



OIL INDIA LIMITED
(A Government of India Enterprises)
PO : Duliajan – 786602
Assam (India)

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TENDER NO. **SSG 7479P16/05**

DATE: 12.06.2015

INVITATION TO e-BID UNDER SINGLE STAGE COMPOSITE BID SYSTEM

Dear Sirs,

OIL invites Bids for the supply of 1" Seamless Line Pipe through its e-Procurement site under SINGLE STAGE COMPOSITE BID System. The bidding documents and other terms and conditions are available at Booklet No. MM/GLOBAL/E-01/2005-July2012. The prescribed Bid Forms for submission of bids are available in the tender document folder.

The general details of tender can be viewed by opening the RFx [Tender no.] under RFx and Auctions page. The details of items tendered can be found under Item tab and details can be found under Technical RFX.

The tender is invited with firm price for the specified quantity. Further details of tender are given in Technical Rfx -> External Area -> Tender Documents as ANNEXURE 1A.

Detailed specification with general Notes for Line Pipe, Delivery are given vide Annexure 1A in the Technical Rfx -> External Area -> Tender Documents.

The tender will be governed by:

- a) "General Terms & Conditions" for e-Procurement as per Booklet No. MM/GLOBAL/E-01/2005-July2012 for E-procurement (ICB Tenders). Special attention to the bidders is drawn to Section – E of the document.
- b) Technical specifications ,Quantity and General Notes for Line Pipe as per Annexure – 1A.
- c) The prescribed Bid Forms for submission of bids are available in the Technical Rfx -> External Area -> Tender Documents. Technical Checklist and Commercial Checklist vide Annexure IV must be filled-up and submitted along with the technical bid.
- d) The items covered by this enquiry shall be used by Oil India Limited in the PEL/ML areas which are issued/renewed after 01/04/99 and hence Nil Customs Duty during import will be applicable. Indigenous bidder shall be eligible for Deemed Export Benefit against this purchase. Details of Deemed Export Benefit are furnished vide Addendum to MM/GLOBAL/E-01/2005-July2012 enclosed.

Special Note:

1.0 Please note that all tender forms and supporting documents are to be submitted through OIL's e-Procurement site only except following documents which are to be submitted manually in sealed envelope super scribed with **Tender no.** and **Due date to The Head Materials, Materials Department, Oil India Limited, Duliajan- 786602, Assam** on or before **13:00 Hrs (IST)** on the Bid Closing Date mentioned in the Tender.

a) Original Bid Security.

All documents submitted in physical form should be signed on all pages by the authorised signatory of the bidder and to be submitted in triplicate.

2.0 Bidders are requested to examine all instructions, forms, terms and specifications in the bid. Failure to furnish all information required as per the NIT or submission of offers not substantially responsive to the bid in every respect will be at the bidders risk and may result in rejection of its offer without seeking any clarifications.

3.0 All the Bids must be Digitally Signed using "Class 3" digital certificate (*e-commerce application*) with organisation name 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.

4.0 Bidders must ensure that their bid is uploaded in the system before the tender closing date and time. Also, they must ensure that above documents which are to be submitted in a sealed envelope are also submitted at the above mentioned address before 13:00 Hrs (IST) on the Bid Closing Date failing which the offer shall be rejected.

5.0 Please ensure that Technical Bid / all technical related documents related to the tender are uploaded in the Technical RFx Response-> User - > Technical Bid only. The "TECHNO-COMMERCIAL UNPRICED BID" shall contain all techno-commercial details except the prices. Please note that no price details should be uploaded in Technical RFx Response.

6.0 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".

7.0 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.

Yours Faithfully

Sd-
(BHAVIK MODY)
PURCHASE OFFICER(FS-5)
FOR : HEAD-MATERIALS
FOR : RESIDENT CHIEF EXECUTIVE

OIL INDIA LIMITED
(A Govt. of India Enterprise)
P.O. Duliajan-786602, Assam
Fax No. 91-374-2800533, E-mail:material@oilindia.in

Tender No. & Date : SSG7479P16/05 12.06.2015

Tender Fee : INR 4,500.00 OR USD 100.00
Bid Security Amount : INR 44,400.00 OR USD 690.00
(or equivalent Amount in any currency)

Bidding Type : Single Bid (Composite Bid)

Bid Closing On : 02.09.2015 at 11:00 hrs. (IST)
Bid Opening On : 02.09.2015 at 14:00 hrs. (IST)

Performance Guarantee : Applicable @10% of order value

OIL INDIA LIMITED invites Global tenders for items detailed below:

Item No./ Mat. Code	Material Description	Quantity	UOM
10 09015068	SEAMLESS STEEL LINE PIPE Steel line pipe, seamless extra strong, nom. size 25 mm (1"), OD - 33.4mm (1.315"), Wall thickness 4.55 mm (0.179"), plain end weight - 3.23 kg/m (2.17 lbs/ft), API Std. 5L, Grade - A, screwed & coupled, length of each joint in 6/7 metres. MillTest pressure (hydraulic) under screwed & coupled condition - 59 kg/cm.sq. (850 PSI)	4000	M
20 09015068	Steel line pipe, seamless extra strong, nom. size 25 mm (1"), OD - 33.4mm (1.315"), Wall thickness 4.55 mm (0.179"), plain end weight - 3.23 kg/m (2.17 lbs/ft), API Std. 5L, Grade - A, screwed & coupled, length of each joint in 6/7 metres. MillTest pressure (hydraulic) under screwed & coupled condition - 59 kg/cm.sq. (850 PSI)	100	M

Special Notes : Note:

- i) DELIVERY: Bidder to quote best delivery.
- ii) All the items shall be procured from same source.
- iii) Both the items are same. Separate line items are created for internal distribution.

