



Oil India Limited
(A Govt. of India Enterprise)
P.O. DULIAJAN, DIST. DIBRUGARH,
ASSAM, INDIA, PIN-786 602
FAX: (91)374-2803549

CONTRACTS DEPARTMENT
TEL: (91) 374-2800548
E-mail: contracts@oilindia.in
Website: www.oil-india.com

FORWARDING LETTER

M/s _____

Subject: IFB No. CDG4007P20 for ‘Hiring the services of 08 (Eight) nos. Electrical Submersible Pumps (ESPs) with a provision to enter into Framework Agreement to cover the near future requirement’.

Dear Sir(s),

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 subject service. 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.	:	CDG4007P20
(ii)	Type of Bidding	:	Open Global E - Tender - Single Stage - Two Bid System.
(iii)	Bid Closing Date & Time	:	As mentioned in E-Procurement portal.

(iv)	Technical Bid Opening Date & Time	:	As mentioned in E-Procurement portal
(v)	Price Bid Opening Date & Time	:	Will be intimated only to the eligible/qualified bidders nearer the time.
(vi)	Bid Submission Mode	:	Bids must be uploaded online in OIL's E - Procurement Portal.
(vii)	Bid Opening Place	:	Office of CGM-Contracts Contracts Department, Oil India Limited, Duliajan - 786602, Assam, India.
(viii)	Bid Validity	:	120 (One Hundred Twenty) days from Bid Closing Date.
(ix)	Mobilization Time	:	As per Clause No. 1.8 of BEC.
(x)	Bid Security Amount	:	Rs. 38.02 Lakh or USD 0.053 million
(xi)	Bid Security Validity	:	31.10.2020
(xii)	Original Bid Security to be submitted	:	Office of CGM-Contracts, Contracts Department, Oil India Limited, Duliajan -786602, Assam, India.
(xiii)	Amount of Performance Security	:	10% of Annualized Contract value.
(xiv)	Validity of Performance Security	:	90 (Ninety) days beyond contract period/duration.
(xv)	Location of job	:	OIL's operational area in Assam & Arunachal Pradesh
(xvi)	Duration of the Contract	:	The contract duration will be 03 (three years) from the date of mobilization of individual ESP's as per the mobilization period along with a provision to continue with the service of ESP units individually beyond scheduled contract duration of 03 years due to operational reasons, upto its satisfactory performance or till requirement of work-over in the well.
(xvii)	Quantum of Liquidated Damage for Default in Timely Mobilization	:	Refer Clause No. 18.0 of General Conditions of Contract.
(xviii)	Integrity Pact	:	Must be digitally signed & uploaded along with the Techno-commercial Bid.
(xix)	Bids to be addressed to	:	CGM-Contracts, Contract Department, Oil India Limited, Duliajan-786602, Assam, India.

(xx)	Pre-Bid Conference	:	As mentioned in E-Procurement portal
(xxi)	Last Date for receipt of Pre-bid Queries	:	As mentioned in E-Procurement portal

3.0 GUIDELINES FOR PARTICIPATING IN OIL'S E-PROCUREMENT:

3.1 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 other than **Bidder's Name** are not acceptable. However, aforesaid Digital Signature Certificates having Bidder's name in the "Organization Name" field are acceptable.

3.2 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.

3.3 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.

3.4 The authenticity of above 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.

Bidder is responsible for ensuring the validity of digital signature and its proper usage by their employee.

The bid including all uploaded documents shall be digitally signed by duly authorized representative of the bidding company.

3.5 For participation, applicants already having User ID & Password for OIL's E-Procurement Portal need to register against the IFB. New vendors/existing vendors not having User ID & Password for OIL's E-procurement portal shall obtain User ID & password through online vendor registration system in E-Portal.

3.6 Parties, who do not have a User ID, can click on **Guest** login button in the E-portal to view and download the tender. **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, Ph.: 0374-2807178/4903.

3.7 Details of process for submission of Bid Security (EMD) through the online payment gateway are available in Vendor User Manual under E-Procurement Portal. **(Note:** Important Points for on-line Payment can be viewed at Oil India's website at url: <http://oil-india.com/pdf/ETenderNotification.pdf>).

3.8 The link to OIL's E-Procurement Portal has been provided through OIL's web site (www.oil-india.com).

4.0 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. Undertaking of authenticity of information/documents submitted as per **Annexure-E** should be submitted along with the technical bids.
- iv) **ERRING/DEFAULTING AGENCIES:** Erring and defaulting agencies like bidder, contractor, supplier, contractor, service provider will be dealt as per OIL's Banning Policy dated 6th January, 2017 available in OIL's website: 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 CGM-Contracts in presence of the authorized representatives of the bidders.
- vi) The rates shall be quoted per unit as specified in the **"PRICE BIDDING FORMAT"** attached under **"Notes and Attachments"** tab. **Bidder should note that no pricing information is furnished in the "Technical Attachment" (Un-priced Techno-Commercial Bid) otherwise 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.**
- viii) The Company reserves the right to reject any or all the tenders or accept any tender without assigning any reason.
- ix) No Bidder can withdraw his bid within the validity or extended validity of the bid. Withdrawal of any bid within validity period will lead to forfeiture of his/her/their Bid Security Deposit in full and debar from participation in future tenders, at the sole discretion of the company.
- x) Once a withdrawal letter is received from any bidder, the offer will be treated as withdrawn and no further claim/correspondence will be entertained in this regard.
- ix) Conditional bids are liable to be rejected at the discretion of the Company.

5.0 PRE-BID CONFERENCE:

- 5.1 A pre-bid conference is planned to be held to explain the requirements of the subject service in details to the interested prospective bidders and to understand bidder’s perspective including exchange of views/clarifications, if any, on the Scope of Work, Bid Rejection/Bid Evaluation Criteria and other terms & conditions of the Tender. The details of date and venue of the pre-bid conference shall be intimated vide issuance of corrigendum nearer the time.
- 5.2 A maximum of 02 (two) representatives from each party shall be allowed to participate in the pre-bid conference. All costs associated to attend the pre-bid conference by their representatives shall be borne by the interested party. Representatives attending the pre-bid conference must confirm their participation (name of company & representative name) well in advance before the pre-bid conference.
- 5.3 The prospective bidders shall submit their queries/clarifications against the tender through e-mail/courier addressed to CGM-Contracts, Oil India Ltd., Duliajan-786602, Assam and such queries must reach OIL’s office at Duliajan latest by the date as shall be mentioned in e-procurement portal.

OIL shall provide clarifications to only those queries received within this date. Queries/Clarifications against the tender received beyond this date shall not be entertained and replied. OIL shall not be responsible for non-receipt or late receipt of any bidder's query in OIL's office.

- 5.4 However, clarifications/exceptions/deviations, if required any, should be brought out by the bidder prior to or during the pre-bid conference only. After processing these suggestions, as a sequel to the pre-bid conference, OIL may communicate the changes in this regard, if agreed any, through an corrigendum/addendum to tender document to the prospective bidders. Company shall not accept any exception/deviation to tender conditions/specifications once the same are freezed after the pre-bid conference and the non-compliant bid (s) shall be rejected outright against this tender.

6.0 Integrity Pact: The Integrity Pact is applicable against this tender. OIL shall be entering into an Integrity Pact with the bidders as per format enclosed vide Integrity Pact, (Annexure-V) 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 Un-priced Techno-Commercial 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 have been signed by the bidder's authorized signatory who sign the Bid.

7.0 SCREEN SHOTS

RFx Response Number 60037504 RFx Number TESTARUP Status In Process Submission Deadline 15.04.2017 11:00:00 INDIA Opening Date 15.04.2099 00:00:00 INDIA

RFx Response Version Number Active Version RFx Version Number 1

RFx Information Items Notes and Attachments Conditions Summary Tracking

Basic Data Questions Technical Attachments

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

Go to this Tab **"Technical Attachment"** for Uploading "Technical Bid".

▼ Notes

Clear

Category	Description
Conditions of Participation	-Empty-
Bid Invitation/Auction Text	
Bidder's Remarks	
Purchaser's Remarks	

▼ Attachments

▼ cFolder Attachments

Add Attachment Delete Verify Signature

cFolder Name	Category	Description	File Name	Version	Processor	Chk
The table does not contain any data						

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.

8.0 Maintenance of Total bid value in the Response: For convenience of the Bidders and to improve transparency, the rates/costs quoted by bidders against the E-tender shall be available for online viewing to all the Techno-commercially qualified Bidders against the tender after price bids are opened in the system. For tenders where **Detailed Price Information under RFx Information Tab is “No price”**, the Price Bid is invited against the tender through attachment form under “Notes & Attachment”. As per the existing process, Bidders must upload their pricing as per the “Price Bid” – **Proforma-B** under **“Notes & Attachment”** and additionally to fill up the **on-line field “Total Bid Value”** under Tab Page **“RFx Information”** with the Total Cost (Including the GST component) as per the amount of the Price Bid in attachment form.

The screenshot shows the 'Create RFx Response' form. At the top, there are tabs: 'Submit', 'Read Only', 'Print Preview', 'Check', 'Technical RFx Response', and 'Close'. Below these, the form displays 'RFx Response Number 60038748', 'RFx Number 1396', 'Status In Process', 'RFx Owner BHARALI', and 'Total Value 0.00 INR'. The main section has three tabs: 'RFx Information', 'Items', and 'Notes and Attachment'. Under 'RFx Information', there are sub-tabs: 'Basic Data', 'Questions', and 'Technical Attachment'. The 'Event Parameters' section includes a 'Currency' dropdown menu set to 'Indian Rupee', a 'Detailed Price Information' dropdown menu set to 'No Price', and a 'Terms of Payment' field. A 'Total Bid Value' field is highlighted with a red box. Annotations with blue callouts point to these fields: 'Bidder to select the currency of the Response' points to the 'Currency' dropdown; '“Total Bid Value” is mandatory in “No Price”' points to the 'Detailed Price Information' dropdown; and '“Total Bid Value” considering all the' points to the 'Total Bid Value' field.

The “Total Bid Value” as entered by the Bidder in the on-line response shall be displayed in the e-tender portal amongst the techno-commercially qualified bidders and Company will not take any responsibility whatsoever towards incorrect information furnished by the bidders on the “Total Bid Value” field.

It is to be noted that Amount mentioned in the “Total Bid Value” field will not be considered for bid evaluation and evaluation will be purely based on the Price bid submitted as per the **Proforma-B**.

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

Thanking you,

Yours faithfully,
OIL INDIA LIMITED

(UPASANA MALAKAR)
MANAGER CONTRACTS (GLOBAL)
For **CGM (CONTRACTS)**
For **RESIDENT CHIEF EXECUTIVE**

Date: 13.04.2020

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.

2.0 BIDDING DOCUMENTS

2.1 The services required, bidding procedures and contract terms are prescribed in the Bidding Documents. 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
 - (ii) Bid opening date and time
 - (iii) Bid submission Mode
 - (iv) Bid opening place
 - (v) Bid validity & Duration of contract
 - (vii) The amount of Bid Security with validity
 - (viii) The amount of Performance Guarantee with validity
- b) Instructions to Bidders, (Part-1)
- c) BEC/BRC, (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) Authorization for Attending Bid Opening, (Proforma-I)
- q) Integrity Pact, (Annexure-V)
- r) Format of Agreement between bidder and their parent company/100% Subsidiary company, (Annexure-VI(a)), Parent company/Subsidiary company Guarantee (Annexure-VI(b)), Corporate Guarantee of parent/ultimate Parent/Holding company (Annexure-VI(c))
- s) Form of Performance Bank Guarantee for Ultimate Parent/Supporting Company (Annexure-VI(d))
- t) Proforma for deployment of key personnel for 50% of Contract Period, (Annexure-VII)
- u) Proforma for Bio-Data of Manpower, (Annexure-VIII)
- v) Proforma undertaking from Contractor's Personnel, (Annexure-IX)
- w) Safety Measures, (Annexure-X)

- x) Proforma of Bank Guarantee towards PP-LC (Annexure-XI)
- y) Undertaking of authenticity of information/documents submitted as per Annexure-E
- z) 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)
- aa) PP-Policy revised (Annexure-AA) (uploaded as separate attachment)
- bb) Commercial Checklist (Annexure-BB)

2.2 The bidder is expected to examine all instructions, forms, terms and specifications in the Bid document. Failure to furnish all information required in the Bidding Documents or submission of a bid not substantially responsive to the Bidding Documents in every respect will be at the Bidder's risk & responsibility and may result in the rejection of its bid without seeking any clarifications.

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 BIDDING 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 External Area the folder "Amendments"] for any amendments to the bid documents before submission of their bids. No separate intimation shall be sent to the Bidders.**

5.0 PREPARATION OF BIDS

5.1 LANGUAGE OF BIDS: The bid prepared by the bidder and all correspondence and documents relating to the bid exchanged by the Bidder and the OIL shall be written in English language. Supporting documents and printed literature furnished by the Bidder may be in another language provided they are accompanied by an accurate translation of the relevant passages in English, duly authenticated by local chamber of Commerce of bidder's country, in which case, for purposes of interpretation of the bid, the translation shall prevail.

5.2 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 authorized 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) UN-PRICED TECHNO-COMMERCIAL 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.
- (ix) All other Proformas and Annexures.

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 BID FORM: 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 basic 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 considering the quoted GST. 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 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.
- d) Bank Guarantee issued by a Bank in India at the request of some

other Non-Scheduled Bank of India shall not be acceptable.

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 online 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 **02 (Two)** years.

11.11 The scanned copy of the original Bid Security in the form of either Bank Guarantee or LC 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 CGM-Contracts, Oil India Ltd., Duliajan-786602 (Assam), India in a sealed envelope which must reach CGM-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 indicating the Tender No. CDG4007P20 to HDFC Bank Limited, Duliajan Branch, Utopia Complex, BOC Gate, Jayanagar, Duliajan, Dibrugarh, PIN – 786602. The Bank details are as under:

	Bank Details of Beneficiary	
A	Bank Name	HDFC BANK LTD
B	Branch Name	DULIAJAN
C	Branch Address	Utopia Complex, BOC Gate, Jayanagar, Duliajan, Dibrugarh, PIN – 786602
D	Banker Account No.	21182320000016
E	Type of Account	Current Account
F	IFSC Code	HDFC0002118
G	MICR Code	786240302
H	SWIFT Code	HDFCINBBCAL

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.

