantee has been issued after due observance of the appropriate laws in force in India.

(d) this Guarantee shall be governed and construed in accordance with the laws in force in India and subject to the exclusive jurisdiction of the courts of New Delhi, India.

(e) this Guarantee has been given without any undue influence or coercion, and that the Guarantor has fully understood the implications of the same.

(f) the Guarantor has the legal capacity, power and authority to issue this Guarantee and that giving of this Guarantee and the performance and observations of the obligations hereunder do not contravene any existing laws.

For and on behalf of

(Bidder)

For and on behalf of

(Parent/Ultimate Parent/Holding Company~~(Delete whichever not applicable)~~)

Witness:

1.

2.

Witness:

1.

2.

**FORMAT OF AGREEMENT BETWEEN BIDDER, THEIR SISTER SUBSIDIARY/CO-SUBSIDIARY COMPANY AND THE ULTIMATE PARENT/HOLDING COMPANY OF BOTH THE BIDDER AND THE SISTER SUBSIDIARY/CO-SUBSIDIARY** (Strike out whichever is not applicable between Ultimate Parent and Holding Company. Similarly strike out whichever is not applicable between Sister Subsidiary and Co-subsidiary Company)

**(TO BE EXECUTED ON STAMP PAPER OF REQUISITE VALUE AND NOTORISED)**

This agreement made this \_\_\_\_ day of \_\_\_\_ month \_\_\_\_ year by and between M/s. \_\_\_\_\_ (Fill in Bidder's full name, constitution and registered office address) \_\_\_\_\_ hereinafter referred to as "Bidder" of the first part and

M/s. \_\_\_\_\_ (Fill in full name, constitution and registered office address of Sister Subsidiary/Co-subsidiary Company of the Bidder) herein after referred to as "Sister Subsidiary/ Co-subsidiary" of the second part and

M/s. \_\_\_\_\_ (Fill in the full name, constitution and registered office address of the Ultimate Parent/Holding Company's of both the subsidiaries) hereinafter referred to as "Ultimate Parent/ Holding Company" of the third part.

**WHEREAS**

M/s. Oil India Limited (hereinafter referred to as OIL) has invited offers vide their tender No. \_\_\_\_\_ for \_\_\_\_\_ and

M/s. \_\_\_\_\_ (Bidder) intends to bid against the said tender and desires to have a technical support of M/s. \_\_\_\_\_ (Sister Subsidiary/Co-subsidiary Company) and

Sister Subsidiary/Co-subsidiary Company represents that they have gone through and understood the requirements of subject tender and are capable and committed to provide the services as required by the bidder for successful execution of the contract, if awarded to the bidder.

Now, it is hereby agreed to by and between all the three parties as follows:

1. M/s. \_\_\_\_\_ (Bidder) will submit an offer to OIL for the full scope of work as envisaged in the tender document.
2. M/s. \_\_\_\_\_ (Sister Subsidiary/Co-subsidiary Company) undertakes to provide technical support and expertise and expert manpower, material, if any, to support the bidder to discharge its obligations as per the Scope of work of the tender / Contract for which offer has been made by the bidder.
3. This agreement will remain valid till validity of bidder's offer to OIL including extension if any and also till satisfactory performance of the contract in the event the bid is accepted and contract is awarded by OIL to the bidder.
4. Sister Subsidiary/ Co-subsidiary Company unconditionally agrees that in case of award of contract to the Bidder, if the Bidder is unable to execute the contract, they shall, immediately on receipt of notice by OIL, take up the job without any demur or objection, in continuation without loss of time and



without any extra cost to OIL and duly perform the obligations of the Bidder/Contractor to the satisfaction of OIL.

5. The Ultimate Parent/Holding Company also confirms and undertakes that the commitment made by the Sister Subsidiary/ Co-subsidiary company in providing the technical support and technical expertise and expert manpower to support the bidder for execution of the contract are honoured.
6. The Ultimate Parent/Holding Company also takes full responsibility in getting the contract executed through the Sister subsidiary/ Co-subsidiary company in case the Bidder/Contractor is unable to execute the contract.
7. In witness whereof the parties hereto have executed this agreement on the date mentioned above.

For and on behalf of  
(Bidder)

M/s.

Witness

1)

2)

For and on behalf of  
(Sister Subsidiary/ Co-  
subsidiary)

M/s.

Witness

1)

2)

For and on behalf of  
(Ultimate Parent /  
Holding Company)

M/s.

Witness

1)

2)

Note: In case of contracts involving - (a) manufacture/supply (b) installation and commissioning (c) servicing and maintenance of any equipment, as the bidding company can draw on the experience of their multiple subsidiary sister/Co-subsidiary company (ies) specializing in each sphere of activity, i.e. (a) manufacture/supply (b) installation and commissioning (c) servicing and maintenance, therefore, in that case, the above format shall be signed by all the sister/Co-subsidiary company(ies) and necessary modifications may be made in the above format to include all sister subsidiaries.

