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ANNEXURE-IA

Tender No & Date : SSG7075P16 DATED: 30.04.2015

Tender Fee : INR 4500.00 OR USD 100.00

Bid Security Amount : INR 12,55,000.00 OR USD 19,700.00

(Or equivalent amount in any currency)

Bidding Type : SINGLE STAGE TWO BID SYSTEM

Bid Closing on : 15.07.2015 at 11:00 IST

Technical Bid Opening on : 15.07.2015 at 14:00 IST

Bid Validity : Bid should be valid for 180 days from bid closing date.

Bid Bond Validity : Bid Bond should be valid up to 15.07.2016.

(Bid bond format has been changed. Please submit bid bond as per revised format failing which offer will be rejected)

Performance Guarantee : Applicable @ 10% of ORDER VALUE

OIL INDIA LIMITED invites Global tenders for items detailed below:

AA. TECHNICAL SPECIFICATIONS WITH QUANTITY

| SL. NO. MATERIAL CODE | MATERIAL DESCRIPTION | QUANTITY | UNIT |
|-----------------------------|---|----------|-------|
| 10 02291236 | 73.025 MM (2.7/8") OD TUBINGS TUBING, EXTERNAL UPSET, A.P.I. STD. 5CT TUBING, SEAMLESS STEEL, EXTERNAL UPSET (EUE) WITH 8 ROUND THREAD CONNECTIONS, IN RANGE 2 LENGTHS (95% OF TUBING WITH | 90,000 | MTRS. |
| | LENGTH 9.0 MTR. AND ABOVE), CONFORMING TO API SPECIFICATION 5CT,LATEST EDITION Tubing Size: 73.025 mm(2.7/8") O.D. Weight: 9.68 Kg./m, (6.50 lbs./ft.), Grade: N - 80, Colour Code: Blue/Red | | |

| 20 | 2.7/8" PUP-JOINT | 25 | NOS. |
|----------|---|----|------|
| 02305519 | PUP JOINT TO API 5CT GRADE `N-80' ENDS EXTERNAL UPSET, THREADED AND COUPLED EXTERNALLY COATED WITH BITUMINOUS SOLUTIOIN EXACT LENGTHS (SHOULDER TOSHOULDER) | | |
| | Exacts: 0.9144 mtr. (3 ft.), 73.03 mm (2.875") OD, 5.52 mm (0.217") Wall Thickness, Weight: 9.69 kg/m (6.50 lbs/ft.) | | |
| 30 | 2.7/8" PUP-JOINT | 25 | NOS. |
| 02305532 | PUP JOINT TO API 5CT GRADE `N-80' ENDS EXTERNAL UPSET, THREADED AND COUPLED EXTERNALLY COATED WITH BITUMINOUS SOLUTIOIN EXACT LENGTHS (SHOULDER TOSHOULDER) | | |
| | Exacts: 1.524 mtr. (5 ft.), 73.03 mm (2.875") OD, 5.52 mm (0.217") Wall Thickness, Weight: 9.69 kg/m (6.50 lbs/ft.) | | |
| 40 | 2.7/8" PUP-JOINT | 30 | NOS. |
| 02305554 | PUP JOINT TO API 5CT GRADE `N-80' ENDS EXTERNAL UPSET, THREADED AND COUPLED EXTERNALLY COATED WITH BITUMINOUS SOLUTIOIN EXACT LENGTHS (SHOULDER TOSHOULDER) | | |
| | Exacts: 2.1336 mtr. (7 ft.), 73.03 mm (2.875") OD, 5.52 mm (0.217") Wall Thickness, Weight: 9.69 kg/m (6.50 lbs/ft.) | | |

NOTE:

- 1) The Colour Coding (to assist weight identification at Site) to be applied to each length of Tubing in form of a 2" wide band for each colour specified.
- 2) Third Party Inspection is required.
- 3) The bidder shall confirm supplying of 95% tubing with length 9.0 mtr. and above in the offer.