14.0 SIGNING OF BIDS:

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 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 authorization (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 Proformas (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 super scribing 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 01 (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 or E-Portal. However, an authorization 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.

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.

21.5 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.

21.6 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.

21.7 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 B.C. Selling market rate of exchange declared by State Bank of India, Kolkata CAG branch 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
- d) Bank Guarantee issued by a Bank in India at the request of some other Non-Scheduled Bank of India shall not be acceptable.

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 02 (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 02 (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 03 (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 mobilization 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 02 months beyond completion of mobilization and the same may be invoked in the event of Contractor's failure to mobilize as per agreement.

33.3 In the event of any extension to the mobilization 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 03 (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 Shri Sutanu Behuria, IAS (Retd.);
E-mail id: sutanu2911@gmail.com
- b. Shri Jagmohan Garg, Ex-Vigilance Commissioner, CVC
E-Mail id: jagmohan.garg@gmail.com
- c. Shri Rudhra Gangadharan, IAS (Retd.), Ex-Secretary, Ministry of Agriculture
E-mail id: rudhra.gangadharan@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-20013/2/2017-FP-PNG dated 07.10.2019 (attached as Annexure-AA) 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 EMD exemption 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. Tenders involving eligible/qualified MSME Vendors as well as LC Vendors, preference regarding placement of order shall be accorded to MSME Vendors in line with Public Procurement Policy over PP-LC Policy.

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 **40%**

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. _____.”

The percentage of local content in the bid is _____%”.

37.2.2 Above undertaking shall be supported by the following certificate from Statutory Auditor engaged by the bidder or Cost Auditor of the company (in the case of companies) or from a practising cost accountant or practicing chartered accountant (in respect of suppliers other than companies), on the letter head of such Statutory Auditor etc.

“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).

The percentage of local content in the bid is _____%”.

Note: In case of foreign bidder, certificate (with regard to the fulfillment of minimum mandatory local content requirement) from the Statutory Auditor or Cost Auditor of their own office or subsidiary in India giving the percentage of local content is also acceptable. In case, office or subsidiary in India does not exist or Indian office/ subsidiary is not required to appoint Statutory Auditors or Cost auditors, certificate from practicing cost accountant or practicing Chartered Accountant in India or practicing cost accountant in India shall also be acceptable.

37.2.3 At the bidding stage the bidder shall provide undertaking, certificate as per provisions under clause 37.2.1 and 37.2.2 above.

Sample format for calculation of LC may be seen in Enclosure-III of PP-LC Policy **(Annexure-AA)**. Bidders confirmation on LC shall be based on the calculation shown in this enclosure. However, this enclosure shall not be required to be included in the bid or uploaded by the bidder in the e-procurement portal in case of e-tender.

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) L1 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-20013/2/2017-FP-PNG dated 07.10.2019**.

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 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 the percentage of Local Content in the bid as per provisions under clause No. 37.3 above.
- (ii) Bidder must have LC in excess of the specified requirement.

b) Undertaking by the bidder

- i. The bidder shall submit an undertaking as per clause No. 37.1 from the authorized signatory of bidder having the power of Attorney along with the techno-commercial bid stating the bidder meets the mandatory minimum LC requirement and such undertaking shall become a part of the contract.

The above undertaking submitted by the bidder shall be supported by a certificate from Statutory Auditor or Cost Auditor of the company(in the case of companies) or from a practising Cost Accountant or practicing Chartered Accountant (in respect of other than companies) giving the percentage of local content as per clause No. 4.2.

However, in case of foreign bidder, certificate from the Statutory Auditor or Cost Auditor of their own office or subsidiary in India giving the percentage of local content is also acceptable. In case, office or subsidiary in India does not exist or Indian office/subsidiary is not required to appoint Statutory Auditor or Cost auditor, certificate from practicing Cost Accountant in India or practicing Chartered Accountant in India giving the percentage of local content is also acceptable.

- ii. The Bidder shall submit undertaking alongwith the techno-commercial bid categorically confirming that in the event of an order under PP-LC, they will furnish additional bank guarantee pursuant to clause No. 37.11.4 below.

37.10.1.2 After Contract Award

- a) The bidder shall submit an undertaking from the authorized signatory of bidder having the power of Attorney alongwith the bid stating the bidder meets the mandatory minimum LC requirement and such undertaking shall become a part of the contract.

The above undertaking submitted by the bidder shall be supported by a certificate from Statutory Auditor or Cost Auditor of the company(in the case of companies) or from a practising Cost Accountant or practicing Chartered Accountant (in respect of other than companies) giving the percentage of local content.

However, in case of foreign bidder, certificate from the Statutory Auditor or Cost Auditor of their own office or subsidiary in India giving the percentage of local content is also acceptable. In case, office or subsidiary in India does not exist or Indian office/subsidiary is not required to appoint Statutory Auditor or Cost auditor, certificate from practicing Cost Accountant in India or practicing Chartered Accountant in India giving the percentage of local content is also acceptable.

- b) Bidder must submit Additional Bank Guarantee pursuant to clause No. 37.11.4 within 30 days of award of contract under PP-LC.

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 being floated on the concept of Framework Contract to finalize the technically qualified bidders for the whole scope of work under three categories. However, for this contract, services for 08 (Eight) nos. of ESP's for two categories will be awarded to the lowest techno-commercially acceptable bidder against this tender. This framework agreement will be for a duration of 02 (Two) years from the commencement of 1st service contract awarded against this framework agreement.

Based on the requirement of OIL, within these terms and conditions and scope of work of the tender, Price Bid and Financial Criteria - Net Worth and Annual Turnover, etc., if needed for the specific service will be sought from all the technically qualified bidder(s) 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 the 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. All the documents related to BRC must be submitted along with the Techno-Commercial Bid.

1.0 A. TECHNICAL EVALUATION CRITERIA: The bidder must meet the following criteria failing which offer shall be rejected.

1.1 EXPERIENCE:

- i) The bidder shall be an Original Equipment Manufacturer (OEM) having experience in manufacturing of at least 04 (Four) nos. of Electrical Submersible Pump (ESP) systems in the last 07 (Seven) years reckoned from the original bid closing date.

OR

The bidder shall have experience in successfully executing Installation, Commissioning and Operation & Maintenance (O&M) of at least 04 (Four) nos. of ESP systems in any oilfield company in the last 07 (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. 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.).

- b. All the subsurface equipment offered for this tender shall be unused and should be of recent manufactured not before 01.01.2017. 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/Wellhead Flow Assurance/ESP operations/Wellhead Production Facility/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.
- 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.
- a) Consortium bids shall be submitted with a Memorandum of Understanding between the consortium members duly executed-by the authorized executives of the consortium members. Notarization must accompany the bid which should clearly define the 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:
- b) Only the Leader of the consortium shall buy the bid document and submit bid on behalf of the consortium. The other members of the Consortium shall ratify all the acts and decisions of the Leader of Consortium, which are taken in connection with and/or during the evaluation of the tender and execution of the contract.
- i) 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.
- ii) The leader of the consortium on behalf of the consortium shall coordinate with OIL during the period the bid is under evaluation as well as during the execution of works in the event contract is awarded and he shall also be responsible for resolving dispute/misunderstanding/undefined activities, if any, among all the consortium members.
- iii) Any correspondence exchanged with the leader of consortium shall be binding on all the consortium/joint venture members.
- iv) Payment shall be made by OIL only to the leader of the consortium towards fulfilment of contract obligations.
- v) In case of Consortium bids, the bid shall be digitally signed by the leader of Consortium. The Power of Attorney from each member authorizing the leader for signing and submission of Bid on behalf of individual member must accompany the Bid offer.

- vi) Documents/details submitted with the bidding document pertaining to qualification must be furnished by each partner/member of consortium and should be complete in all respects clearly bringing up their experience especially in the form of work in their scope.
- vii) Signing of Contract: In the event of award of contract to the consortium, the contract to be signed by the members of the consortium and the liability of each one of them shall be jointly and severally.

Members of the consortium are not allowed to quote separately/independently against this tender. All the bids received in such case will be summarily rejected. Further, all bids from parties with technical support from the same Principal will be rejected.

- 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 **[supporting company]** in which the parent company has 100% stake **or** parent company can also be considered on the strength of its 100% subsidiary **[supporting company]**. 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.

In both the situations mentioned above, following conditions are required to be fulfilled/documents to be submitted:

- (i) Undertaking by the supporting company to provide a Performance Security (as per format and instructions enclosed as Annexure-VI(d)), equivalent to 50% of the value of the Performance Security which is to be submitted by the bidding company, in case the supported bidding company is the successful bidder. In cases where foreign based

supporting company does not have Permanent Establishment in India, the bidding company can furnish Performance Security for an amount which is sum of Performance Security amount to be submitted by the bidder and Performance Security amount required to be submitted by the supporting company. In such case bidding company shall furnish an undertaking that their foreign based supporting company is not having any Permanent Establishment in India in terms of Income Tax Act of India.

- (ii) Undertaking from the supporting company to the effect that in addition to invoking the Performance Security submitted by the contractor, the Performance Security provided by supporting company shall be invoked by OIL due to non-performance of the contractor.

Note: In case Supporting company fails to submit Performance Bank Guarantee as per (i) above, Bid Security submitted by the bidder shall be forfeited and the bidder shall be dealt as per the Banning Policy (available in OIL's website) of Company.

- 1.7 **Bidders quoting under the categories as mentioned under clause no. 1.2, 1.4 and 1.6 above should provide the respective services including key personnel for a minimum duration of 50% of the Contract period during execution of the contract. A declaration as per Annexure-VII in this respect to be submitted as part of technical bid.**

- 1.8 **MOBILISATION TIME:**

The bidders must confirm their compliance in their "Technical" bid to complete the mobilization as tabulated below:

Phases of ESP system delivery	Delivery time	ESP systems to be delivered	Cumulative number of ESP systems Delivered
1st Phase	0-120 days from issuance of LOA	2	2
2nd Phase	120 days from issuance of mobilization notice for 2 nd phase.	2	4
3rd Phase	120 days from issuance of mobilization notice for 3 rd phase.	2	6
4th Phase	120 days from issuance of mobilization notice for 4 th phase.	2	8

Offers without confirmation of stipulated mobilization time as above shall be summarily rejected. The bidder shall confirm compliance of this in their technical bid.

NOTE: The capacity and the fuel type of the ESP unit to be mobilized shall be intimated at the time of issuance of LOA/Mobilization Notice.

B. FINANCIAL EVALUATION CRITERIA:

- 1.0** The bidder shall have an annual financial turnover of minimum **Rs. 5.17 Crore** (or equivalent **0.716 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, any member of the Consortium shall have an annual financial turnover of minimum **Rs. 5.17 Crore** (or equivalent **0.716 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. 2.58 Crore** (or equivalent **0.357 million USD**) during any of the preceding 03 (Three) financial/accounting years reckoned from the original bid closing date. Support from parent/supporting company is not allowed to meet the financial criteria.
- 3.0** "Net worth of bidder should be **Rs. 1.5 Crores** (or equivalent **0.207 million USD**) as per immediate preceding audited financial year result. In case of consortium bidding net worth for all the consortium member should be **Rs. 1.5 Crores** (or equivalent **0.207 million USD**) as per immediate preceding audited financial year result.

Note: the Net worth to be considered against Clause 3.0 above should be read in conjunction with the definition of Net Worth a mentioned in Section 2 (57) of the Companies Act, 2013.

4.0 Working Capital:

The Bidder should have minimum working capital equal to **Rs. 1.5 Crores** (or equivalent **0.207 million USD**) as per immediate preceding audited financial year result. In case of consortium bidding net worth combining all the consortium member should be **Rs. 1.5 Crores** (or equivalent **0.207 million USD**) as per immediate preceding audited financial year result.

In addition to above the bidder should submit a financial resource/cash flow plan for execution of this contract.

Note: Working Capital shall mean "Current Assets minus Current liabilities" as per latest year's audited consolidated annual Financial Statements.

- 5.0 Debt equity ratio:** Debt equity ratio of the bidder should not be more than 2:1. Debt equity ratio shall mean long term borrowings/Net-worth. In case of consortium bidding, Debt equity ratio should be complied by all the

consortium members.

Note: In case the financial statements submitted by the bidder are in currencies other than INR, BC selling rate declared by State Bank of India CAG Branch, Kolkata prevailing on one day prior to bid closing date shall be considered for converting it into INR.

- 6.0** 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 (as the case may be) has actually not been audited as on the Original bid closing date as per format.

NOTE:

- (a) For proof of Annual Turnover & Net worth, any one of the following documents 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.
 - iii) Mention of UDIN (Unique Document Identification Number) is mandatory for all certificates issued w.e.f February 1, 2019 by Chartered Accountant in Practice.
- (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.

- 7.0** 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) Documents to substantiate that 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”.

8.0 In case the Audited Balance sheet and Profit Loss Account submitted along with the bid are in currencies other than INR or USD, the bidder shall have to convert the figures in equivalent INR or USD 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 USD.

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 should be valid for 120 (One Hundred Twenty) days from the bid closing date. Bids with shorter validity will be rejected as being non-responsive.
- 4.0** Unless exempted as per Clause No. 12.0 of ITB of tender, Bid Security in Original [INR 38.02 Lakhs or 0.053 million USD to be specified in the Tender covering Letter] 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** 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 initialed 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 (CAG Branch, Kolkata), 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 03 (Three) months, then B.C. Selling (Market) rate of exchange declared by SBI (CAG Branch, Kolkata) 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 price schedule format vide enclosed **Proforma - B**.
- 5.0** Price is to be quoted Unit wise based on Genset fuel i.e. Gas and Diesel separately. However, evaluation shall be done on the basis of the total quoted price i.e. the summation of price for 03 nos. 10-30 KLPD Gas based ESPs, 02 nos. 10-30 KLPD Diesel based ESPs, 02 nos. 30-60 KLPD Gas based ESPs and 01 no. 30-60 KLPD Diesel based ESP. 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** **Award Criteria:** The Present requirement is for 05 (Five) nos. of 10-30 KLPD (03 nos. Gas based ESPs and 02 nos. Diesel based ESPs) capacity and 03 (Three) nos. of 30-60 KLPD Capacity ESP (02 nos. Gas based ESPs and 01 no. Diesel based ESP) Service package only. Contract shall be awarded to the lowest L1 bidder based on their total quoted price.
- 7.0** 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, Basic Customs Duty is not payable as per the policy of the Govt. of India. Bidders should take note of the same while quoting. No Basic Customs duty is therefore considered for evaluation.