**PROFORMA FOR BIODATA OF KEY PERSONNEL**

AFFIX  
PASSPORT  
SIZE  
PHOTOGRAPH

1. NAME
2. PRESENT ADDRESS
3. PERMANENT ADDRESS
4. FATHER'S NAME
5. NATIONALITY
6. PASSPORT NO. AND VALIDITY  
(IN CASE OF EXPATRIATE)
7. DESIGNATED POST
8. EDUCATIONAL QUALIFICATION
9. DATE OF BIRTH
10. EXPERIENCE IN REVERSE ORDER

**NOTE:** In case of replacement of the key personnel, the replacement personnel must have the requisite qualification and experience as per Terms of Reference (Section-II) and shall submit their credentials along with their recent photographs to Company for approval of Company.

**PROFORMA UNDERTAKING FROM CONTRACTORS PERSONNEL**

I \_\_\_\_\_ S/o \_\_\_\_\_ having permanent residence at \_\_\_\_\_ Dist. \_\_\_\_\_ am working with M/s. \_\_\_\_\_ as their employee. Now, I have been transferred by M/s. \_\_\_\_\_ for carrying out the contract job under Contract No. \_\_\_\_\_ which has been awarded in favour of my employer M/s. \_\_\_\_\_.

I hereby declare that I will not have any claim for employment or any service benefit from OIL by virtue of my deployment for carrying out contract job in OIL by M/s. \_\_\_\_\_.

I am an employee of \_\_\_\_\_ for all practical purposes and there is no privity of Contract between OIL and me.

-----  
**Signature**

Place:

Date:

**Witness:**

1. NAME:

DESIGNATION:

DATE:

2. NAME:

DESIGNATION

DATE:

To,

GM-CONTRACTS  
OIL INDIA LIMITED  
DULIAJAN-786602

SUB:SAFETY MEASURES FORTENDER NO.CDGxxxxP18

DESCRIPTION OF WORK/ SERVICE:

Sir,

We hereby confirm that we have fully understood the safety measures to be adopted during execution of the above contract and that the same have been explained to us by the concerned authorities. We also give the following assurances.

a) Only experienced and competent persons shall be engaged by us for carrying out work under the said contract.

b) The names of the authorised persons who would be supervising the jobs on day to day basis from our end are the following:

i) \_\_\_\_\_

ii) \_\_\_\_\_

iii) \_\_\_\_\_

The above personnel are fully familiar with the nature of jobs assigned and safety precautions required.

c) Due notice would be given for any change of personnel under item(b) above.

d) We hereby accept the responsibility for the safety of all the personnel engaged by us and for the safety of the Company's personnel and property involved during the course of our working under this contract. We would ensure that all the provisions under the Oil Mines Regulations, 1984 and other safety rules related to execution of our work would be strictly followed by our personnel. Any violation pointed out by the Company's Engineers would be **rectified forthwith** or the work suspended till such time the rectification is completed by us and all expenditure towards this would be on our account.

e) We confirm that all persons engaged by us would be provided with the necessary Safety Gears at our cost.

f) All losses caused due to inadequate safety measures or lack of supervision on our part would be fully compensated by us and the Company will not be responsible for any lapses on our part in this regard.

(Seal)

Date\_\_\_\_\_

Yours Faithfully

M/s\_\_\_\_\_

FOR & ON BEHALF OF CONTRACTOR

**Annexure-XI**

**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 relieved 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, our 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 power of  
Attorney no. \_\_\_\_\_  
Dated \_\_\_\_\_

*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 is separately attached as **Annexure-XII**.*

---End of Contract--



- GM i/c (M&C), RHO  
- DGM, Div(R)'s Sect.  
- ES to Div(F)

No. O-27011/44/2015-ONG-II/FP  
Government of India  
Ministry of Petroleum & Natural Gas

ANNEXURE-XII

*Manita*  
26/4/2017

Shastri Bhawan, New Delhi  
Dated 25<sup>th</sup> April, 2017

To

1. Chairman, IOCL
2. C&MD, BPCL/HPCL/ONGC/GAIL/EIL/OIL/ BLL/BLC
3. Managing Director, CPCL/NRL/MRPL/OVL
4. DG, DGH
5. DG, PPAC
6. Secretary, OIDB
7. ED, PCRA
8. ED, OISD
9. ED, CHT
10. Director, RGIPT
11. Member (BM), PNGRB
12. CEO & MD, ISPRL

Subject: Policy to provide Purchase Preference (linked with local content) (PP-LC) in all Public Sector Undertakings under the Ministry of Petroleum and Natural Gas - reg.

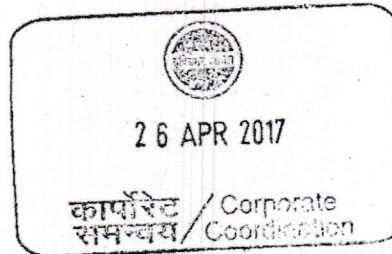
I am directed to refer to the subject mentioned above and convey that the Cabinet in its meeting held on 12<sup>th</sup> April 2017 has approved the "Policy to provide Purchase Preference (linked with local content) (PP-LC) in all Public Sector Undertakings under the Ministry of Petroleum and Natural Gas". One copy of the same is enclosed.

2. The Policy shall apply to all the Public Sector Undertakings and their wholly owned subsidiaries under the Ministry of Petroleum and Natural Gas; Joint Ventures that have 51% or more equity by one or more Public Sector Undertakings under the Ministry of Petroleum and Natural Gas; attached and subordinate offices of MoPNG.