COMMON NOTE:

- 1. All the above items shall be procured from same source. Therefore, bidders are requested to quote all the items, otherwise offer will be rejected.
- 2. <u>DELIVERY</u>: Bidder to quote best delivery period.
- 3. Third party inspection is required for both tubing and tubing attachment.

BB. STANDARD NOTES:

- 1) The tender is invited under SINGLE STAGE-TWO BID SYSTEM. The bidder has to submit both the "TECHNO-COMMERCIAL UNPRICED BID" and "PRICED BID" bid through electronic form in the OIL's e-Tender portal within the Bid Closing Date and Time stipulated in the e-Tender. The "TECHNO-COMMERCIAL UNPRICED BID" is to be submitted as per Scope of Work & Technical Specification of the tender and "PRICED BID" as per the Online Price Bid format.
- 2) In Technical Bid opening, only Technical Rfx will be opened. Therefore, the bidder should ensure that "TECHNO-COMMERCIAL UNPRICED BID should contain details as mentioned in the technical specifications as well as BEC/ BRC and upload the same in the Technical Rfx Response-> User > Technical Bid. No price should be given in above Technical Rfx otherwise the offer will be rejected. Please go through the help document in details before uploading the document and ensure uploading of technical bid in the Technical Rfx Response-> User > Technical Bid only. The "PRICE BID" must contain the price schedule and the bidder's commercial terms and conditions. The prices of the items should be quoted in "Conditions Tab".
- 3) Bid should be valid for 180 days from bid closing date, failing which offer shall be rejected. Therefore, please ignore the minimum validity mentioned in the General Terms and Condition of Global Tender (MM/GLOBAL/E-01/2005-July 2012).
- 4) The original bid security (Amount is mentioned above and also in Rfx Parameters of the tender in OIL's e-portal) should reach us before bid closing date and time of the technical bid. Bid without original Bid Security will be rejected. The bidders who are exempted from submitting the Bid Bond should attach documentary evidence in the Technical RFx Response-> User > Technical Bid as per clause 9.8 of Section A General Terms and conditions for Global Tender (MM/GLOBAL/E-01/2005- July 2012). The bid security shall be valid up to 15.07.2016. Please submit bid bond as per revised format.
- 5) Performance Security is applicable against this tender. Please refer clause 10.0 of Section A of General Terms and conditions for Global Tender (MM/GLOBAL/E-01/2005 July 2012).
- 6) PRICED BIDS OF ONLY THOSE BIDDERS WILL BE OPENED WHOSE OFFERS ARE FOUND TO BE TECHNO-COMMERCIALLY ACCEPTABLE. THE TECHNICALLY ACCEPTABLE BIDDERS WILL BE INFORMED BEFORE OPENING OF THE "PRICED BID".
- 7) OIL reserves the right to allow Small Scale Sectors registered with NSIC purchase preference facility as admissible as per existing Government Policy. The bidders are requested to check the latest position on the subject on their own and OIL does not accept any liability whatsoever, on this account.
- 8) To ascertain the substantial responsiveness of the bid OIL reserves the right to ask the bidder for clarification in respect of clauses covered under BRC also and such clarifications fulfilling the BRC clauses in toto must be received on or before the deadline given by the company, failing which the offer will be summarily rejected.
- 9) All the Bids must be Digitally Signed using "Class 3" digital certificate (e-commerce application) only as per Indian IT Act obtained from the licensed Certifying Authorities operating under the Root Certifying Authority of India (RCAI), Controller of Certifying

- Authorities (CCA) of India. The bid signed using other than "Class 3" digital certificate, will be liable for rejection.
- General terms and conditions of Global tender (document MM/GLOBAL/E-01/2005-July2012) is enclosed. Special attentions to Bidders are drawn to the Section E of above document.
- 11) The Integrity Pact is applicable against this tender. Therefore, please attach the Integrity Pact document duly signed along with your quotation as per BRC. The name of the OIL's Independent External Monitor at present is as under:
 - 1. SHRI RAGHAW SHARAN PANDEY, IAS (Retd.),
 - 2. SHRI RAJIV MATHUR, IPS (Retd.),