4.1 In terms of Sl. No. 404 of the Customs Notification No.50/2017-Cus dated 30.06.2017, imports of the items specified in List 33 of the Notification are subject to levy of concessional rate of customs duty @5% (BCD Nil & IGST @5%) subject to conditions specified therein (Condition No. 48). However, this is subject to change as per Government guidelines and the provisions ruling at the time of tender closing will be applicable.

4.2 Similarly, the domestic supply of such goods would attract 5% GST (i.e. IGST or CGST & SGST/UTSGT) on submission of EC in terms of GST Notification No. 03/2017.

5.0 PURCHASE PREFERENCE CLAUSE:

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 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.

5.2 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.

5.3 In case any part of the work is sub-contracted (Except for O&M as per clause 4.0 of SOW/TOR) 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.

5.4 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.

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

5.5.1 Purchase preference policy-linked with Local Content (PP - LC) notified vide Letter No. 20013/2/2017-FP-PNG dated 07.10.2019 of MoP&NG shall be applicable in this tender (*Annexure- XII enclosed*).

5.5.2 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

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

Clause No.	Description	Reference File No. and Page No. of Bidder's Quote	Provided/ complied	Not Provided/not complied
	This tender is being floated on the concept of Framework Contract to finalize the technically qualified bidders for the whole scope of work under three categories. However, for this contract, services for 08 (Eight) nos. of ESP's for two categories will be awarded to the lowest techno-commercially acceptable bidder against this tender. This framework agreement will be for a duration of 02 (Two) years from the commencement of 1st service contract awarded against this framework agreement.			
I.	<u>BID EVALUATION CRITERIA (BEC)</u> 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 the 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. All the documents related to BRC must be submitted along with the Techno-Commercial Bid.			

1.0	A. TECHNICAL EVALUATION CRITERIA: The bidder must meet the following criteria failing which offer shall be rejected. 1.1 EXPERIENCE: i) The bidder shall be an Original Equipment Manufacturer (OEM) having experience in manufacturing of at least 04 (Four) nos. of Electrical Submersible Pump (ESP) systems in the last 07 (Seven) years reckoned from the original bid closing date. OR The bidder shall have experience in successfully executing Installation, Commissioning and Operation & Maintenance (O&M) of at least 04 (Four) nos. of ESP systems in any oilfield company in the last 07 (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 the subsurface equipment offered for this tender shall be unused and should be of recent manufactured not before 01.01.2017. Bidder has to provide self-declaration confirming compliance to the same.			
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1.2	<u>BID FROM INDIAN COMPANY/INDIAN JOINT VENTURE COMPANY WITH TECHNICAL COLLABORATION/JOINT VENTURE PARTNER:</u> 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: - 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/Wellhead Flow Assurance/ESP operations/Wellhead Production Facility/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. - The primary bidder shall meet the financial criteria Clause B, sub-clauses 1.0, 2.0, 3.0, 4.0 and 5.0 below. - 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 <u>partner clearly indicating their roles under the scope of work</u> which shall be addressed to OIL and shall remain valid and binding for the contract period under this tender.			

1.4	<u>BID FROM CONSORTIUM OF COMPANIES:</u> 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. a) Consortium bids shall be submitted with a Memorandum of Understanding between the consortium members duly executed-by the authorized Executives of the consortium members. Notarization must accompany the bid which should clearly define the 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: b) Only the Leader of the consortium shall buy the bid document and submit bid on behalf			
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	of the consortium. The other members of the Consortium shall ratify all the acts and decisions of the Leader of Consortium, which are taken in connection with and/or during the evaluation of the tender and execution of the contract. i) 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. ii) The leader of the consortium on behalf of the consortium shall coordinate with OIL during the period the bid is under evaluation as well as during the execution of works in the event contract is awarded and he shall also be responsible for resolving dispute/misunderstanding/undefined activities, if any, amongst all the consortium members. iii) Any correspondence exchanged with the leader of consortium shall be binding on all the consortium/joint venture members. iv) Payment shall be made by OIL only to the leader of the consortium towards fulfilment of contract obligations. v) In case of Consortium bids, the bid shall be digitally signed by the leader of Consortium. The Power of Attorney from each member authorizing the leader for signing and submission of Bid on behalf of individual member must accompany the Bid offer. vi) Documents/details submitted with the bidding document pertaining to qualification must be furnished by each partner/member of consortium and should be complete in all respects clearly bringing up their experience especially in the form of work in their scope. vii) Signing of Contract: In the event of award of			
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	contract to the consortium, the contract to be signed by the members of the consortium and the liability of each one of them shall be jointly and severally. Members of the consortium are not allowed to quote separately/independently against this tender. All the bids received in such case will be summarily rejected. Further, all bids from parties with technical support from the same Principal will be rejected.			
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	<u>ELIGIBILITY CRITERIA IN CASE BIDS ARE SUBMITTED ON THE BASIS OF EXPERIENCE OF THE PARENT/SUBSIDIARY COMPANY:</u> 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 [supporting company] in which the parent company has 100% stake or parent company can also be considered on the strength of its 100% subsidiary [supporting company]. 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-subsubsidiary 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. In both the situations mentioned above, following			

	conditions are required to be fulfilled/documents to be submitted: (i) Undertaking by the supporting company to provide a Performance Security (as per format and instructions enclosed as Annexure-VI(d)), equivalent to 50% of the value of the Performance Security which is to be submitted by the bidding company, in case the supported bidding company is the successful bidder. In cases where foreign based supporting company does not have Permanent Establishment in India, the bidding company can furnish Performance Security for an amount which is sum of Performance Security amount to be submitted by the bidder and Performance Security amount required to be submitted by the supporting company. In such case bidding company shall furnish an undertaking that their foreign based supporting company is not having any Permanent Establishment in India in terms of Income Tax Act of India. (ii) Undertaking from the supporting company to the effect that in addition to invoking the Performance Security submitted by the contractor, the Performance Security provided by supporting company shall be invoked by OIL due to non-performance of the contractor. Note: In case <u>Supporting company</u> fails to submit Performance Bank Guarantee as per (i) above, Bid Security submitted by the bidder shall be forfeited and the bidder shall be dealt as per the Bidding Policy (available in OIL's website) of Company.			
1.7	Bidders quoting on the technical strength of Technical collaborator/Subsidiary/Parent company experience/Joint Venture Partner experience (who qualifies the Technical requirement as per the tender qualifying criteria) should provide the respective services including key personnel for a minimum duration of 50% of the Contract period during execution of the contract. A declaration as per Annexure-VII in this respect to be submitted as part of technical bid.			

1.8	<u>MOBILISATION TIME:</u> The bidders must confirm their compliance in their “Technical” bid to complete the mobilization as tabulated below: <table><tr><th>Phases of ESP system delivery</th><th>Delivery time</th><th>ESP systems to be delivered</th><th>Cumulative number of ESP systems Delivered</th></tr><tr><td>1st Phase</td><td>0-120 days from issuance of LOA</td><td>2</td><td>2</td></tr><tr><td>2nd Phase</td><td>120 days from issuance of mobilization notice for 2nd phase.</td><td>2</td><td>4</td></tr><tr><td>3rd Phase</td><td>120 days from issuance of mobilization notice for 3rd phase.</td><td>2</td><td>6</td></tr><tr><td>4th Phase</td><td>120 days from issuance of mobilization notice for 4th phase.</td><td>2</td><td>8</td></tr></table> Offers without confirmation of stipulated mobilization time as above shall be summarily rejected. The bidder shall confirm compliance of this in their technical bid. NOTE: The capacity and the fuel type of the ESP unit to be mobilized shall be intimated at the time of issuance of LOA/Mobilization Notice.	Phases of ESP system delivery	Delivery time	ESP systems to be delivered	Cumulative number of ESP systems Delivered	1st Phase	0-120 days from issuance of LOA	2	2	2nd Phase	120 days from issuance of mobilization notice for 2 nd phase.	2	4	3rd Phase	120 days from issuance of mobilization notice for 3 rd phase.	2	6	4th Phase	120 days from issuance of mobilization notice for 4 th phase.	2	8			
Phases of ESP system delivery	Delivery time	ESP systems to be delivered	Cumulative number of ESP systems Delivered																					
1st Phase	0-120 days from issuance of LOA	2	2																					
2nd Phase	120 days from issuance of mobilization notice for 2 nd phase.	2	4																					
3rd Phase	120 days from issuance of mobilization notice for 3 rd phase.	2	6																					
4th Phase	120 days from issuance of mobilization notice for 4 th phase.	2	8																					
B.	<u>FINANCIAL EVALUATION CRITERIA:</u> 1.0 The bidder shall have an annual financial turnover of minimum Rs. 5.17 Crore (or equivalent ... 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, any member of the Consortium shall have an annual financial turnover of minimum Rs. 5.17 Crore (or equivalent 0.716 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. 2.58 Crore (or equivalent 0.357 million USD) during any of the preceding 03 (Three) financial/accounting years reckoned from the original bid closing date. Support from parent/supporting company is not allowed to meet the financial criteria. 3.0 "Net worth of bidder should be Rs. 1.5 Crores (or equivalent 0.207 million USD) as per immediate preceding audited financial year result. In case of consortium bidding net worth for all the consortium member should be Rs. 1.5 Crores (or equivalent 0.207 million USD) as per immediate preceding audited financial year result. Note: the Net worth to be considered against Clause 3.0 above should be read in conjunction with the definition of Net Worth a mentioned in Section 2 (57) of the Companies Act, 2013. 4.0 Working Capital: The Bidder should have minimum working capital equal to Rs. 1.5 Crores (or equivalent 0.207 million USD) as per immediate preceding audited financial year result. In case of consortium bidding net worth combining all the consortium member should be Rs. 1.5 Crores (or equivalent 0.207 million USD) as per immediate preceding audited financial year result. In addition to above the bidder should submit a financial resource/cash flow plan for execution of this contract. Note: Working Capital shall mean “Current Assets minus Current liabilities” as per latest year’s audited consolidated annual Financial Statements. 5.0 Debt equity ratio: Debt equity ratio of the			
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bidder should not be more than 2:1. Debt equity ratio shall mean long term borrowings/Net-worth. In case of consortium bidding, Debt equity ratio should be complied by all the consortium members.

Note: In case the financial statements submitted by the bidder are in currencies other than INR, BC selling rate declared by State Bank of India CAG Branch, Kolkata prevailing on one day prior to bid closing date shall be considered for converting it into INR.

6.0 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 (as the case may be) has actually not been audited as on the Original bid closing date as per format.

NOTE:

(a) For proof of Annual Turnover & Net worth, any one of the following documents 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. iii) Mention of UDIN (Unique Document Identification Number) is mandatory for all certificates issued w.e.f February 1, 2019 by Chartered Accountant in Practice. (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. 7.0 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) Documents to substantiate that 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”. 8.0 In case the Audited Balance sheet and Profit Loss Account submitted along with the bid are in currencies other than INR or USD, the bidder shall have to convert the figures in equivalent INR or USD 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			
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	in equivalent INR or USD.			
	NOTES: OIL reserves the right to ask for any Original or other relevant document to verify the certification.			
C.	<u>COMMERCIAL EVALUATION CRITERIA:</u> 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 should be valid for 120 days from the bid closing date. Bids with shorter validity will be rejected as being non-responsive. 4.0 Unless exempted as per Clause No. 12.0 of ITB of tender, Bid Security in Original [INR 38.02 Lakh or 0.053 million USD to be specified in the Tender covering Letter] 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 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 initialed 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			
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	viii) Withholding Clause ix) Liquidated damages Clause x) Firm price xi) EMD/Bid bond xii) Integrity Pact			
D.	<u>PRICE EVALUATION CRITERIA:</u> 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 (CAG Branch, Kolkata), 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 03 (Three) months, then B.C. Selling (Market) rate of exchange declared by SBI (CAG Branch, Kolkata) 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 price schedule format vide enclosed Proforma - B. 5.0 Price is to be quoted Unit wise based on Genset fuel i.e. Gas and Diesel separately. However, evaluation shall be done on the basis of the total quoted price i.e. the summation of price for 03 nos. 10-30 KLPD Gas based ESPs, 02 nos. 10-30 KLPD Diesel based ESPs, 02 nos. 30-60 KLPD Gas based ESPs and 01 no. 30-60 KLPD Diesel based ESP. 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 Award Criteria: The Present requirement is for 05 (Five) nos. of 10-30 KLPD (03 nos. Gas based ESPs and 02 nos. Diesel based ESPs) capacity and 03 (Three) nos. of 30-60 KLPD Capacity ESP (02 nos. Gas based ESPs and 01 no. Diesel based ESP) Service package only. Contract shall be awarded to the lowest L1 bidder based on their total quoted price. 7.0 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.	<u>GENERAL:</u> 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 <u>CUSTOMS DUTY:</u> 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, Basic Customs Duty is not payable as per the policy of the			

	Govt. of India. Bidders should take note of the same while quoting. No Basic Customs duty is therefore considered for evaluation. 4.1 In terms of Sl. No. 404 of the Customs Notification No.50/2017-Cus dated 30.06.2017, imports of the items specified in List 33 of the Notification are subject to levy of concessional rate of customs duty @5% (BCD Nil & IGST @5%) subject to conditions specified therein (Condition No. 48). However, this is subject to change as per Government guidelines and the provisions ruling at the time of tender closing will be applicable. 4.2 Similarly, the domestic supply of such goods would attract 5% GST (i.e. IGST or CGST & SGST/UTSGT) on submission of EC in terms of GST Notification No. 03/2017. 5.0 <u>PURCHASE PREFERENCE CLAUSE:</u> 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 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. 5.2 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. 5.3 In case any part of the work is sub-contracted (Except for O&M as per clause 4.0 of SOW/TOR) 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.			
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	5.4 <u>DOCUMENTATION REQUIRED TO BE SUBMITTED BY MSEs:</u> 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. 5.5 Purchase preference Policy (linked with Local Content) (PP-LC) 5.5.1 Purchase preference policy-linked with Local Content (PP - LC) notified vide Letter No. 20013/2/2017-FP-PNG dated 07.10.2019 of MoP&NG shall be applicable in this tender (<i>Annexure-XII enclosed</i>). 5.5.2 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	<u>COMPLIANCE OF THE COMPETITION ACT, 2002:</u> 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.			