3. It is requested that necessary suitable action may kindly be taken on priority basis under intimation to this Ministry.

4. The Policy will come into force with immediate effect.

Yours Faithfully



*(V. Tirkey)*

Under Secretary (FP)  
Tele: 23388602

Encl.: As above.

Copy to: 1) US (Admn), MoPNG

2) Ms. Neelam Naval, PR, System Analyst (NIC): with request to upload the Policy on website of MoPNG.

**Subject: Policy to provide Purchase preference (linked with local content) (PP – LC) in all Public Sector Undertakings under Ministry of Petroleum and Natural Gas.**

**1 Preamble**

- 1.1 In tune with Make in India (MII) campaign in oil and gas sector, the Government has decided to incentivise the growth in local content in goods and services while implementing oil and gas projects in India, and
- 1.2 Whereas the Public procurement policy rests upon the core principles of competitiveness, adhering to sound procurement practices and execution of orders for supply of goods or services in accordance with a system which is fair, equitable, transparent, competitive and cost effective, and
- 1.3 Whereas, the local content can be increased through partnerships, cooperation with local companies, establishing production units in India or Joint Ventures (JV) with Indian suppliers, increasing the participation of local employees in services and training them etc.
- 1.4 Whereas incentivising enhanced local content in the procurement of goods and/or services in oil and gas business activities would lead to increased local industry content;
- 1.5 Therefore, the Ministry of Petroleum and Natural Gas (MoPNG) has decided to stipulate the following policy for providing Purchase Preference to the manufacturers/ service providers having the capability of meeting/ exceeding the local content targets in oil and gas business activities;
- 1.6 This policy considers the Local Content (LC) as the added value brought to India through the activities of the oil and gas industry. This may be measured (by project, affiliate, and/or country aggregate) and undertaken through Workforce development and investments in supplier development through developing and procuring supplies and services locally.

**2 Definitions**

- 2.1 **Oil and Gas Business Activity** shall comprise of Upstream,

Midstream and Downstream business activities.

- 2.2 **Domestic products** shall be goods and/or service (including design and engineering), produced by companies, investing and producing in India.
- 2.3 **Local Content** hereinafter abbreviated to LC shall be the value of local components in goods, service and EPC contracts, indicated in percentage.
- 2.4 **Domestic Manufacturer** shall be business entity or individual having business activity established under Indian law and producing products domestically.
- 2.5 **Supplier** of goods and/or provider of service shall be a business entity having capability of providing goods and/or service in accordance with the business line and qualification thereof.
- 2.6 **Steering Committee** means the committee to be constituted by MoPNG to provide effective guidance and to oversee the implementation of the Policy on a regular and continuing basis.
- 2.7 **Verification** shall be an activity to verify the accomplishment of LC by domestic manufacturers and/or suppliers of goods and/or providers of service with the data obtained or collected from respective business activities.
- 2.8 **Purchase preference:** Where the quoted price is within 10% of the lowest price, other things being equal, purchase preference may be granted to the bidder concerned, at the lowest valid price bid.
- 2.9 **Local Content (LC)** in Goods shall be the use of raw materials, design and engineering towards manufacturing, fabrication and finishing of work carried out within the country.



- 2.10 **Local Content (LC)** in Services shall be the use of services up to the final delivery by utilizing manpower (including specialist), working appliance (including software) and supporting facilities carried out within in the country.
- 2.11 **Local Content (LC)** in EPC contracts shall be the use of materials, design and engineering comprising of manufacturing, fabrication, assembly and finishing as well as the use of services by utilizing manpower (including specialist), working appliance (including software) and supporting facility up to the final delivery, carried out within the country.
- 2.12 **Factory overhead cost** shall be indirect costs of manpower, machine/working appliance/facility and the whole other fabrication costs needed to produce a unit of product with the cost not chargeable directly to specified product.
- 2.13 **Company overhead cost** shall be costs related to the marketing, administration and general affairs cost of the company.
- 2.14 **Indian Company** means a company formed and registered under the Companies Act, 2013.
- 2.15 **Foreign company** means any company or body corporate incorporated outside India which— (a) has a place of business in India whether by itself or through an agent, physically or through electronic mode; and (b) conducts any business activity in India in any other manner.
- 2.16 **Target Purchase Preference** is the LC in percentage for the period in force, as set out in the Enclosure-I.

### 3. **Scope**

- 3.1 The regulation shall be intended to:
- 3.1.1 Support and boost the growth of domestic manufacturing sector so as to be able to support oil and natural gas business activities and contribute added value to economy, absorb manpower as well as have national, regional and international competitiveness;
- 3.1.2 Support and boost the growth of innovation/technology of domestic manufacturing sector.

3.2 This policy shall apply to all the Public Sector Undertakings and their wholly owned subsidiaries under the Ministry of Petroleum and Natural Gas; Joint Ventures that have 51% or more equity by one or more Public Sector Undertakings under the Ministry of Petroleum and Natural Gas; attached and subordinate offices of MoPNG.