Their email ids are furnished in OIL's website, www.oil-india.com

- 12) OIL shall be entering into an Integrity Pact with the bidders as per format enclosed vide Annexure XII of the tender document. This Integrity Pact proforma has been duly signed digitally by OIL's competent signatory. The proforma has to be returned by the bidder (along with the technical bid) duly signed (digitally) by the same signatory who signed the bid, i.e., who is duly authorized to sign the bid. Uploading the Integrity Pact with digital signature will be construed that all pages of the Integrity Pact has been signed by the bidder's authorized signatory who sign the Bid.
- 13) OIL reserves right to go for Reverse Auction process or may finalize the tender without Reverse Auction, if required. However, the decision to conduct Reverse Auction or not will be conveyed to short-listed bidders prior to opening of price bid.

Special Terms & Conditions and salient features for Reverse Auction are furnished in Addendum - B. The Business Rules for Reverse Auction and Process Compliance Form are given in Addendum - B. Bidders are required to sign the Business Rules for Reverse Auction and Process Compliance Form and attach this document along with the technical bid.

CC. BID REJECTION / BID EVULATION CRITERIA

In addition to Bid Rejection Criteria (BRC) mentioned in the General Terms and Conditions for Global Tender (MM/GLOBAL/E-01/2005-July 2012) and amendments to General Terms and Conditions for Global Tender, the following Bid Rejection Criteria will be applicable against this tender.

- 1.0 Offers with techno-commercial bid containing prices shall be rejected outright. Technical Rfx is meant for Technical bid only. Therefore, no price should be given in Technical Rfx, otherwise the offer will be rejected.
- 2.0 Rejection Criteria applicable for Reverse Auction tenders:
 - (i) Bidders not confirming to participate in Reverse Auction.
 - (ii) Offers of short listed bidders, who have confirmed acceptance to OIL tender conditions on reverse auction, but do not participate in Reverse Auction, irrespective of their prices quoted in SRM price bid. (In addition to rejection of bid, the bid security will also be invoked in such case.). If a bidder does not want to quote any price below the ceiling price during Reverse Auction, their "Logged In" during Reverse Auction itself shall be considered as Participation.

- 3.0 The following points are deemed as "non-negotiable" and offer shall be rejected straightaway without seeking clarification in case of the following:
 - i. Validity of bid shorter than validity indicated in the tender.
 - ii. Original Bid Security not received within the stipulated date and time mentioned in the tender.
 - iii. Bid security with (a) Validity shorter than the validity indicated in tender and/or (b) Bid security amount lesser than the amount indicated in the tender.
 - iv. In case the party refuses to sign the Integrity Pact.
- DD: Please refer General Terms and Conditions for Global Tender (MM/ GLOBAL/E-01/2005 July 2012) and Amendment to General Terms and Conditions for Global Tender (MM/ GLOBAL/E-01/2005-July 2012)

EE. SPECIAL NOTES: GENERAL NOTES FOR TUBING AND PUP JOINTS

GENERAL NOTES FOR TUBING:

1.0 SPECIFICATION:

- 1.1 Tubings must be manufactured as per API Spec. 5CT, latest edition and must bear API monogram. A valid API Spec 5CT certificate from the manufacturer shall be submitted along with the offer.
- 1.2 The Tubings shall be brand new, unused, and of prime quality.
- 1.3 Tubing shall be seamless and supplied with threaded and fitted with couplings as per API Spec. 5CT.
- 1.4 Coupling: Couplings shall be as specified in API Spec. 5CT and must be manufactured by API approved mills.
- 1.5 Coating: Coating shall be done as per API Spec. 5CT and adequately oiled to withstand sea voyage.
- 1.6 Pipe ends: Ends must be prepared as per relevant API specifications. Suitable end protectors as specified shall be used to protect the ends.
- 1.7 The offer must contain detailed description of the materials. Insufficient description will lead to rejection of the offer.

2.0 MILL INSPECTION/CERTIFICATION:

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

3.0 PHYSICAL/CHEMICAL TESTS:

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

- i) Heat Analysis
- ii) Product Analysis
- iii) Recheck Analysis
- iv) Mill-Control Check Analysis
- v) Tensile tests
- vi) Yield strength tests
- vii) Mill control tests
- viii)Dimension and weight tests including drift and straightness.
- 3.1 While conducting the above tests if any one of them fails, retest of the same shall be carried out as per API Spec. 5CT.