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 03 (Three) completed accounting years upto **(as the case may be)** are correct.

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

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

Place:

Date:

Seal:

Membership No. :

Registration Code:

Signature

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 from

the Date Company notifies the Contractor in writing (through Letter of Award) that it has been awarded the Contract. This date of issue of LOA shall be treated as the Effective Date of the Contract.

2.2 **MOBILISATION TIME:** The mobilization shall be carried out in accordance to the mobilization Clause as mentioned under SCC [Part- 3, Section-III].

2.3 **DATE OF COMMENCEMENT OF OPERATION:** Date, on which the mobilization (manpower along with equipment & accessories) to the nominated 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 contract duration shall be in accordance to the duration of contract as mentioned under SCC [Part- 3, Section-III].

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 Contractors shall be deemed to have satisfied themselves before submitting their bids 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 in so far 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 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 within 10 (Ten) days for personnel of Indian origin and 21 (Twenty One) days for foreign residents, 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, enroute boarding, lodging, medical attention etc. Company shall have no liability or responsibility in this regard. Successful Contractor shall have to arrange lodging, boarding and local transport during entire period of the project. The Contractor shall establish an office at Duliajan, Assam and maintain for entire period of the contract.

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 it shall perform the work in a professional manner and in accordance with the highest degree of quality, efficiency and current state of the art technology/Contractor field practices and in conformity with all specifications and standards 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 such time the Contractor's Equipment are in the base camp designated by OIL after issuance of demobilization notice/expiry of contract 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 provided by the Company 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 this 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 the 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 this contract for submitting the same to the Tax authorities, on specific request from them. 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, if 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.

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/Contractor 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/Contractor 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/Contractor, 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/Contractor 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/Contractor is denied by the tax authorities to OIL for reasons attributable to Contractor/ Contractor, OIL shall be entitled to recover such amount from the Contractor/ Contractor 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/Contractor's bill at applicable rate and a certificate as per rules for tax so deducted shall be provided to the contractor/Contractor.

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 Contractor 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 authorized 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 Contractor 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 Contractor 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 subcontractor, 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 14 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 72 (Seventy Two) 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 [if applicable]. Parties will have the right to terminate the Contract if such 'force majeure' conditions continue beyond 30 (Thirty) 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 15 (Fifteen) 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:

Claim amount (excluding claim for interest and counter claim, if any)	Number of Arbitrator	Appointing Authority
Upto Rs. 25.00 Lakh	Not applicable	Not applicable
Above Rs. 25.00 Lakh Upto Rs. 10 Crore	Sole Arbitrator	OIL
Above Rs. 10Crore	3 Arbitrators	One Arbitrator by each party and the 3 rd 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 pendent-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 complete the proceedings, make and publish the award within time stipulated in the Arbitration and Conciliation Act, 1996(as amended)

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. Where the proceedings are put in abeyance or terminated on account of mutual settlement of dispute by the parties, the fees payable to the arbitrators shall be determined as under:

- (i) 20% of the fees if the claimant has not submitted statement of claim.
- (ii) 40% of the fees if the pleadings are complete
- (iii) 60% of the fees if the hearing has commenced.
- (iv) 80% of the fees if the hearing is concluded but the award is yet to be passed.

9. Each party shall be responsible to make arrangements for the travel and stay etc. of the arbitrator appointed 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 **14.1 & 14.2** will be Duliajan, 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:

Company

a) **For contractual matters**

CGM (Contracts)
OIL INDIA LIMITED
PO DULIAJAN - 786602
ASSAM, INDIA
Fax No. 91-374-2803549
Email: contracts@oilindia.in

b) **For technical matters**

CGM [PSS]
OIL INDIA LIMITED
PO Duliajan - 786602,
Assam, India
Fax No. 91-374-2800498
Email: prodoil@oilindia.in

c) **Contractor**

Fax No. :

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-Contractor who is a Micro or Small Enterprise 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 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:

- a) Time is the essence of this Contract. If the CONTRACTOR fails to mobilize and deploy the required manpower/equipment and/or fails to commence the operation within the period specified under Mobilisation clause under SCC, OIL shall have, without prejudice to any other right or remedy in law or contract including sub clause (b) below, the right to terminate the contract.
- b) If the contractor is unable to mobilize/deploy and commence the operation within the period specified in sub clause (a) above, the contractor may request OIL for extension of the time with unconditionally agreeing for levy and recovery of LD. Upon receipt of such a request, OIL may at its discretion, extend the period of mobilization and shall recover from the CONTRACTOR, as an ascertained and agreed Liquidated Damages, a sum equivalent to @0.5% of contract value including mobilization cost, per week or part thereof of delay subject to maximum of 7.5% of the Contract Price.
- c) 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 on the part of the CONTRACTOR and the said amount will be payable without proof of actual loss or damage caused by such delay.
- d) LD will be calculated on the basis of Total Contract value (if not specified otherwise in SCC) excluding duties and taxes, where such duties/taxes have been shown separately in the contract. However, the applicable GST on the LD shall have to be borne by the CONTRACTOR. Accordingly, the liquidated damages shall be recovered from the CONTRACTOR along with applicable GST.

19.0 PERFORMANCE SECURITY: The Contractor has furnished to Company a Bank Guarantee No. _____ dated _____ issued by _____ for _____ (being 10% of the Annualized Contract

Value) with validity of 90 (Ninety) days 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 labor 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 laborers should conform to the provisions of labor laws as per contract Labor (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 willful misconduct and/or Criminal Acts,

(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 100% 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 unauthorized 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, 2017
- 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 authorized 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 authorized 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 30.1 to 30.2 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, Contractors, 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 Duliajan 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 34.3 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 02 (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 AND TECHNICAL SPECIFICATIONS OF EQUIPMENT

1.0 DEFINITION OF WORK:

This section establishes the scope and schedule for the Work to be performed by the Contractor under the scope of this Framework Contract. References to specifications, instructions, and standards for materials, tools or equipment that the Contractor shall need to satisfy or adhere to in performance of the works are also covered under this section.

The Contractor shall provide 08 (Eight) sets of Electrical Submersible Pump Systems as per the equipment list given below with other associated equipment/tools on rental basis & perform Operation & Maintenance of the ESP systems for an initial period of 03 (Three) years.

Sl. No.	Capacity	No. of ESPs
1	10 – 30 m ³ per day	5
2	30 – 60 m ³ per day	3
3	60 – 100 m ³ per day	0

The equipment provided by the Contractor will be utilized by OIL for crude oil along with associated well fluid production in **OIL's** wells.

2.0 AREA OF OPERATION:

The area of operation as planned is in Assam.

The following information is for general guidelines to the Contractor:

- (a) Minimum width of the well site approach road: 3.66 m
- (b) Turning Radius of the roads: 15 m (Generally), 12 m (exceptionally)
- (c) Maximum allowable unit load inclusive of tare weight for Class AA loading: 45T
- (d) Maximum overhead clearance: 4.25 m (14 feet).
- (e) Highest recorded wind velocity in Assam: 80km/hour (60 MPH).
- (f) Max. Recorded ambient temp: 40° Celsius
- (g) Min. recorded ambient temp: 8° Celsius.
- (h) Weather Pattern: Frequent rains from March to September and occasional during the remaining period.
- (i) Nature of top soil: Usually Clay/Alluvium/Unconsolidated.
- (j) Source of water: Through shallow bore wells. In rare cases, where water cannot be drawn from bore wells, water is to be drawn from nearby rivers, pond or water body etc. nearer to the well site.
- (k) Average annual rainfall: 250/300 cm. (Rains for 7-8 months/year)
- (l) Humidity: Max. 98%

3.0 SCOPE OF WORK: The work is defined and described by, but not necessarily limited to, any or all of the following. The service to be carried out by the Contractor under this contract is as follows:

- A. Selection of suitable candidate wells for ESP installation
- B. Design of surface and sub surface ESP equipment
- C. Supply of designed ESP equipment on rental basis
- D. Assignment of field service specialists to work with OIL's rig crew during installation/de-installation/re-siting etc.
- E. Installation & Commissioning of ESP
- F. Operation & Maintenance of ESPs
 - Operation
 - Scheduled maintenance
 - Breakdown Maintenance if any
 - Supply of requisite manpower
- G. Spare Management
- H. Imparting Training to OIL's personnel

A. Selection of suitable candidate wells for ESP installation: OIL has planned to install 08 (Eight) nos. of ESPs in its Upper Assam oilfields. The capacity of the ESPs will be of the following categories:

Sl. No.	Capacity	Est. No. of ESPs
1	10 – 30 m ³ per day	5
2	30 – 60 m ³ per day	3
3	60– 100 m ³ per day	0

- i) Gas Genset based ESPs: 05 nos.
- ii) Diesel Genset based ESPs: 03 nos.

The representative well data for both categories are furnished in the design data sheets IA.

Representative Well data sheets contain basic information of well completions, reservoir data and fluid genetics etc. as necessary for selection of suitable wells for ESPs. The Contractor shall screen the given data for designing and sizing of suitable subsurface and other related surface equipment.

A list of candidate wells will be provided to the Contractor after issuance of LOA. The Contractor shall make a study of these wells and select 08 (Eight) wells which will be best suitable for the ESP systems. Accordingly, the Contractor shall submit a report to OIL within 30 days.

At the time of installation, the Contractor shall undertake analysis of the well data of specific well and design the well completion for ESP installation selecting pumps from any one of the stipulated categories as mentioned in above.

B. Designing of surface and sub surface ESP equipment: On the basis of well data supplied, the Contractor shall have to design surface and down hole ESP system equipment individually for all the wells. Designing of ESPs shall preferably be carried out with the help commonly used software like Sub-pump or equivalent. The design shall include downhole completion with representative schematic showing all the components and size and connections. Relevant design data sheets, graphs, load calculations of electrical equipment's etc. shall be furnished along with the bid. Based on the design calculation the Contractor shall select suitable downhole equipment like pump, motor, gas separator and surface equipment like Variable Speed Drive (VSD), Junction Box, Generator etc. The Contractor shall make a list of the offered equipment mentioning Make, Model, Quantity, dimensions etc in tabular form and shall be furnished along with the bid. The following design consideration shall be taken into account:

1. The furnished well data are indicative and may change to certain degree from the time of measurement. Therefore, appropriate allowances for the well parameters shall be added while designing the ESP system.
2. A Reservoir pressure depletion of 5 to 10% per year shall be assumed for all design calculations.
3. Designing of Pump setting depth shall be in such a way that the Fluid Over Pump (Pump submersion) be at its maximum to avoid failure of pump on account of dry run and to minimize down hole retrieval operations.

C. Supply of designed ESP equipment's on rental basis: The Contractor shall provide sets ESP systems of capacities as mentioned below as a complete package of equipment on rental basis for a period of 3 years of operation and with a provision for extension for upto 1 (one) year.

Sl. No.	Capacity	No. of ESPs
1	10 – 30 m ³ per day	5
2	30 – 60 m ³ per day	3
3	60 – 100 m ³ per day	0

Subsurface Equipment:

1. Submersible Electric Motor
2. Hydro protector
3. Gas Separator
4. Electric Submersible Pump
5. Pump Intake
6. Down hole Sensor
7. Downhole electric cable along with suitable and sufficient cable protectors
8. Check Valve
9. Tubing Drain
10. Discharge Head
11. Any other item not covered but required

Note: All the technical literature and documentation needs to be submitted by the bidder along with the bid as well as during mobilization inspection.

All subsurface equipment(s) offered must be unused and manufactured not before **01.01.2017**.

Besides, the above, the ESP system shall constitute the following:

I) Surface Equipment:

1. 5Kpsi rated Tubing Head Adapter Hanger (ref Drawing-A). The contract shall have a provision for four nos. cross over flange of 7.1/16" to accommodate the same in a 10K psi rated tubing head spool.
2. Junction Box
3. Transformer
4. Variable Speed (Frequency) Drive (VSD/VFD)
5. For Diesel Genset based ESPs -HSD powered Generator Set (01 unit per ESP system) (Acoustically enclosed).
6. For Diesel Genset based ESPs - HSD powered Generator Set unit (01 unit per ESP system) - to be kept as back up unit. (Acoustically enclosed).
7. For Gas Genset based ESPs - Gas Engine driven Generator Set (01 unit per ESP system) (Acoustically enclosed).
8. For Gas genset based ESPs - Gas Engine driven Generator Set (01 unit per ESP system) - to be kept as back up unit. (Acoustically enclosed).
9. Harmonic Filter (if needed)
10. Well head crossover to accommodate the well head
11. Any other item not covered but required

The contractor has to provide Gas based Genset/Diesel based Genset as required by OIL within a period of 30 days of issuance of notice for such genset or such change of genset. The genset offered shall be capable to meet all electrical load requirements for successful operation of the ESP service package as well as area illumination. Payment for Gas Genset based or Diesel Genset based ESP will be processed as per provisions in the Schedule of rates.

All surface equipment(s) offered must be manufactured not before **01.01.2017**.

II) Installation & Commissioning Tools:

The Contractor shall arrange for all the necessary installation & commissioning tools such as slips, elevator, cable Pulley, wrenches, all type of lubricants etc. specially required for ESP installation. Delivery Schedule of ESPs on site shall be as per the tabulation below:

Phases of ESP system delivery	Delivery time	ESP systems to be delivered	Cumulative number of ESP systems Delivered
1st Phase	0-120 days from issuance of LOA	2	2
2nd Phase	120 days from issuance of mobilization notice for 2 nd phase.	2	4
3rd Phase	120 days from issuance of mobilization notice for 3 rd phase.	2	6
4th Phase	120 days from issuance of mobilization notice for 4 th phase.	2	8

Note**: The capacity and type of Genset (Gas/Diesel) to be mobilized shall be intimated at the time of issuance of LOA/Mobilization Notice.