3.3 This policy shall not include goods/ services falling under Micro Small and Medium Enterprises (MSME) or Domestically Manufactured Electronic Products (DMEP), as those products/ services are already covered under specific policy. However, an option would be given in the tender for the bidder to declare preference for seeking benefit under PP-LC/MSME or DMEP.

#### **4. Procurement**

4.1 The procuring companies shall follow their own procurement procedures. Aggregation of annual requirements and such other procurement practices, which facilitate the implementation of this policy, may be adopted by procuring companies.

4.2 The producers of goods and/or providers of services shall be obliged to fulfil the requirements of quality and delivery time in accordance with the provisions of the respective contracts of goods and services.

#### **5. Purchase Preference- Linked with Local Content (LC)**

5.1 The following provisions may be considered for LC linked Purchase Preference:

5.1.1 In supporting the growth of domestic products, the target of Local Content (LC) in the oil and gas business activities shall be set as contained in Enclosure-I. The manufacturers/ service providers having the capability of meeting/ exceeding the local content targets shall be eligible for 10% purchase preference under the policy, i.e. LC manufacturers/ LC service providers respectively as described below.

5.1.2 Wherever the goods/ services are procured under this policy, eligible (techno-commercially qualified) LC manufacturers / LC service providers may be granted a purchase preference of 10%, i.e. where the quoted price is within 10% of the lowest price, other things being equal, purchase preference may be granted to the eligible (techno-commercially qualified) LC manufacturers /service providers concerned, at the lowest valid price bid.



**5.1.3 Goods:** The tender for procuring goods would specify that the contract for 50% of the procured quantity would be awarded to the lowest techno-commercially qualified LC manufacturer/ supplier, subject to matching with L1, if such bidders are available. The remaining will be awarded to L1 (i.e. Non Local Content (NLC) manufacturer / supplier not meeting prescribed LC criteria).

5.1.3.1 However, if L1 bidder happens to be a LC manufacturer, the entire procurement value shall be awarded to such bidder;

5.1.3.2 If in the opinion of the procuring company, the tenders (procured quantity) cannot be divided in the prescribed ratio of 50:50, then they shall have the right to award contract to the eligible LC manufacture for quantity not less than 50%, as may be divisible.

5.1.3.3 In continuation to 5.1.3.2 above, if the tendered item is non divisible, (to be included in the tender document by procuring company) the contract can be awarded to the eligible LC manufacturer for the entire quantity,

**5.1.4 Services/ EPC Contracts:** The tender for oil and gas services/ EPC contracts shall not normally be split. For such procurement the tender would specify that the entire contract would be awarded to the lowest techno-commercially qualified LC service provider, subject to matching with L1, if such bidders are available and L1 bidder is not a LC service provider. However, tender for certain oil & gas services can normally be split, in such cases, splitting shall be allowed and specified in tender document. Such services shall follow the procedure outlined for goods as described in para 5.1.3. The procuring company should clearly specify in the tender document whether the tender shall be split or not.

5.1.5 For para 5.1.3 and 5.1.4 above, only those LC manufacturers/ service providers whose bids are within 10% of the L1 bid would be allowed an opportunity to match L1 bid.

5.1.6 The tender conditions would ensure that local content in oil & gas products is encouraged. However, the procuring company may incorporate such stipulations as may be considered necessary to satisfy themselves of the production capability and product quality of the manufacturer.

5.1.7 The procedure for award under the policy along with some examples of typical procurement scenarios is at Enclosure-V.

## **6. Determination of LC**

### **6.1 LC of goods**

6.1.1 LC of goods shall be computed on the basis of the cost of domestic components in goods, compared to the whole cost of product. The whole cost of product shall be constituted of the cost spent for the production of goods, covering: direct component (material) cost; direct manpower cost, factory overhead cost and shall exclude profit, company overhead cost and taxes for the delivery of goods.

6.1.2 The criteria for determination of the local content cost in the goods shall be as follows:

- a) in the case of direct component (material), based on country of origin;
- b) in the case of manpower, based on INR component; and
- c) in the case of working equipment/facility, based on the country of origin.

6.1.3 The calculation of LC of the combination of several kinds of goods shall be based on the ratio of the sum of the multiplication of LC of each of the goods with the acquisition price of each goods to the acquisition price of the combination of goods.

### **6.2 LC of service**

6.2.1 LC of Service shall be calculated on the basis of the ratio of service cost of domestic component in service to the total cost of service.

6.2.2 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.



6.2.3 The criteria for determination of cost of local content in the service shall be as follows:

- 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.

6.3 **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.

6.4 **LC of the EPC Contracts:**

6.4.1 LC of EPC contracts shall be the ratio of the whole cost of domestic components in the combination of goods and services to the whole combined cost of goods and services.

6.4.2 The whole combined cost of goods and services shall be the cost spent to produce the combination of goods and services, which is incurred on work site. LC of the combination of goods and services shall be counted in every activity of the combination work of goods and services.

6.4.3 The spent cost as mentioned in paragraph 6.4.2 shall include production cost in the calculation of LC of goods as mentioned in clause 6.1.1 and service cost in the calculation of LC of services as mentioned in clause 6.2.2.

6.5 **Calculation of LC and Reporting**

6.5.1 LC shall be calculated on the basis of verifiable data. In the case of data used in the calculation of LC being not verifiable, the value of LC of the said component shall be treated as nil.