3.2 Hydrostatic Test:

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

- 3.3 End threading, gauging and thread inspection: Threading, gauging and thread inspection shall be done as per API Spec. 5B.
- 3.4 Non-Destructive Tests: Non-destructive tests shall be carried out as specified in API Spec 5CT.
- 3.6 Bidders should give details of mills inspection and QC methods available. OIL may require such details in case of an order.

4.0 IDENTIFICATION MARKING:

- 4.1 Marking is to be done on each joint as per API Spec 5CT covering, manufacturer's mark/name, API monogram, size, weight, grade, class, manufacturing process, heat treatment, test pressure, length, thread identification. Marking should be in metric unit.
- 4.2 Additionally,' OIL' logo, and the purchase order number shall be die stamped or paint stenciled on each joint.
- 4.3 Colour coding: The colour coding shall be done as per API Spec. 5CT. The colour band shall be 50.8 mm (2") wide.

5.0 THIRD PARTY INSPECTION:

- 5.1 Inspection by an independent third party to cover the following shall be required against all tubings.
 - (i) Material Identification.
 - (ii) Stage inspection at random visit basis during manufacturing.
 - (iii) Audit and endorsement of all chemical analysis and physical test reports.
 - (iv) Witness dimensional checks.
 - (v) Witness mechanical tests.
 - (vi) Witness NDT.
 - (vii) Witness hydrostatic tests
 - (viii) Visual inspection for imperfections.
 - (ix) Longitudinal defect identification.
 - (x) Transverse defect identification.
 - (xi) Wall thickness measurement.

- (xii) Grade comparison.
- (xiii) End area defect identification.
- (xiv) Thread inspection.
- (xv) Check and verify length of each joint.
- (xvi) Issue of certificate.

<u>NOTE</u>: Proper Tally sheet (in Original) indicating length of each joint of tubing with heat number of the joint should be furnished to OlL. The Tally sheet should be duly signed & stamped by the Manufacturing Mill and will be endorsed (certified) by the third party inspection agency.

A soft copy of above tally sheet is to be sent in EXCEL FORMAT along with the despatch document. Bidder to confirm the same while quoting.

- 5.2 The third party inspection is to be carried out by an internationally reputed inspection Agency. Bidders must indicate the availability of such a Third Party Inspection Agency in their area furnishing following information.
 - (i) Name of the Inspecting Agency (OIL's clearance has to be obtained prior to engagement except M/s. Lloyds, M/s Bureau Veritas, M/s DNV M/s. Rites, M/s. I.R.S., M/s Tuboscope Vetco).
 - (ii) All inclusive charges for Third Party Inspection per metre (to be indicated separately).
- **FF.** <u>Safeguard Duty</u>: Government of India vide Notification No. 02/2014-Customs(SG) dated 13.08.2014 has imposed "Safeguard Duty" on imports of Seamless Pipes and Tubes falling under category as indicated in the above notification, at the conditions and rates indicated therein with effect from 13.08.2014. The Notification is also available on the official website of Central Board of Excise and Customs (CBEC).

In accordance with the provisions of the said notification nothing contained in the said notification shall apply to imports of Seamless Pipes and Tubes into India from countries notified as developing countries under clause (a) of sub-section (6) of section 8B of the Customs Tariff Act, other than the People's Republic of China. List of notified developing countries for the purpose of safeguard duty can be downloaded from the official website of Central Board of Excise and customs (CBEC) – URL http://www.cbec.gov.in/customs/cs-act/notifications/notfnsbefore2k/cs103-98.htm.

The applicable rate of Safeguard Duty on Seamless Pipes & Tubes is as under:

- a) Twenty per cent ad valorem when imported during the period from 13th August, 2014 to 12th August, 2015 (both days inclusive).
- b) Ten per cent ad valorem when imported during the period from 13th August, 2015 to 12th August, 2016 (both days inclusive) and
- c) Five per cent ad valorem when imported during the period from 13th August, 2016 to 12th February, 2017.