OIL will provide rigs to install the ESPs in the well envisaging 1 ESP package installation within 10 days' time and the contractor shall make the installed ESP package fully operational after installation of each ESP.

D. Assignment of field service specialists to work with OIL's rig crew:

After receiving of the ESP equipment at Duliajan, Assam, OIL shall arrange for deployment of well servicing rig for installation of ESP's down hole equipment. At the time of running in of ESP down hole equipment, the Contractor shall depute ESP engineer to instruct and assist the rig crew for proper installation of the same. Moreover the Contractor shall depute competent personnel to install and commission of the ESP system after completion of down hole pumps.

E. Installation & Commissioning of ESP:

As a parallel operation to that of para D above, the Contractor shall arrange for deployment of ESP Commissioning engineer to complete the installation and functional testing of the surface equipment (like Gen set, VSD etc.) at the OIL's designated wells. The ESP Commissioning engineer shall be present during the entire commissioning and installation period of all the ESPs. The commissioning engineer shall be fully responsible and shall take complete control of the installation and commissioning activities of the ESP packages at the well site. The ESP Commissioning engineer deployed must be fluent in English or local language.

Once the installation of the down hole equipment is completed, the

Contractor shall arrange for commissioning of the ESP system as a whole to the satisfaction of OIL. All tests shall be carried out in presence of OIL's Engineers and all test results shall be recorded in a proper manner and should be submitted to OIL.

HSD required for running of the Diesel based ESP Gensets shall be supplied by Contractor. Necessary fuel Gas (Natural Gas) required for running of the Gas based ESP Gensets shall be supplied by OIL. The supplied gas will be free of cost. The gas shall be supplied to a single point at the well site and the party shall arrange for extending the gas lines to their equipment.

During the installation and commissioning of Prime mover & Electric Controls following guideline are to be specifically adhered to:

- i) All works of installation shall be carried out in complete with latest BIS, IE rules, Indian Electricity Acts and National Electric codes.
- ii) If required, services of specialist Engineer(s) from the manufacturers of Motor and Control panel shall be made available by the Contractor for installation and commissioning of the equipment to the full satisfaction of OIL.
- iii) All electrical works shall be done by persons having relevant & valid electrical licenses issued by State Licensing Board.
- iv) Civil engineering works such as trench cutting, masonry jobs like grouting, levelling etc. shall be done by Contractor.
- v) The Contractor shall obtain permit to work from Engineer-in charge/Installation manager before taking up the installation and commissioning job.
- vi) Complete earthing system, including materials, shall be supplied and installed by the Contractor as per IS: 3043 and to the satisfaction of OIL.
- vii) All equipment's which shall be inside the "Hazardous Zone" should have valid DGMS approval.
- viii) Check of Electrical: The Contractor shall carry out the following checks of electrical equipment:
 - a. Conformity to the circuit diagram.
 - b. Protection schemes
 - c. Insulation checks
 - d. Earth resistance test
 - e. Tightness checks of circuits/control devices
 - f. Any other test as recommended by the manufacturer

The commissioning of the ESP system deems to be completed once the well is brought into production with the help of ESP and to the satisfaction of OIL. After completion of the jobs, the ESP commissioning engineer shall prepare a

complete commissioning report and submit it to OIL.

The Contractor must ensure that installation and commissioning of ESP systems is successfully completed to the satisfaction of OIL's engineer within 10 days of running in of ESP down hole pump. In the case of delay beyond the stipulated 10 days of installation and commissioning time due to any reason attributable to the Contractor, the Contractor shall be penalized as per provisions of the contract.

F. Operation & Maintenance of ESPs:

After successful commissioning of each ESP package, the Contractor shall undertake full responsibility for Operation and Maintenance of the same for a period of 03 (Three) years.

The scope of work under operation and maintenance of the ESPs includes all that are required for safe, trouble-free and uninterrupted operation of the supplied ESPs as per sound industry practices, for a period of 03 (Three) years. The Contractor shall undertake operation and maintenance (O&M) of the ESPs forthwith after completion of the installation and commissioning of the ESPs 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; 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, upkeep of the well plinth including periodic repainting.

Scope of operational and maintenance jobs: The Contractor shall carry out the following operations:

- a) Transportation of their men and materials to the respective installations is Contractor's responsibility. The Contractor must have sufficient transportation facilities for transfer of crew, materials etc. to the work locations.
- b) Operation of all surface and downhole equipment of Electric Submersible Pumping units round the clock in its oilfields and record all operating parameters in respect of equipment in the Log Sheets which are to be approved by OIL. This includes various hourly parameters of ESP units which are available at the monitor of Electrical control panel.
- c) **Day to day routine maintenance** - The Contractor shall carry out day to day routine maintenance including provision of spares and consumables at their cost and it will be part of O&M. Duration of routine maintenance shall be planned and fixed mutually.
- d) **Scheduled maintenance** - The Contractor shall design and carryout well planned preventive maintenance of the ESP units and it is expected that there will not be any breakdown of the ESPs units during the O&M period. Sufficient spares shall be kept in hand by the

Contractor prior to taking up maintenance job.

NOTE: Scheduled and routine Maintenance shall be planned in a manner to avoid any well downtime as far as practicably possible.

- e) **Breakdown maintenance** - In case of any breakdown of the ESP units the Contractor shall carryout breakdown maintenance at the earliest possible time. Sufficient spares shall be kept in hand by the Contractor prior to taking up the maintenance job.
- f) **Down hole Retrieval & Servicing:** If the maintenance demands the retrieval of down hole equipment from the well, OIL will provide requisite work-over rig service. Contractor shall intimate OIL at least 45 days in advance if such maintenance is required. OIL at its discretion may provide any other assistance which otherwise does not come under the purview of the service provider on consideration of request on case to case basis.

If there is any breakdown of downhole equipment, OIL shall provide requisite work-over rig service considering priority and availability of rigs subject to the following conditions:

- i) OIL will endeavour to provide rigs within 45 days from the notice of the contractor for retrieval of down hole equipment from the well. During the workover operation for retrieval of downhole ESP, the Contractor shall provide requisite manpower and services as per Clause 3.0 E above. During the period from the date of breakdown of equipment till start of Pulling out of ESP from hole, zero rates shall be applicable. Post Pull out of hole, failure analysis shall be carried out preferably in presence of OIL's officials. Based on the failure analysis outcome, penalty will be imposed for any reasons attributable to the contractor till the said ESP is functional. Daily rental charge and Operating day rates shall be payable after successful installation and commissioning of the ESP post rectification/ repair/ replacement of the ESP.
- ii) In case of multiple failure of ESP systems (i.e. more than one ESP at a time) only 01 rig at a time will be deployed to attend such cases. However, OIL may consider providing rigs for other wells depending on the priority of well, availability of rigs, rig movement. Zero rates and penalty as per (i) above will be also applicable for all shutdowns of ESP systems.
- iii) If there is more than one failure for a particular set of ESP downhole equipment which requires retrieval, OIL will endeavour to provide rigs within 90 days. Zero rates and penalty as per (i) above will be applicable for all shutdowns of ESP systems. Post Pull out of hole, failure analysis shall be carried out preferably in presence of OIL's officials. Based on the failure analysis outcome,

penalty will be imposed for any reasons attributable to the contractor till the said ESP is functional. Daily rental charge and Operating day rates shall be payable after successful installation and commissioning of the ESP post rectification/repair/replacement of the ESP.

- iv) If the downhole equipment is malfunctioning because of factors attributable to downhole conditions or any other reasons that are not attributable to the contractor, then no penalty shall apply.
- v) In cases where the ESP system is shifted from a particular location to another, the ESP system should run for minimum of remaining period of the duration of the contract failing which above clauses will be applicable.
- g) During the tenure of the contract, if OIL intends to shift ESP system from a particular location to another location due to uneconomical operation, the well fails to deliver desired level of production, reservoir and production related reasons or any other logistics or environmental problem, OIL shall notify the Contractor to terminate the operation for that particular well and direct to reinstallation of the ESPs to another well. The Contractor shall retrieve the down hole equipment from the well with the help of Workover rig provided by OIL. The Contractor shall arrange for transferring all the surface and subsurface equipment to another locations as designated by OIL.
- h) The Contractor shall provide and maintain general illumination of the installations.
- i) **Documentation:** The Contractor shall submit Preventive Maintenance Schedule along with the bid. Recording of various operational parameters shall be done in Log sheets and shall be submitted to OIL on daily basis.
- j) The Contractor shall adhere to the Safe Operating Procedure furnished to the Contractor for running of the units.
- k) **ASSOCIATION OF COMPANY'S PERSONNEL:**
 - i. OIL 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. OIL'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.
 - ii. OIL'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.

- iii. Joint inspection of the well sites with OIL representative and submit detailed report of the site condition prior to taking up the job.
- l) The contractor shall maintain cleanliness and up-keepment of the installations.
- m) The Contractor's personnel shall undertake the operation & maintenance of all the surface equipment including Gensets, VSD etc.
- n) All the consumables like Lube oil, Transformer oil and any other consumables shall be arranged by the Contractor for operation & maintenance of the ESP systems.
- o) **Operating time and Unit maintenance time:** There may be planned stoppage of the pump for periodic inspection, maintenance or any other scheduled jobs. Duration of such interruption shall be worked out mutually at the time of actual execution of the job based on technical justifications.
- p) The Company shall hand over the well sites secured with suitable fence where ESPs will be installed. The security of all the Contractor's equipment(s) including consumables and of the Contractor's personnel working in the respective installations shall be the Contractor's responsibility and liability. Company shall not be liable for any loss or damage of Contractor's equipment(s). Also, the Contractor shall be required to arrange for the requisite security through State Agencies for ensuring safe movement of their experts to the site.

G. Spare management:

Provision of managing Spares for the ESP's is the Contractor's responsibility. The Contractor shall keep sufficient stock of spares in hand so that the breakdown of any equipment can be attended and rectified in a quickest mode. If possible, some of the critical equipment shall be kept as back up for urgent replacement of the faulty unit.

H. Imparting Training to OIL's personnel:

- (i) The Contractor shall imparts training to at least 12 OIL's personnel at Company's headquarters, Duliajan free of cost on Electrical Submersible Pump system as mentioned below:
 - a) Data analysis and candidate selection
 - b) Pump design & selection of equipment
 - c) Installation & Commissioning of downhole and surface equipment

- d) Safe Operation & Maintenance of ESP's
- e) Monitoring of ESP system
- f) Trouble shooting

The training schedule will be divided into two modules:

- a) Class room training on all theoretical aspects for a period of one week
- b) On the job training during actual job operations without hampering the operations.

4.0 Sub-contracting - The Contractor shall not sub-contract the O&M of ESPs.

5.0 Safe operating practices - The Contractor before taking up O&M of the plant shall develop a Standard Operating Procedure (SOP) for operation and maintenance, schedule of routine and periodic maintenance of ESPs as per sound industry practices. Such SOP shall be duly approved by OIL and be strictly adhered to by the Contractor for operation and maintenance of the ESPs. The deputed personnel shall take all safety precautions during the works as per the prevailing statutory guidelines. However, should there be any accident caused to Contractor's personnel due to their negligence to safety rules, the Contractor shall be fully responsible for such accident.

6.0 Safety Regulations: The operation and maintenance of the ESPs shall be carried out strictly in accordance with provisions stipulated in Indian Mines act, Oil Mines Regulations, Indian Electricity Rules, OISD norms etc. In absence of a stipulated provision, sound industry practices shall guide the service of the contract.

7.0 The Contractor shall be solely responsible throughout the period of the O&M Contract for providing all requirements of their personnel, and of their Sub-contractors, 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 taxes, if any, payable at no charge to OIL.

8.0 Manpower used for operation and maintenance of the plant shall have sound health, adequate qualification and experience as well as competency as stipulated vide Indian Mines Act, Oil Mines Regulations & other byelaws, regulations and norms in for. In absence of a stipulated provision, sound industry practices shall guide the operation and maintenance work.

9.0 The Contractor shall arrange for any special passes required by workers to enter the site. OIL will provide necessary assistance if required.

10.0 The O&M contractor will be responsible for providing Personnel Protective Equipment (PPE) to all its employees as required under OMR 1984 for working in oilfields.

11.0 TRANSPORTATION SERVICES:

Transportation of Contractor's personnel & their material from camp site to

well site and between work sites shall be the responsibility of the Contractor. All vehicles deployed for this purpose should be in prime condition.

12.0 PERSONNEL TO BE DEPLOYED:

- i) The Contractor shall provide competent, qualified and adequately experienced personnel for carrying out jobs as mentioned in scope of work correctly and efficiently. Personnel provided by the Contractor shall observe all safety and statutory norms applicable to the Company. Their performance shall be to the satisfaction of the Company and the Contractor shall be willing and ready to replace, at their own expenses, any of their personnel who are not found suitable by the Company.
- ii) Maintain a highly skilled technical staff to render the services and capable of making the best use of the equipment so as to ensure the highest degree of accuracy and reliability of the works/data gathered.
- iii) Contractor shall submit CVs of the personnel to the COMPANY for approval prior to the commencement of the Operations.
- iv) 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.
- v) Personnel provided by the Contractor shall observe all safety and statutory norms applicable to the Company.
- vi) Personnel deployed by the Contractor shall be fluent in English/local language.
- vii) The following Key personnel, required for execution of the contract shall have to be deployed by the Contractor. The Contractor shall be required to furnish certificates of experience of the personnel deployed by them.

POSITION	MINIMUM QUALIFICATION & EXPERIENCE	NUMBER OF PERSONNEL
ESP Maintenance Engineer who shall also act as the Overall In charge/Works Manager	Engineering graduate or equivalent with Working Experience of 05 Years in ESP maintenance related service Or Engineering Diploma holder or equivalent with Working Experience of 07 Years in ESP maintenance related service Or	01 no.