6.5.2 Formats for the calculation of LC of goods, services as well as EPC contracts may be seen at in Enclosure-II, Enclosure-III and Enclosure-IV.



## **7 Certification and Verification**

7.1 Manufacturers of goods and/or providers of service, seeking Purchase Preference under the policy, shall be obliged to verify the LC of goods, service or EPC contracts with the provision as follows:

### **7.1.2 At bidding stage:**

- a) Price Break-up:
  - The bidder shall provide break-up of "Local Component" and "Imported Component" in the price format
  - Bidder must have LC in excess of the requirement specified in **Enclosure-I.**
- b) Undertaking by the bidder:
  - The bidder shall submit an undertaking along with the bid stating that the bidder meets the mandatory minimum LC requirement, and such undertaking shall become a part of the contract.
  - 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 engaged by the bidder certifying that the bidder meets the mandatory local content requirements of the project.

### **7.1.3 After Contract Award:**

- a) In the case of procurement of goods and/or services with the value less than Rs. 5 Crore (Rupees Five Crore), the LC content may be calculated (self-assessment) by the supplier of goods and/or the provider of services and certified by the Director/Authorised representative of the company.
- b) The verification of the procurement of goods, service or EPC contracts with the value Rupees Five Crore and above shall be carried out by a Statutory Auditor engaged by the bidder.

- 7.2 Each supplier shall provide the necessary local-content documentation to the statutory auditor, which shall review and determine that local content requirements have been met, and issue a local content certificate to that effect on behalf of procuring company, 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.
- 7.3 The Local Content certificate shall be submitted along with each invoice raised. However, the % of local content may vary with each 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.
- 7.4 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.
- 7.5 The Procuring Company shall also have the authority to audit as well as witness production processes to certify the achievement of the requisite local content

## **8 Governance and Supervision**

- 8.1 A Steering Committee will be constituted by MoPNG to provide effective guidance and to oversee the effective implementation of the Policy including review and amendments required therein. The Steering Committee may consider representations on target Local Content in goods, services and EPC and modify the policy accordingly.
- 8.2 The Steering Committee shall annually conduct a review of the policy implementation which shall specifically cover the issue of whether there has been adequate competition, and whether the policy has resulted in any reduction in competition/ exclusion of non-local bidders or any cost increase to the purchasing PSU, particularly in respect of services & works contracts.

**9      Sanctions**

- 9.1      The Procuring companies shall impose sanction on manufacturers/ service providers not fulfilling LC of goods/ services in accordance with the value mentioned in certificate of LC.
- 9.2      The sanctions may be in the form of written warning, financial penalty and blacklisting.
- 9.3      In the event that a manufacturer or supplier of goods and/or provider of services does not fulfil his obligation after the expiration of the period specified in such warning, the procuring company can initiate action for blacklisting such manufacturer/supplier/service provider.
- 9.4      A manufacturer and/or supplier of goods and/or provider of services 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 specified in clause 9.4.1.
- 9.4.1    The financial penalty shall be 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.
10.      **Clarification on Goods/ Services:** Any issue regarding the coverage of a particular good/ service under the proposed policy would be referred to the Steering Committee for clarification.
11.      **Time Period:** The Policy shall be applicable for 5 years. Except for 2017-18, the Policy shall not be continued unless, the Steering Committee by September 30th of each year, concludes a review as per para 8.2 of the Policy and recommends continuation of the Purchase Preference.



**Table 1: TARGET OF LOCAL CONTENT OF GOODS/SERVICE IN  
UPSTREAM OIL AND GAS BUSINESS ACTIVITIES**

Sl. No	Item	Local Content (%)		
		2017-2018	2018-2020	2020-2022
A.	Goods			
1	Tubular (Drilling Pipe, Drill Collar, Casing, Line Pipes, Tubing, etc.)	50	55	60
2	Drilling Mud/Chemicals/Oil Well Cement	40	45	50
3	Pumping Unit	30	35	40
4	Machinery & Equipment	20	25	30
5	Premium Bits	10	15	20
6	Wellhead & X-mass tree			
	a. Onshore	40	45	50
	b. Offshore	10	10	15
7	Down Hole Tools			
	a. Onshore	20	25	30
	b. Offshore	10	10	15
8	Well Completion / Artificial Lift Equipment			
	a. Onshore	20	25	30
	b. Offshore	10	10	15
9	Fuel Oil	5	10	10
10	Lubricant	5	10	10
11	Other Goods	30	35	40
B.	Services			
	Survey, Seismic and Geology Studies			
	a. Onshore	50	50	55
	b. Offshore	10	10	15
2	Logging Services			
	a. Onshore	20	25	30
	b. Offshore	10	10	15
3	Mud Logging	40	45	50
4	Chartering of Rigs			
	a. Onshore	50	60	70
	b. Offshore	20	25	30
5	Specialized Drilling and Completion Services*	10	15	20
6	Engineering Procurement Construction & Installation (EPCI)			
	a. Onshore	50	55	60
	b. Offshore	20	30	35
	(i) Pipeline Projects	20	30	35
	(ii) Well Platform Projects	20	30	35
	(iii) Process Platform Projects	20	30	35
	(iv) Revamp Projects	20	30	35
7	Logistics (including FPSO and Tankers)			
	a. Onshore	75	75	80
	b. Offshore	15	20	25