The items covered under this tender will attract Safeguard Duty and accordingly, Safeguard Duty clause shall be applicable for this purchase. Bidders to take note of the following clauses relating to Safeguard Duty while preparing and submitting their bids.

i) The evaluation methodology under BEC for this tender for bids from those foreign bidders on whom the Safeguard Duty is applicable as per the aforesaid Notification is amended and such bids shall be loaded with the applicable rate of Safeguard Duty on their assessable values and evaluated accordingly comparing them with Indigenous bidders or other foreign bidders on whom the Safeguard Duty are not applicable. The amended Evaluation methodology when only foreign bids are involved and when both foreign and indigenous bidders are involved, would be as under:

a) When only Foreign bids are involved: Comparison of offers will be done on CIF Kolkata Port basis after loading the bids of the parties with applicable rate of safeguard duty, wherever applicable.

- b) When both Foreign and Domestic (Indigenous) bids are involved:
 The ex-works price of domestic bidder (inclusive of customs duty on imported raw materials and component etc. and applicable terminal excise duty on the finished products and Sales Tax) excluding inland transportation to destination and CIF landed price of foreign bidders (with customs duty as applicable on the bid closing date) with loading of applicable rate of safeguard duty excluding inland transportation to destination, will be compared.
- ii) In case an indigenous/Foreign supplier exempted from Safeguard Duty (i.e. from a developing country other than China) emerges L1 vis-à-vis a foreign bidder for whom Safeguard Duty is applicable due to loading of a particular rate of Safeguard Duty and if supplies from such indigenous/foreign suppliers are so effected that the lower slab of Safeguard Duty becomes applicable wherein price of foreign bidder (for whom Safeguard Duty is applicable) with lower rates of Safeguard Duty is found to be lower than the price of the indigenous/foreign supplier(who are exempted from Safeguard Duty), then OIL shall recover from such supplier, an amount equal to the difference in price between that of the foreign bidder (for whom Safeguard Duty is applicable) with lower applicable rate of Safeguard Duty and the price quoted by such indigenous/foreign supplier. This amount shall be recovered in addition to levy of applicable LD, if applicable.
- iii) In case an indigenous supplier/Foreign bidder exempted from Safeguard Duty (i.e. from a developing country other than China) emerges L1 vis-à-vis a foreign bidder for whom Safeguard Duty is applicable due to loading of a particular rate of Safeguard Duty and if supplies from such indigenous/ foreign suppliers are delayed beyond the Stipulated Delivery Period due to reasons attributable to the supplier and the material supplied is in the period of lower slab of Safeguard Duty wherein price of foreign bidder (for whom Safeguard Duty is applicable) with lower rates of Safeguard Duty is found to be lower, then OIL shall recover from such supplier, an amount equal to the difference in price between that of the foreign bidder (for whom Safeguard Duty is applicable) with lower applicable rate of Safeguard Duty and the price quoted by such supplier. This amount shall be recovered in addition to levy of applicable LD.
- iv) The item(s) covered under this tender shall be used by Oil India Ltd. in the PEL/ML areas renewed/issued after 01.04.1999 and hence Nil Customs Duty shall be applicable for this import. Safeguard duty, if applicable to any bidder, shall apply even if the goods are to be used in such PEL/ML areas.

- v) Indigenous bidders should also note that OIL will not be liable to reimburse any amount on account of imposition of Safeguard Duty by Customs Official at the time of actual import of the items (Seamless Pipes and Tubes) imported by them for execution of the order/contract awarded to them by OIL under Deemed Export.
- vi) Bidders shall mention the Country of Origin of the Seamless Pipes and Tubes quoted by them in their bids for the purpose of applicability of the Safeguard Duty. If any bidder does not mention the Country of Origin of the Seamless Pipes and Tubes quoted by them in their bids, OIL shall reserve the right to load the applicable Safeguard Duty against such bids for evaluation of their offer without any further reference/clarification. It shall be binding on the bidders to accept such loading of their bids.

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