	Graduate in any Discipline or equivalent with Working Experience of 12 Years in ESP maintenance related service	
ESP Commissioning engineer	Engineering graduate or equivalent with Working Experience of 03 Years in ESP O&M service Or Engineering Diploma holder or equivalent with Working Experience of 05 Years in ESP O&M service Or Graduate in any Discipline or equivalent with Working Experience of 07 Years in ESP O&M service	01 nos. (will be required during running in, installation & commissioning and retrieval of the ESPs and as & when required by OIL)
Operator	ITI in trade – Electrician with 01 year work experience in handling Diesel/Gas Genset.	01 nos. per shift per unit
Asstt Operator	Min Class 8 pass.	01 nos. per shift per unit

Note: The above list of key personnel indicates the minimum requirement. The Contractor will need to make provisions for additional manpower that may be required for execution of the Contract smoothly. The detailed bio-data of the personnel and the number of additional personnel planned to be deployed must be submitted with the technical bids.

COMPANY'S REQUISITES:

- i) 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 have good skill in writing and speaking English.
- ii) 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.
- iii) 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.

NOTE:

- 1) An undertaking from all the personnel as per Performa (Annexure-IX) shall be forwarded after deployment of manpower prior to mobilization.
- 2) The personnel deployed by the Contractor shall comply with all the safety norms applicable during operation.
- 3) For driving the vehicles/units on road, the Contractor shall ensure that the driver possesses necessary valid and proper licenses conforming to Indian Motor Vehicle Act.
- 4) **Medical Fitness:** The Contractor shall ensure that all of the Personnel deployed under the contract shall have had a full medical examination from qualified and registered doctor in accordance with accepted medical standards.
- 5) **Training Courses:** The Contractor shall ensure that all of the Contractor Personnel performing services hereunder shall have attended all safety and operational training courses such as mines vocational training or equivalent required by applicable law and as is generally consistent with international petroleum industry practice and/or as otherwise required by the Company.
- 6) The Contractor shall, if requested, forthwith produce valid and current certificates of completion or attendance for the Company's inspection.
- 7) Personnel shall be versed in firefighting, handling of hazardous chemical, Gas testing etc. The appropriate certificates to this effect also should be submitted prior to mobilization.
- 8) Work Manager shall co-ordinate day to day operations smoothly and in professional manner. He shall visit Company's representative office everyday for taking necessary instruction for the operation.
- 9) Contractor shall deploy other personnel which shall include drivers, (both at well site and camp site), services of unskilled labour.
- 10) On/off duty details of ESP jobs and associated service personnel shall be indicated.
- 11) Employment of personnel other than key persons shall be at the discretion of the contractor to run all operations at work site and camp successfully.
- 12) The Contractor shall forward the list of personnel deployed along with bio-data/qualification/experience/track record of the personnel prior to mobilization of the equipment with all supporting documents. Any additional manpower deployed by the Contractor shall be at the expense of the Contractor.

- 13) The age of all the key personnel should not be more than 60 (Sixty) years (supporting document to this effect shall be submitted).
- 14) The Contractor shall be responsible for arranging relief of personnel during vacation, statutory off days, sickness etc. entirely at their cost. However, the relief personnel also shall have the experience as indicated above. Moreover, the Contractor shall have to obtain prior approval from the Company for the relief personnel of the Contractor.
- 15) Company reserves the right to instruct for removal of any Contractor's personnel who in the opinion of company is technically not competent or not rendering the services faithfully, or due to other reasons. The replacement of such personnel will also be fully at cost of the Contractor and the Contractor shall have to replace within 10 (Ten) days of such instruction.
- 16) All charges for personnel are included in Day rates. No separate charges shall be payable for the personnel deployed.

13.0 HEALTH, SAFETY & ENVIRONMENT (HS&E) POLICY: The Contractor must have an own well defined HS&E policy to realize the highest achievable safety standards of work safety and health and protecting the environment. The policy shall be adaptable to complying all local, state and industry regulations & standards relating to Health, Safety and Environment.

OIL has also an HS&E policy in place covering different applicable industry standards and regulations. Moreover the policy is guided by the statutory and Government directives.

The Contractor shall make a comprehensive HSE policy to be known as Bridging Document to accommodate all the safety requirements of OIL and the Contractor in consultation with OIL for ESP's Operation & Maintenance

- i) **Safety:** The Contractor shall observe such safety regulations in accordance with acceptable oilfield practice and applicable Indian Laws. The Contractor shall take all measures reasonably necessary to provide safe working conditions and shall exercise due care and caution in preventing fire, explosion. Contractor shall conduct such safety drills, Tool box meetings, etc. as may be required by company at prescribed intervals.
- iii) The Contractor shall provide at least 01 (one) no. of 50 KG DCP Fire Extinguisher and sufficient numbers of minimum 9 KG Capacity DCP, Foam and CO2 Type fire extinguishers to contain all types of Fire.
- iv) Fire protection at ESP installations shall be the responsibility of the Contractor. Necessary action shall be taken and prior arrangements to be made for providing competent persons trained in the field of fire fighting at the well site.

- v) Documentation, record keeping of all safety practices should be conducted as per International/Indian applicable laws, act, regulations etc., as per standard Oilfield practice and these records should be made available for inspection at any point of time. The H.S.E (Health, Safety and Environment) policy as well as emergency procedure manual should be kept at site. Compliance of these shall be the sole responsibility of the Contractor.
- vi) **First Aid Kit:** An adequate and approved first aid kit shall be provided at work site with all medicines as recommended by John Ambulance.
- vii) **CAMP AND OTHER ESTABLISHMENT:** Suitable camp facilities for Contractor's personnel including catering services shall be Contractor's responsibility.
- viii) **COMMUNICATION SYSTEM:** Suitable communication system like WLL/Cell phone is to be provided by the Contractor for effective communication from the wells as well as from the base camp.

Design Data Sheet IA
GENERAL INFORMATION

a)	Company	OIL India Limited
b)	Location	Assam

WELL BORE

a)	Casing size	5.1/2" OD X 17 -23 ppf
b)	Tubing size	2 7/8" OD EUE N80 /L80/P110 X 6.5 ppf
c)	Well Depth	2500m - 4500m
d)	Well type	Vertical/Hori zontal/S bend/J bend

SURFACE INFORMATION

a	Well Head Pressure	150 psi
b	Well Head Temperature	30 deg. Celsius
c	Flowline I.D	4.5 inches
d	Flowline length	Approx. 5 km

e	Separator Pressure	50 psi
f	Power	To be designed by the bidder/Contractor

FLUID PROPERTIES

a)	Oil Gravity	30-40 deg. API
b)	Gas Gravity	Around 0.65
c)	Water Gravity	1.00
d)	Water Cut	0-80%
e)	Water Salinity	2500-4500ppm
f)	Type of Scale	Waxy Crude
g)	H ₂ S content	Negligible
h)	CO ₂ content	Negligible
i)	Paraffin	Max. 14 %
j)	Asphalt ate	Max. 10%
k)	Abrasiveness	Sand may be present in some wells

RESERVOIR AND WELL CHARACTERISTICS

a)	Static Pressure	150-250 ksc
b)	Temperature	110 deg. Celsius
c)	Productivity Index	0.5-2 bbls/psi
d)	Permeability	1 md to 3 d
e)	Bubble point pressure	250-300psi

DESIRED CONDITIONS

a)	Maximum Pump Setting Depth	2500 to 3000 metres.
b)	Desired Flow rate	10-30 cum/day 30-60 cum/day 60-100 cum/day

The above information is generalized for all wells. Actual data for individual

candidate wells will be provided during execution of the project.

Note: Additional 50% ESP downhole power cable is to be kept as redundancy.

END OF SECTION – II

PART-III

SECTION-III

SPECIAL CONDITIONS OF CONTRACT

The following Special Conditions of Contract (SCC) shall supplement and / or amend the General Conditions of Contract (GCC). Whenever there is a conflict, the provisions herein shall prevail over those in the GCC.

- 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 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 “Commencement Date” means the date on which the mobilization is completed in all respects.
- 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 MOBILIZATION:

- 2.1 The mobilization of equipment, personnel etc. should be completed by Contractor within the time as tabulated below:

Phases of ESP system delivery	Delivery time	ESP systems to be delivered	Cumulative number of ESP systems Delivered
1st Phase	0-120 days from issuance of LOA	2	2
2nd Phase	120 days from issuance of mobilization notice for 2 nd phase.	2	4
3rd Phase	120 days from issuance of mobilization notice for 3 rd phase.	2	6
4th Phase	120 days from issuance of mobilization notice for 4 th phase.	2	8

Mobilization shall be deemed to be completed when Contractor’s equipment and manpower are placed at the nominated site and in readiness to commence Work 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 07 (Seven) working days of receipt of the Contractors Notice of Readiness for Inspection. Mobilization Inspection Shall be carried out at the Contractor's Base Camp at or near OIL's FHQ (Duliajan).

If the Company fails to inspect the Contractors Equipment within 07 (Seven) working days from the receipt of Notice of Readiness for Inspection, the Contractor's Equipment's shall be deemed to be Inspected.

3.0 DURATION OF CONTRACT:

- 3.1 **The contract duration shall be 03 (three years) from the date of mobilization of individual ESP's as per the mobilization along with a provision to continue with the service of ESP units individually beyond scheduled contract duration of 03 years due to operational reasons, upto its satisfactory performance or till requirement of work-over in the well.**

- 3.2 **However, if service of any ESP unit is continued beyond scheduled contract duration of 03 (three) years, following provisions shall apply:**

- i) **After completion of the scheduled contract duration of 03 (three) years, from the 4th year onwards, the rental charges shall be reduced by 20% per year on the scheduled Contract Rental Charges.**
- ii) **Once the ESP unit is pulled out of hole due to equipment failure or otherwise during the additional period beyond the scheduled contract duration of 03 (three) years, the services of the ESP will stand terminated/demobilized.**

- 4.0 **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.

5.0 CONTRACTOR'S PERSONNEL:

- 5.1 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.

5.2 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.

5.3 Contractor's Personnel: 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.

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.

5.4 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.

5.5 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.

5.6 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.

5.7 Personnel provided by the Contractor shall observe all safety and statutory norms applicable to the Company.

5.8 An undertaking from all the personnel as per Performa (**Annexure-IX**) shall be forwarded after deployment of manpower prior to mobilization.

6.0 FOOD, ACCOMMODATION, TRANSPORTATION AND MEDICAL FACILITY AT FIELD INSTALLATIONS:

6.1 Contractor shall provide food & services for all its personnel.

- 6.2 Transportation of Contractor's personnel from base camp to work place will be arranged by Contractor at his cost.
- 6.3 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 on payment.

7.0 CONTRACTOR'S ITEMS:

- 7.1 Contractor shall provide equipment and personnel to perform the services under the contract as specified in this document.
- 7.2 Contractor shall be responsible for maintaining at its own cost adequate stock levels of items including spares and replenishing them as necessary.
- 7.4 Contractor shall be responsible for the maintenance and repair of all equipment and will provide all spare parts, materials, consumables etc. during the entire period of the contractual period.
- 7.5 Contractor shall provide all Petroleum Oil and Lubricants (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. Contractor will arrange necessary area lighting and electricity at wellsite at their own cost.

8.0 CONDUCTING FIELD & OFFICE WORKS:

- 8.1 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.
- 8.2 All the equipment's and materials required for execution of the works under this bid shall be in good working condition. The company reserves the right to check the relevant certificates of the equipment's, certifying the conditions of the equipment.
- 8.3 Contractor shall be solely responsible for the operation and maintenance of their equipment's.
- 8.4 **Safety:** Contractor shall observe such safety/pollution control regulations in accordance with acceptable oil field practice and applicable Indian Laws such as Mines safety rules etc. Contractor shall take all necessary measures reasonably to provide safe working conditions and shall exercise due care & caution in preventing fire, pollution, maintain fire-fighting equipment in sound condition at all times during operation. Contractor shall conduct safety drills.
- 8.5 **Adverse Weather:** Contractor, in consultation with company, shall decide when, in the face of impending adverse weather conditions, to institute

precautionary measures in order to safeguard the equipment and personnel to the fullest possible extent.

- 8.6 **AMENDMENTS OF COMPLETION PROGRAMME:** It is agreed that Contractor shall carry out operations in accordance with the programme furnished to OIL, which may be amended from time to time by reasonable modification as OIL deems fit, in accordance with good oil field practices.

9.0 CONTRACTOR'S SPECIAL OBLIGATIONS

- 9.1 It is expressly understood that Contractor is an independent party/Contractor 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 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 as being in charge of company's designated personnel. The company's representative may, amongst other duties, observe, test, check and control implementation of equipment and inspect works performed by contractor or examine records kept by Contractor.
- 9.2 **Compliance with Company's Instructions:** Contractor shall comply with all instructions of Company consistent with the provision of this Contract, but not limited to work programme, safety instructions, confidential nature of information, etc. Such instructions shall, if Contractor request, be confirmed in writing by company's representative.
- 9.3 **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.
- 9.4 Contractor should provide the list of items if any to be imported in the format specified in Proforma-A for issuance of recommendatory letter to Directorate General of Hydrocarbons (DGH), New Delhi for clearance of equipment from Indian customs at concessional (nil) rate of customs duty.
- 9.5 Contractor shall arrange for inland transportation of all equipment, etc. from the port to the place of work and back at the end of the work at their own expense. Arrangement of Road Permits and payment of Assam Entry Tax for bringing equipment/material to Work place shall be Contractor's responsibility.
- 9.6 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 60 days of notice of demobilization issued by the Company. If the re-export is not completed within the specified period, the company shall in no way be responsible for the additional custom duty/penalty etc. imposed by Indian government. The company reserves the right to withhold the payment till all such equipments are exported back and the site/base camp cleared off. 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 security deposit.