Sl. No	Item	Local Content (%)		
		2017-2018	2018-2020	2020-2022
8	Air Logistics	15	20	25
9	Dry-docking	50	55	60
10	Other Services	30	35	40
C.	Fabrications			
1	Drilling/Workover Rigs/WSS units Construction			
	a. Onshore	50	60	70
	b. Offshore	20	25	35
2	Offshore Vessels/Rigs Construction	20	25	35

- a. \* Specialised Drilling and Well completion services include Direction Drilling, Whipstock, Milling, Coring, Cementing Services, Drilling fluid services, Completion & Production Services, WSS, Well Intervention Services, Fracturing and ROV etc.
- b. The policy is not applicable for Deep water/ HP-HT operations for the time being.
- c. The Charter Hiring of offshore vessels shall continue to be governed by DG, Shipping Guidelines. Indian Flag Vessels shall be considered as having 100% LC.

**Table 2: TARGET OF LOCAL CONTENT OF  
GOODS/SERVICES IN MIDSTREAM AND  
DOWNSTREAM**

Items	Local Content (%)		
	2017-18	2018-20	2020-22
Service Contracts	20%	22%	25%
Supply Contracts	20%	22%	25%
EPC Contracts (others)	30%	35%	40%

**Note:**

1. The proposed policy is not applicable for DMEP and MSME, there being specific policies for those products/ services.
2. The prescribed local content in the above Tables (Table 1 & Table 2) shall be applicable on the date of Notice inviting Tender.

**Enclosure-II**

**CALCULATION OF LOCAL CONTENT-GOODS**

Name of Manufacturer		Calculation by manufacturer Cost per one unit of product			
Cost component		Cost (Domestic component) a	Cost (imported component) b	Cost Total Rs/US\$ c= a+b	%Domestic Component d= a/c
I.	Direct material cost				
II.	Direct labour cost				
III.	Factory overhead				
IV.	Total production cost				

**Note:**

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

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



**CALCULATION OF LOCAL CONTENT- SERVICE**

NAME OF SUPPLIER OF GOODS/PROVIDER OF SERVICE			Cost Summary				
			Domestic	Imported Rs/US\$	Total	LC	
						%	Rs/US\$
			b	c	d	e=b/d	f=dxe
A	<b>Cost component</b>						
	I. Material used cost	Rs US\$					
	II. Personnel & Consultant cost	Rs US\$					
	III. Other services cost	Rs US\$					
	IV. Total cost(I to IV)	Rs US\$					
B	<b>Taxes and Duties</b>	Rs US\$					
C	<b>Total quoted price</b>	Rs US\$					

Note:

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

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



**Enclosure -IV**

**CALCULATION OF LOCAL CONTENT – EPC (GOODS AND SERVICE)**

A.	COST COMPONENT (Rs/US\$)	Cost Summary				
		Domestic	Imported Rs/US\$	Total	LC	
					%	Rs/US\$
		b	c	d	e=b/d	f=d x e
I	GOODS					
1.	Material used cost					
2.	Equipment cost					
3.	Sub Total I					
II	SERVICES					
1.	Personnel & Consultant Cost					
2.	Equipment & Work Facility Cost					
3.	Construction/Fabrication Cost					
4.	Other Services Cost etc					
5.	Sub Total II					
III	TOTAL COST GOODS + SERVICES					
B.	Non Cost Component					
C.	TOTAL QUOTED PRICE					

Note:

% LC Combination = Total domestic component cost of goods (A.I.3.b)+

$\frac{\text{Total domestic component cost of service (A.II.5.b)}}{\text{Total Cost (A.III.d)}} \times 100$

**PROCEDURE FOR AWARD AND SOME EXAMPLES OF TYPICAL  
PROCUREMENT SCENARIOS**

**1. Procedure for award of contracts under this policy shall be as follows:**

**1.1. Goods:**

1.1.1. For oil and gas sector goods proposed to be procured, among all technically qualified bids, the lowest quoted price will be termed as L1 and the rest of the bids shall be ranked in ascending order of price quoted, as L2, L3, L4 and so on. If L1 bid meets prescribed LC as per Enclosure-I, the said bidder will be awarded full value of the order.

1.1.2. If L1 bid does not meet prescribed LC as per Enclosure-I, the value of the order awarded to L1 bidder will be the balance of procurement value after reserving specified percentage (50%) of the total value of the order for the eligible LC manufacturer. Thereafter, the lowest bidder among the eligible LC manufacturer, whether L2, L3, L4 or higher, will be invited to match the L1 bid in order to secure the procurement value of the order earmarked for the eligible LC manufacturer. In case first eligible LC manufacturer fails to match L1 bid, the next eligible LC manufacturer will be invited to match L1 bid and so on. However, the procuring company may choose to divide the order amongst more than one successful bidder as long as all such bidders match L1 and the criteria for allocating the tender quantity amongst a number of successful bidders is clearly articulated in the tender document itself.

1.1.3. In case all eligible LC manufacturers fail to match the L1 bid, the actual bidder holding L1 bid will secure the order for full procurement value.