GENERAL NOTES FOR LINE PIPE

1.0 SPECIFICATION :

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

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1.2 The pipes shall be brand new, unused, and of prime quality and in double random length without any jointers.

1.3 Coupling : Couplings shall be as specified in API Spec. 5L (not applicable for bevel end pipe).

1.4 Coating : Coating shall be done as per API Spec. 5L and adequately oiled to withstand sea voyage / road transit.

1.5 Pipe ends : Pipe ends must be prepared as per relevant API specifications. Suitable end protectors as specified shall be used to protect the ends.

1.6 The offer must contain detailed description of the materials. Insufficient description will lead to rejection of the offer.

2.0 MILL INSPECTION/CERTIFICATION :

All line pipes shall be manufactured, tested and certified in accordance with the relevant API Spec. 5L, latest edition.

3.0 PHYSICAL/MECHANICAL/CHEMICAL TESTS :

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

- i) Chemical Analysis
- ii) Heat Analysis
- iii) Product Analysis
- iv) Recheck Analysis
- v) Mill-Control Check Analysis
- vi) Tensile tests
- vii) Yield strength tests
- viii) Mill control tensile tests
- ix) Flattening tests.
- x) Tensile elongation tests.
- xi) Weld ductility tests.
- xii) 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. 5L.

3.2 Hydrostatic Test :

Each joint of pipe 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 (not applicable for bevel end pipes).

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

3.6 Bidders should give details of mills inspection and QC methods available. OIL may require such details in case of an order.

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4.0 IDENTIFICATION MARKING :

4.1 Marking is to be done on each joint as per API Spec 5L covering, manufacturer's mark/name, API monogram, size, weight, grade, manufacturing process, heat treatment, test pressure, length, thread identification. Marking should be in metric unit.

4.2 Additionally, 'OIL' logo, and the purchase order number shall be die stamped or paint stencilled on each joint.

5.0 THIRD PARTY INSPECTION :

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

- (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 (10% or 10 nos. whichever is maximum).
- (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) Joint inspection & Grade confirmation.
- (xiii) End area defect identification.
- (xiv) Inspection of end bevelling / threading (pipe & coupling).
- (xv) Check and verify length of each joint.
- (xvi) Issue of certificate.

Note : Proper Tally sheet (in Original) indicating length of each joint of line pipe with heat number of the joint should be furnished to OIL. The Tally sheet should be duly signed & stamped by the Manufacturing Mill and will be endorsed (certified) by the third party inspection agency. A soft copy of above talley sheet in MS EXCEL format to be provided alongwith the despatch document. Bidder to confirm the same while quoting.

5.2 Third Party Inspection should also cover the followings :

Manufacturer will carry out physical/chemical/mechanical/hydrostatic, NDT tests etc. for raw material and finished pipes as per relevant API specification (latest edition) for all the pipes i.e., 100% (hundred percent). Third party will check & verify manufacturer's test data, records, reports, etc. of raw materials and finished tubes in respect of all the pipes i.e., 100% (hundred percent). Over and above checking and verification of records and reports, third party will carry out inspection for the followings on the percentage basis given below in his presence.

a) Raw Material Inspection for Chemical Composition & Mechanical Properties :

10% of number of heats and plates of raw materials will be tested at random by the third party. If the percentage of number of heats/plates for manufacture of a particular item is 5 (five) or less, then all the raw materials will be tested for chemical composition and mechanical properties as per relevant codes.

b) Finished Tube Inspection :

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i) Checking dimensions, wall thickness, quality, end bevelling (for bevel ended pipes), threads of pipe ends & coupling (for screwed & coupled pipes), surface imperfections etc. - 5% of the tubes at random will be checked/tested by Third Party.

ii) Checking chemical composition and mechanical properties - 5% of the tubes will be tested by the third party.

c) Witnessing NDT through ultrasonic testing/magnetic particles method/other methods.

i) Longitudinal Defects : 5% of the tubes at random will be tested by third party.

ii) Transverse Defects : 1% of the tubes at random will be tested.

d) Hydraulic Testing : 10% of the tubes at random will be tested by third party.

5.3 The third party inspection is to be carried out by an internationally reputed inspection Agency. Bidders must indicate the availability of such a Third Party Inspection Agency in their area furnishing following information.

(i) Name of the Inspecting Agency (OIL's clearance has to be obtained prior to engagement except M/s. Lloyds, M/s Bureau Varitas, M/s 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).

5.4 Road/Rail transportation will be carried out as per API-RP-5L1 (latest edition).

AA. Standard Notes:

1) The tender is invited under SINGLE STAGE-COMPOSITE 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) Bid should be valid for 120 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).

3) 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 02.09.2016.

4) Price should be maintained in the "online price schedule" only. The price quoted in the "online price schedule" will only be considered.

5) Performance Security, @10% of order value, 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) Handling charge to the nearest Rail Head, if any, is to be indicated in the offer by Indigenous

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Bidder.

7) General terms and conditions of Global tender (document MM/GLOBAL/E-01/2005-July2012) is enclosed. Special attention to Bidders is drawn to the Section E of above document.

8) Reverse Auction is not applicable against this tender.

9) Safeguard Duty is applicable against this tender. Please refer Addendum B - Safeguard duty for applicable clauses on Safeguard Duty.

BB. BID REJECTION / BID EVALUATION CRITERIA

A) In addition to Bid Rejection Criteria (BRC) mentioned in the General Terms and Conditions for Global Tender (MM/ GLOBAL/E-01/2005-July2012) and amendments to General Terms and Conditions for Global Tender, the following Bid Rejection Criteria will be applicable against this tender.

1.0 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.

OIL INDIA LIMITED

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P.O. Duliajan, Pin – 786602
Dist-Dibrugarh, Assam

ADDENDUM - B

Safeguard Duty: 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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