10.0 LOSS OR DAMAGE TO HOLE & EQUIPMENT

10.1 LOSS OR DAMAGE TO HOLE:

In the event, the well is damaged by dropping of any tool/fish or any reason of willful acts or Contractor's gross negligence, Contractor's liability shall be to carry out the operations as required for rectification of damage of the well to the reasonable satisfaction of company at Contractor's cost. However, no rate will be payable during the period

10.2 DAMAGE OR LOSS OF THE ESP PACKAGES:

- a) The Contractor shall at all times be solely responsible for any damage to or loss or destruction of the ESP Packages and its other property irrespective of how such loss, damage or destruction is caused, and even if caused by the negligence of the agents, nominees, assignees, Contractors and subcontractor, and 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.
- b) If the ESP Package Unit is declared to be a total loss and/or construed to be total loss, as determined by the applicable insurance coverage and the Contractor fail to replace the damaged unit(s) with the similar unit(s), this contract shall terminate in respect of the ESP Package Unit(s) as of the occurrence of the event causing such loss and each party shall thereupon be released of all further obligations hereunder in respect of that ESP Package Unit(s), except for its payment of money then due or liabilities to be charged in respect of work already done under this contract in respect of that ESP Package Unit(s). However, replacement for the damaged unit(s) shall be made within the stipulated time as mutually agreed.

10.3 LOSS OR DAMAGE OF SUB-SURFACE EQUIPMENT: Notwithstanding any provision under this contract to the contrary, Company shall assume liability except in the event of gross negligence on the part of the Contractor, for loss or damage to the Contractor's sub-surface equipment and the down hole tools in the hole below the X-mass tree. Company shall at its option either reimburse the Contractor for the value of lost equipment/tools as declared in the import invoices at the time of

mobilization (or subsequent replacement/addition) of the same equipment/tools or CIF value as reflected in Proforma-A hereto whichever is lower (Plus customs duty paid by the contractor for the equipment tool lost/damaged, provided that the said custom duty was not borne by the Company and Contractor produces the documentary evidence towards payment of customs duty.) for any such loss or damage, less depreciation @3% per month from the date of commencement of this contract with a maximum depreciation equivalent to 50% of CIF value as indicated by the Contractor or at its option replace similar equipment/tools to the satisfaction of the Contractor and any transportation expenses incurred in connection herewith. All such costs shall be payable by Company only after Contractor has produced documentary evidence that the particular equipment/tools in question was not covered by Contractor's insurance policies. For such claims Contractor should notify the Company within one month. The inspection of recovered equipment from downhole need to be done by Company representative before submission of the invoice by Contractor.

11.0 BLOWOUT AND POLLUTION:

11.1 **BLOWOUT OR CRATER:** While carrying out any ESP 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.

11.2 **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.

- 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 make 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 equipments/Unit to another sphere.

- 13.3 Contractor shall forbid access to the equipments/Unit to any people not involved in the operations or not authorized by the company to have access to the equipments/Unit. However, this provision is not applicable to any Government and/or police representative on duty. The Contractor has to arrange on its own for the security of all the equipments being used at work- site and company in no way will be responsible for any damage caused to the equipments by miscreant/theft etc.

14.0 RIGHTS AND PRIVILEGES OF COMPANY:

Company shall be entitled:

- 14.1 To check the equipment 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. However the company bears no liability to such subcontracts.
- 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, 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.
- 14.5 To reduce the rates reasonably, at which payments shall be made if the contractor is allowed to continue the operation despite having certain deficiency in meeting the requirements as per provision in the contract.

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 hereof.

17.0 LIQUIDATED DAMAGES & PENALTY:

- 17.1 Time is the essence of this Contract. In the event of the Contractor's default in timely mobilization for commencement of operations within the stipulated period, LD shall be applicable unit wise i.e., the Contractor shall be liable to pay liquidated damages at the rate of 0.5% of the value of individual ESP unit for the total duration of contract (03 years) of that particular unit per

week or part thereof of delay subject to maximum of 7.5% of the total contract value. Liquidated Damages will be reckoned from the date after expiry of the scheduled mobilization period till the date of acceptance of completion of mobilization in all respects as defined in Clause No. 2.0 above.

- 17.2 In case of inordinate delays attributable to the Contractor in any stage of contract period the Company also reserves the right to discontinue the contract in which case no charge for that well shall be payable to Contractor. Company's decision in such matters shall be final and binding on the Contractor.

18.5 **PENALTY:**

- 18.5.1 Contractor shall be liable for PENALTY for any delay in timely execution of individual jobs beyond the stipulated time period resulting out of any of the following reasons:

- I. Delay in reporting to well site
- II. Failure of Contractor's equipment(s)
- III. Non availability of consumables and/or Contractor's personnel
- IV. Any other reasons attributable to Contractor

In such cases the Penalty shall be levied to the contractor at a rate of 15% of the Operating Day Rate Charge for delay of each day.

No Rental will be paid during the period of penalty

- 18.5.2 In case of inordinate delays attributable to the Contractor in any well, the Company also reserves the right to discontinue ESP operations in the well in which case no charge for that well shall be payable to Contractor. Company's decision in such matters shall be final and binding on the Contractor.

- 19.0 **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 interests; 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 07 days from the time of such instruction given by the Company.

- 20.0 **ENVIRONMENT MANAGEMENT:** Contractor should ensure that there is no pollution either of water, air or sound during the operation. Contractor should be more careful and check for any leakage and immediate corrective action to be taken for such leakages to avoid any pollution problems. Contractor should inform about such leakages immediately to the Company's Representative.

21.0 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.

22.0 The Contractor shall not engage labour below 18 (Eighteen) years of age under any circumstances. Persons above 60 years age also shall not be deployed.

23.0 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.

24.0 ASSOCIATION OF COMPANY'S PERSONNEL:

- i) 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.
- ii) 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.
- iii) 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 and provide medical facilities to injured persons if any due to accident/take corrective measures in case of pollution as per the company's instructions.
- iv) While performing the Work for the Company, Contractor may utilize expertise, know-how and other intellectual capital (including intellectual property) and develop additional expertise, know-how and other intellectual capital (including intellectual property) which are Contractor's exclusive property and which Contractor may freely utilize in providing services for its other customers. Except where expressly and specifically indicated in writing, and in exchange for appropriate agreed payment, Contractor does not develop any intellectual property for ownership by Company, Contractor retains sole ownership of any such intellectual capital (including intellectual

property) created by Contractor during the course of providing the Services.

- v) All the clauses in this contract are limited to execution of this contract only and do not carry any precedence whatsoever for any OIL's such or similar tenders/contracts in future.

25.0 RESPONSIBILITIES:

The Contractor shall perform its obligations under this Contract, such that: The Services shall be rendered strictly in conformity with instructions of the Company, Applicable Laws, Directives, Clearances, Good Industry Practice, the Codes and Standards and this Contract; and The Contractor shall assume full responsibility for and shall ensure the proper, timely and expeditious performance of the Services in accordance with the Services Schedule and the Delivery of the Goods at the Site in accordance with the Delivery Schedule. Accordingly, the Contractor shall provide such necessary resources and experienced personnel having the requisite expertise for the purposes stated in this Contract. Except as otherwise expressly provided in this Contract, the Contractor agrees and acknowledges that it shall perform all of its obligations and responsibilities under this Contract at its own risk and Cost. The Contractor acknowledges and confirms that it shall be responsible for the Goods as a bailee thereof and shall accordingly fulfil its obligations in accordance with the provisions of this Contract which will include, but not limited to the following:

Nothing in this Contract confers title or interest in the, in favour of the Contractor on any of its group companies and the Contractor shall make no claim regarding title or interest in the Goods;

This Contract does not create any pledge over the Goods in favour of the Contractor or vest the Contractor with any right of lien or any other Encumbrance over Goods, thus, at all times the ownership and title in the Goods is retained with the Company;

The Contractor shall not commit any act that results in and shall not permit the modification (save as reasonably necessary for the purpose of securing the safety thereof), sale, disposal, transfer of possession of or creation of any Encumbrance over the Goods at any time during which the Contractor has possession thereof, except upon receipt of instructions from the Owner to the contrary.

- 26.0 INTELLECTUAL PROPERTY:** While performing the Work for the Company, Contractor may utilize expertise, know-how and other intellectual capital (including intellectual property) and develop additional expertise, know-how and other intellectual capital (including intellectual property) which are Contractor's exclusive property and which Contractor may freely utilize in providing services for its other customers. Except where expressly and specifically indicated in writing, and in exchange for appropriate agreed payment, Contractor does not develop any intellectual property for

ownership by Company, Contractor retains sole ownership of any such intellectual capital (including intellectual property) created by Contractor during the course of providing the Services.

27.0 CUSTODY AND POSSESSION OF CONTRACTOR'S EQUIPMENT:

Company hereby acknowledges that the equipment and tools ("Equipment") that are owned and utilized by Contractor to perform its service obligations under the Contract shall be at all times be, handled and manned by the Contractor. Company shall not be entitled to use/operate/possess any of the Contractor's Equipment for providing Services under the Contract. To clarify that control, custody and possession of Contractor's equipment will always be with the Contractor.

28.0 RISK OF DAMAGE:

Once the goods arrived at CIF [Indian] Port, the Contractor shall be responsible for any damage or loss arising to the goods. Contractor shall be responsible for obtaining insurance of goods in the name of Company and in case of any of damage or loss arising to the goods (includes expiry of shelf life) lying with the Contractor (which are owned by the Company), the Contractor shall be liable for the same subject to maximum value of goods (after deducting the insurance claim obtained by the Company).

END OF SECTION – III

PART-III

SECTION – IV

SCHEDULE OF RATES

This tender is floated on the concept of Framework contract to finalize the technically qualified bidders. However, for 1st 08 (Eight) nos. of wells/jobs, the contract will be awarded to lowest techno-commercially acceptable bidder against this tender. This framework agreement will be for a duration of 02 (Two) years from the commencement of 1st contract awarded against this framework agreement. Based on the requirement of OIL, within these terms and conditions and scope of work of the tender, Price Bid for the specific service will be sought from all the technically qualified bidder(s) for the forthcoming 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 Price Bid Format as per 'Proforma-B'.

As part of this, based on the current requirement, Proforma-B is to be submitted for 08 (Eight) nos. of Electrical Submersible pump package.

The bidder/Contractor shall quote their rates in the price bids as per the format given in Proforma-B. The quantities mentioned against each item in Price Bid Format/Price Schedule are for evaluation purposes only. However, payment shall be made for the actual work done.

1.0 MOBILIZATION CHARGES:

- a) Mobilization charge is inclusive of all personnel, tools, equipment, spares, consumables, accessories etc. The bidder shall quote mobilization charge one time on lump sum basis.
- b) Mobilization charges for Equipment shall be payable unit wise as per the Delivery Schedule under 2.2 of General Condition of the Contract.
- c) Mobilization charges will be payable only when the equipment/tools (free of all defects/encumbrances) and operating personnel are positioned at contractor's base camp at or near OIL's FHQ (Duliajan) and ready to undertake/commence the work under this contract.
- d) Mobilization charges cover all local and foreign cost to be incurred by the Bidder 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.
- e) OIL 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 in Customs/Port Clearance.

- f) The Mobilization charge should not be more than 7.5% of the total contract value. In the event of the bidder quoting Mobilization charge above 7.5 % of the total contract value, only 7.5% of the contract value will be paid after successful completion of the mobilization and the remaining amount will be paid after successful completion of the contract.

2.0 DEMobilISATION CHARGES:

- a) The demobilization charges shall be payable on lump sum basis and will include all charges towards demobilization of all contractor's equipment /tools and crew for Electric Submersible Pump systems from the site to contractor's base upon completion of the assignment of works under this contract is concluded to the satisfaction of Company. Company shall plan and arrange to provide rigs for retrieval of ESPs so that the contractor can demobilize all equipments and manpower after expiry of the contract as per contract schedule.
- b) Demobilization shall be completed by Bidder/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 effective date of notice to demobilize or from the date of provision of rig to demobilize, whichever is earlier.
- 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) Once the ESP unit is pulled out of hole due to equipment failure or otherwise during the additional period beyond the scheduled contract duration of 03 (three) years, the services of the ESP will stand terminated/demobilized.

3.0 DAILY RENTAL CHARGE FOR EQUIPMENT - Gas Genset based ESPs:

The bidder/Contractor shall quote DAILY RENTAL CHARGE FOR EQUIPMENT - for Gas Genset based ESPs. The DAILY RENTAL CHARGE FOR EQUIPMENT- Gas Genset based ESPs shall be payable per set of ESP from the date of completion of mobilization to nominated/ designated well site till the effective date of notice to demobilize or provision of rig to demobilize whichever is earlier, under the following conditions:

- a) Bidder'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 6.00 Hrs. next day).
- b) All the equipment under the contract is available for the day. If there is any equipment not available in operating condition, Daily Rental Charge for that particular set of ESP for that day will not be paid.
- c) 02 (Two) days per calendar month will be allowed for servicing/Scheduled Maintenance of the equipment to be carried out with prior intimation and approval from OIL. During the allowed maintenance period, Daily Rental Charge for equipment will be paid.
- d) If there is shut down of equipment or under maintenance beyond 02 (Two) OIL approved days of maintenance period per calendar month, no Daily Rental Charge for equipment will be payable and accordingly penalty will be imposed as per provisions in the contract.
- e) After completion of the scheduled contract duration of 03 (three) years, and if the services of ESP are continued, then from the 4th year onwards, the rental charges shall be reduced by 20% per year on the scheduled Contract Rental Charges.

Note: Notwithstanding to anywhere mentioned in this contract, no daily rental shall be payable while the ESP unit(s) are at surface, under shifting, repair or any state other than installed or being installed.

4.0 DAILY RENTAL CHARGE FOR EQUIPMENT - Diesel Genset based ESPs:

The bidder/Contractor shall quote DAILY RENTAL CHARGE FOR EQUIPMENT for Diesel Genset based ESPs. The DAILY RENTAL CHARGE FOR EQUIPMENT- Diesel Genset based ESPs shall be payable per set of ESP from the date of completion of mobilization to nominated/designated well site till the effective date of notice to demobilize or provision of rig to demobilize whichever is earlier under the following conditions:

- a) Bidder'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 6.00 Hrs. next day).
- b) All the equipment under the contract is available for the day. If there is any equipment not available in operating condition, Daily Rental Charge for that particular set of ESP for that day will not be paid.
- c) 02 (Two) day per calendar month will be allowed for servicing/Scheduled Maintenance of the equipment to be carried out with prior intimation and

approval from OIL. During the allowed maintenance period, Daily Rental Charge for equipment will be paid.