1.1.4. Only those LC manufacturers whose bids are within 10% of the L1 bid would be allowed an opportunity to match L1 bid.

**1.1.5. Example 1 - Procurement of 50,000 MT Casing Pipes**



It is intended to procure 50,000 MT casing pipes. The bid documents should specifically provide preference to LC manufacturers of casing pipes (having local content more than the prescribed level as per **Table 1**) in terms of 50% of procurement value subject to matching of L1 price and on satisfying technical specifications of the tender. Suppose there are five bids. Consider LC as the manufacturer meeting local content requirement (and within 10% of the L1 bidder) as per Table 1 (Attachment 1) and NLC as the manufacturer not meeting local content requirement.

**Case 1:** After opening of commercial bids, position is like L1: LC1, L2: NLC1, L3: NLC2, L4: NLC3 and L5: LC2, then work will be awarded to LC1 vendor.

**Case 2A:** After opening of commercial bids, position is like L1: NLC1, L2: NLC2, L3: NLC3, L4: LC1 and L5: LC2. NLC1 qualifies as L1, and LC1 is L4. Then LC1 shall have the option of providing 50% of the procurement value at L1 prices. NLC1 will get remaining 50% of the procurement value.

**Case 2B:** If LC1 refuses to undertake the tendered work at L1 prices, LC2 should be considered to supply at L1 prices.

**Case 3:** After opening of commercial bids, position is like L1: NLC1, L2: NLC2, L3: NLC3, L4: NLC4 and L5: NLC5. In this case, no vendor with prescribed local content is available, hence the full order will be awarded to NLC1.

**1.2. Services/ EPC contracts:**

1.2.1. For oil and gas services/ EPC contracts proposed to be procured, among all technically qualified bids, the lowest quoted price will be termed as L1 and the rest of the bids shall be ranked in ascending order of price quoted, as L2, L3, L4 and so on. If L1 bid meets prescribed LC as per **Enclosure- I**, the said bidder will be awarded full value of the order.

1.2.2. If L1 bid does not meet prescribed LC as per **Enclosure- I**, the lowest bidder among the eligible LC service provider, whether L2, L3, L4 or higher, will be invited to match the L1 bid. In case first eligible LC service provider fails to match L1 bid, the next eligible LC service

( provider will be invited to match L1 bid and so on. The entire contract would be awarded to the lowest eligible service provider, subject to matching L1 bid.

1.2.3. In case all eligible LC service providers fail to match the L1 bid, the actual bidder holding L1 bid will secure the order for full procurement value.

1.2.4 Only those LC service providers whose bids are within 10% of the L1 bid would be allowed an opportunity to match L1 bid.

1.2.5 Example 2:

If for a tender where minimum specified LC is 15%, four bidders have been shortlisted for price bid opening and the status of the bidders is as below:

Sl. No	Bidder	Price quoted in Million USD	% of LC quoted
1	L1	200	10
2	L2	206	16
3	L3	210	16
4	L4	215	19

In the above case, L1 bidder has quoted lower than the minimum specified LC. L2, L3 and L4 bidders are achieving/exceeding the minimum LC as per Tender and are within 10% of quoted price of L1 bidder. Hence entire quantity shall be awarded to bidder, to L2 (or if L2 refuses, then L3, L4 in that order). Subject to matching L1 price.

**SCHEDULE OF RATES**

*Proforma - B(Revised)*

TENDER NO:			CDG5746P18				Name of the Bidder	
TENDER DESCRIPTION :							Currency of Quote	
Sl. No	Description of Job/ Item	Unit	Quantity	Rate (Per Unit)	Amount (Rate x Qty)	SAC/ HSN Code	QUOTED GST RATE IN	TOTAL (A) including GST rate
							Select From Drop Down List	
			1	2	3= 1 x 2		4	5= 3 + (%age of 4 on 3)
A	SERVICE PART (AT SITE)							
	Hiring the Services of 1 (One) set of Surface Production facility Packages							
1	Mobilization Charges for Surface Production facility	Lump Sum	1		0			0.00
2	De-mobilization Charges for Surface Production facility	Lump Sum	1		0			0.00
3	Mobilization Charges for Personnel (Initial/interim)	No	30		0			0.00
4	De-Mobilization Charges Personnel (Final/interim)	No	30		0			0.00
5	Daily Rental Charges for Surface Production facility	Days	1095		0			0.00
6	Operating Day Rate Charges for Surface Production facility	Days	805		0			0.00
7	Operating Day Rate Charges for Personnel	Days	805		0			0.00
8	Standby Day Rate Charges for Personnel	Days	180		0			0.00
9	Inter-location movement charges upto a distance of 30 Kms	No	29		0			0.00
10	Additional Inter-location movement charges beyond 30 Kms	Per KM	600		0			0.00
11	Interim Demobilization and Interim Mobilization Charges For Production Setup facility.	Lump Sum	10		0			0.00
						TOTAL(T) (Including GST)		0.00
	Hiring the Services of 4(four) sets of Surface Production facility Packages					4(Four) Nos. * T		0.00

**NOTE:**

- 1) Consideration: 30 nos of well testing/ surface production facility operation during the period of the contract.
- 2) Rental Charges is considered for 3 years ie 365 days X 3 years = 1095 days.
- 3) **During Interim Demobilization and Interim Mobilization period for all the Equipment & Personnel, no other charges will be applicable except Interim Demobilization and Interim Mobilization Charges for all The Equipment & Personnel. This is considered as a Quantity against Interim Demobilization and Interim Mobilization Charges = 10 nos Lump-sum (Contingency)**
- 4) **The quantities against the said services are based on the following:**
  - a. Quantity for Daily Rental Charges for Surface Production Facility = 3 years X 365 days = 1095 Days.  
As the services packages will be on continuous operation for 3 years, so we have considered 10 days for ILM, so the quantity against Operating Day Rate Charges for Surface Production facility=1095 days–(29 nosX 10
  - c. Similarly, Operating Dayrate Charges for Personnel = 805 days.
  - d. **For Standby Dayrate Charges for Personnel, considering 3 days for rig up and another 3 days for rigdown, so 6 days of standby per ILM is considered. Therefore quantity Standby Day Rate Charges for Personnel= 6**
- 5) Quantity against Inter-location movement charges upto a distance of 30 Kms = 29 nos. (30 jobs – 1 nos initial Mob of equipment).
- 6) Quantity against Additional Inter-location movement charges beyond 30 Kms = 600 Kms.
- 7) Total Amount against Mobilization Charges shall not be more than 7.5% of the Contract Value (per unit of Surface Production facility Set-up)
- 8) Standby Day Rate Charges for personnel shall not be more than 50% of respective Operating Day Rate Charges for personnel.
- 9) Either charges against SI No. 7 or SI no 8 will be applicable at a time. This is will be based on notice issued by the Company.
- 10) The Operating Day Rate charge shall be payable for the period when the equipment are in operation. The operating Day rate Charge for equipment shall not be less than 35% of the Daily Rental Charges for equipment.
- 11) Operating Day Rate Charges for Surface Production Setup facility shall be paid in addition to Daily Rental Charges.
- 12) **Bidder to categorically mention the currency of the quote.**
- 13) **Procurement of Specific Goods: Earlier, there is no tax incidence in case of import of specified goods (i.e. the goods covered under List-34 of Customs Notification no. 12/2012-Cus dated. 17.03.2012 as amended). Customs duty is not payable as per the policy. However, under GST regime, IGST Plus GST compensation cess (if applicable) would be liveable on such imports. Bidders should quote GST as inclusive considering IGST component for the imported Materials portion while quoting their prices on destination basis. However, GST rate to be specified in the price bid format.**

14) Unless stated otherwise in the Bidding Documents, the Contract shall be for the whole works as described in Bidding Documents, based on the rates and prices submitted by the Bidder and accepted by the Employer. The price/rate(s) quoted by the Bidders will be inclusive of all taxes except GST(i.e. IGST or CGST and SGST/UTGST applicable in case of interstate supply or intra state supply respectively and Cess on GST , if applicable) on the final services. However, GST rate (including cess) to be provided in the respective places in the Price Bid.
15) Bidder should also mention the Harmonised System of Nomenclature (HSN) and Service Accounting Codes (SAC) at the designated place in SOR.
16) Price Bids shall be evaluated on overall lowest cost to OIL (L-1 offer) basis i.e. considering total quoted price for all services including GST(CGST & SGST/UTGST or IGST).
17) OIL will prefer to deal with registered bidder 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 is entitled for input credit of GST, the same will be considered for evaluation of bid as per evaluation methodology of tender document.
18) Price Bid without giving any of the details of the taxes (Including rates and amounts) will be considered as inclusive of all taxes including GST. When a bidder mentions taxes as extra without specifying the rates & amount, the offer will be loaded with maximum value towards taxes received against the tender for comparison purposes. If the bidder emerges as lowest bidder after such loading, in the event of contract/order on that bidder, taxes mentioned by OIL on the Purchase Order/ Contracts will be binding on the bidder.
19) 0(zero) % Input Tax Credit on GST (Goods & Service Tax) is available to OIL & the same shall be considered for the Purpose of evaluation.

**CALCULATION OF LOCAL CONTENT-SERVICES**

Proforma BB(PP-LC)

NAME OF SUPPLIER OF GOODS/PROVIDER OF SERVICE				Cost Summary				
				Domestic	Imported Rs./Foreign Currency (To be specified by the service provider)	Total	LOCAL CONTENT	
							%	Rs./Foreign Currency (To be specified by the service provider)
				a	b	c=a+b	d = a/c	e = c x d
A	I	Cost component Material used cost	Rs./Foreign Currency				#DIV/0!	#DIV/0!
	II	Personnel & Consultant cost	Rs./Foreign Currency				#DIV/0!	#DIV/0!
	III	Other services cost	Rs./Foreign Currency				#DIV/0!	#DIV/0!
	IV	Total cost (I to III)	Rs./Foreign Currency	0.00	0.00		#DIV/0!	#DIV/0!
B		Taxes and Duties	Rs./Foreign Currency				#DIV/0!	#DIV/0!
C		Total quoted price	Rs./Foreign Currency	0.00	0.00		#DIV/0!	#DIV/0!

**Note:-**

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