- d) If there is shut down of equipment or under maintenance beyond 02 (Two) OIL approved days of maintenance period per calendar month, no Daily Rental Charge for equipment will be payable and accordingly penalty will imposed as per provisions in the contract.
- e) After completion of the scheduled contract duration of 03 (three) years, and if the services of ESP are continued, then from the 4th year onwards, the rental charges shall be reduced by 20% per year on the scheduled Contract Rental Charges.

Note: Notwithstanding to anywhere mentioned in this contract, no daily rental shall be payable while the ESP unit(s) are at surface, under shifting, repair or any state other than installed or being installed.

5.0 OPERATING DAY RATE CHARGE PER WELL - Gas Genset based ESPs:

The bidder/Contractor shall quote OPERATING DAY RATE CHARGE PER WELL for Gas Genset based ESPs.

- a) Operating day rate includes both equipment and personnel when the equipment is on operation. The charge covers the operating charge of all the equipment, ancillary services and manpower necessary for ESP operation and deployed as indicated in the Scope of work and all the charges associated with carrying out the operations at the well site. Operating Day rate charge shall cover charges for spares, equipment maintenance, manpower, local transportation, messing, camp establishment /maintenance and repair of support infrastructure, hire of any support infrastructure etc. and includes provisions for income tax, other local taxes and fees etc. which are the Contractor's liability.
- b) Operating Day rate shall be payable for each ESP systems for the period when the equipment are in operation in the well with the designated operating crew. The charges will be considered on day rate basis for a day of 24 hours (From 06.00 Hrs to 6.00 Hrs. next day).
- c) In the event the Contractor's operating crew is not available for operation at any time, no payment against Operating Day Rate shall be made and penalty for that period will be applicable as per **Clause No. 10.0** mentioned below.
- d) Operating Day Rate shall not be payable if, in the duration of operation, Contractor's Tools/Equipment fails to perform.

- e) Operating day rate charges will not be payable for the period of Interim demobilization & Mobilization.

6.0 OPERATING DAY RATE CHARGE PER WELL - Diesel Genset based ESPs:

The bidder shall quote OPERATING DAY RATE CHARGE PER WELL for Diesel Genset based ESPs.

- a) Operating day rate includes both equipment and personnel when the equipment is on operation. The charge covers the operating charge of all the equipment, ancillary services and manpower necessary for ESP operation and deployed as indicated in the Scope of work and all the charges associated with carrying out the operations at the well site. Operating Day rate charge shall cover charges for fuel, spares, equipment maintenance, manpower, local transportation, messing, camp establishment /maintenance and repair of support infrastructure, hire of any support infrastructure etc. and includes provisions for income tax, other local taxes and fees etc. which are the Contractor's liability.
- b) Operating Day rate shall be payable for each ESP systems for the period when the equipment are in operation in the well with the designated operating crew. The charges will be considered on day rate basis for a day of 24 hours (From 06.00 Hrs to 6.00 Hrs. next day).
- c) In the event the Contractor's operating crew is not available for operation at any time, no payment against Operating Day Rate shall be made and penalty for that period will be applicable as per **Clause No. 10.0** mentioned below.
- d) Operating Day Rate shall not be payable if, in the duration of operation, Contractor's Tools/Equipment fails to perform.
- e) Operating day rate charges will not be payable for the period of Interim demobilization & Mobilization.
- f) Operating Day Rate Charge per well for Diesel Genset based ESPs shall include the price of HSD consumption.

7.0 Installation, Commissioning and Retrieval of ESP charges:

- a) Installation, Commissioning and Retrieval of ESP charges will be payable during installation and commissioning of ESPs from the time when the bidder's crew and equipment commences the job of installation of the ESP in a well. These charges shall be payable till successful commissioning of the ESP system or for 10 days from the date of commencement of job for installation of the ESP, whichever is earlier.

- b) Installation, Commissioning and Retrieval of ESP charges will also be payable during retrieval of ESPs for relocation to another location or for final demobilization. These charges shall be payable till successful retrieval of the ESP or for 10 days from the date of commencement of job for retrieval of the ESP, whichever is earlier.

8.0 INTERIM DE-MOBILIZATION & MOBILIZATION CHARGE FOR (PERSONNEL & EQUIPMENT):

- a) During the tenure of the contract, if OIL intends to shift ESP system from a particular location to another location due to uneconomical operation, the failure of the well to deliver desired level of production, reservoir and production related reasons or any other logistics or environmental problem, OIL shall notify the Bidder to terminate the operation for that particular well and direct to reinstallation of the ESPs to another well. The bidder shall retrieve the down hole equipment from the well. The bidder shall arrange for transferring all the surface and subsurface equipment to another locations as designated by OIL.
- b) OIL shall specify the time period required for such transfer and shall be fixed based on the actual job involvement. The time period may differ on case to case basis.
- c) The cost involved for such transfer of equipment shall be paid as INTERIM DE-MOBILIZATION & MOBILIZATION CHARGE (FOR PERSONNEL & EQUIPMENT) for each such occasion. The amount shall be per well basis and inclusive of all the cost elements involved in the process including any change of the ESP equipment.
- d) The bidder shall ensure that all equipments which are to be installed in the relocated well are in proper working condition.

9.0 FORCE MAJEURE DAY RATE:

- a) 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 as provided herein. 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 Bidder) 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.

- b) 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.
- c) DAILY RENTAL CHARGE FOR EQUIPMENT per unit during Force Majeure shall be restricted to 50% of respective charges for the service being provided by Contractor at the time of occurrence of force majeure situation. This will be considered as FORCE MAJEURE RATE.

10.0 PENALTY & LIQUIDATED DAMAGE:

- a) In the event of the Bidder's default in timely mobilization for commencement of operations within the stipulated period, the Bidder shall be liable to pay liquidated damages as per **Clause No. 18.0 of General Conditions of Contract (Section - I)**.
- b) In the event of the contractor's failure to strictly adhere in providing ESP systems/services, the penalty shall be levied at the following rates:

FAILURE	PENALTY
a. Period of Shut down/break down of ESP equipment beyond stipulated routine and scheduled maintenance period in any well.	a. Zero rate for the well for the period of shut down on pro-rata basis plus penalty of 15% of the proportionate daily rental and operating day rate charge per well for the shutdown period.
b. Nonfunctioning of ESP systems on account of non-availability of consumables, sufficient manpower, spares etc.	b. Zero rate for the well for the period of shut down on pro-rata basis plus penalty of 15% of the proportionate daily rental and operating day rate charge per well for the shutdown period.
c. ESP system out of operation on account of malfunctioning of down hole equipment beyond allowable down hole retrieval period as per Clause 3.0.F. f) of TOR or any other reasons.	c. Zero rate for the well for the period of shut down on pro-rata basis plus penalty of 15% of the proportionate daily rental and operating day rate charge per well for the shutdown period.
	d. Zero rate for the well(s)

d. Delay in providing requisite number of ESPs in 2 nd , 3 rd and 4 th Phases of ESP system delivery after completion of mobilization as per the Delivery Schedule in Clause 3.0.C of Part 3 Section II (TOR).	designated for installation of ESP(s) for the period of delay in delivery plus penalty of 15% of the daily rental and operating day rate charge per well(s) per day of delay in delivery.
---	---

11.0 COST OF ESP EQUIPMENT:

The party shall furnish a list of all the ESP equipment used in individual wells indicating their individual prices. Moreover, the bidder shall also indicate the average life and yearly depreciation rate of individual equipment in the offer. However this information will not be considered for any evaluation.

END OF SECTION – IV

PROFORMA-A

LIST OF ITEMS (Equipment, Tools, Accessories, Spares & consumable)
TO BE IMPORTED INCONNECTION 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	$E = C \times D$	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".

Authorized Person's Signature: _____

Name: _____

Seal of the Bidder:

Proforma-B [Priced Bid Format], Proforma-B1[Supply Part] and Porforma-BB[PP-LC][Caluclation of Local Content Services] is enclosed separately as MS-XL sheet in "Notes and Attachment" tab.

BIDFORM

To
M/s. Oil India Limited,
P.O. Duliajan, Assam, India
Sub: IFB No. CDG4007P20

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 (One Hundred Twenty) days from the Bid closing date 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 _____ 2020.

Authorized 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.

Authorized 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 ___ 2020.

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 indicating the Tender No. CDG4007P20 to HDFC Bank Limited, Duliajan Branch, Utopia Complex, BOC Gate, Jayanagar, Duliajan, 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 indicating the Tender No. CDG4007P20 to HDFC Bank Limited, Duliajan Branch, Utopia Complex, BOC Gate, Jayanagar, Duliajan, 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

CGM (CONTRACTS)

Oil India Ltd.,

P.O. Duliajan - 786 602

Assam, India

Sir,

Sub: OIL's IFB No. CDG4007P20

We _____ confirm that Mr. _____ (Name and address) as authorized 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
CGM (CONTRACTS)
Oil India Ltd.,
P.O. Duliajan - 786 602
Assam, India

Date: _____

Sir,

Sub : OIL's IFB No. CDG4007P20

We authorize 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,

Authorized 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.

&&&&

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 Organization "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

(1) 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.

(2) 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 Page 2 of 6 substantive suspicions in this regard, the Principal will inform its Vigilance Office and in addition can initiate disciplinary actions.

Section: 2 - Commitments of the Bidder/Contractor

(1) 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 cartelization 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.

(2) The Bidder/Contractor will not instigate third persons to commit offences outlined above or be an accessory to such offences.

(3) The Bidder/Contractor signing Integrity Pact shall not approach the Courts while representing the matters to IEMs and he/she will await their decision in the matter.

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.

5. Integrity Pact, in respect of a particular contract, shall be operative from the date Integrity Pact is signed by both the parties till the final completion of the contract **or as mentioned in Section 9- Pact Duration whichever is later**. Any violation of the same would entail disqualification of the bidders and exclusion from future business dealings

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 Earnest Money Deposit/Bid Security.

(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 Security Deposit/Performance Bank Guarantee.

(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/Subcontractors

1. The Principal will enter into Pacts on identical terms with all bidders and contractors.

2. The Bidder/Contractor undertake(s) to procure from all subcontractors a commitment in conformity with this Integrity Pact. The Bidder/Contractor shall be responsible for any violation(s) of the provisions laid down in this agreement/Pact by any of its sub-contractors/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/Subcontractors

If the Principal obtains knowledge of conduct of a Bidder, Contractor or Subcontractor, or of an employee or a representative or an associate of a Bidder, Contractor or Subcontractor, 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

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. However, the Independent External Monitor shall give an opportunity to the bidder/contractor to present its case before making its recommendations to the Principal.

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 11 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. The Arbitration clause provided in the main tender document/contract shall not be applicable for any issue/dispute arising under Integrity Pact.

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

Witness 1:

Witness 2:

Place. Duliajan
Date

**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))

Witness:

1. Signature _____
Full Name _____
Address _____

M/s _____

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. 5.17 Crore** (or equivalent **0.716 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:

Witness:

1.

1.

2.

2.

FORM OF PERFORMANCE BANK GUARANTEE FOR ULTIMAT PARENT/SUPPORTING COMPANY

To

**M/s OIL INDIA LIMITED (OIL) CONTRACTS DEPARTMENT DULIAJAN, ASSAM,
INDIA, PIN-786602**

WHEREAS _____ (Name and address of Contractor) (hereinafter called "Contractor", which expression shall, unless repugnant to the context or meaning thereof include all its successors, administrators, executors and assignees) had undertaken, in pursuance of Contract No. _____ to execute -----
----- (Brief Description of the Work)(hereinafter called "the Contract").

Further, M/s _____ (Name of the ultimate parent) having its registered/head office at _____ is the "Ultimate Parent" of "Supporting Company" M/s.....(Name of the supporting company with address)/M/s.....(Name of the Contractor with address, in case experience is taken from the ultimate parent) (hereinafter referred to as the 'SUPPORTING COMPANY'/"ULTIMATE PARENT", which expression shall, unless repugnant to the context or meaning thereof include all its successors, administrators, executors and assignees). Based on the experience/technical strength of the "Supporting Company"/"Ultimate Parent" (whichever is applicable), the CONTRACTOR has qualified for award of contract and has agreed to provide complete technical and other support to the CONTRACTOR for successful completion of the contract as mentioned above, entered between OIL and the CONTRACTOR and OIL having agreed that the "ULTIMATE PARENT/SUPPORTING COMPANY", shall furnish to OIL a performance guarantee for Indian Rupees/US\$ towards providing complete technical and other support to the CONTRACTOR for successful completion of the contract as mentioned above,

AND WHEREAS we have agreed to give the "ULTIMATE PARENT/SUPPORTING COMPANY",

such a Bank Guarantee; NOW THEREFORE we hereby affirm that we are Guarantors on behalf of the "ULTIMATE PARENT/SUPPORTING COMPANY", 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/ULTIMATE PARENT/SUPPORTING COMPANY 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 there under 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:

B. Issuing Bank:

Tender No. CDG4007P20
BANK FAX NO:
BANK EMAIL ID:
BANK TELEPHONE NO:
IFSC CODE OF THE BANK:

C. 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 shall ensure the following:

- a. The Bank Guarantee issued by the bank shall 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 indicating the Tender No. CDG4007P20 to HDFC Bank Limited, Duliajan Branch, Utopia Complex, BOC Gate, Jayanagar, Duliajan, Dibrugarh, PIN – 786602.

- b. Bank Guarantee issued by a Scheduled Bank in India at the request of some other Non-Scheduled Bank of India shall not be acceptable.

[On company's Letter Head]

To,

**M/s OIL INDIA LIMITED (OIL)
CONTRACTS DEPARTMENT
DULIAJAN, ASSAM, INDIA, PIN-786602**

Dear Sir,

This has reference to your Tender No. dated 20__ on the subject

We.....(Name of the Company) confirm that we will engage/deploy the services including the key personnel of the Technical collaborator/Subsidiary/Parent company/Joint Venture Partner experience (strike out whichever are not applicable) on whose strength we are meeting the tender's Technical requirement as per the tender qualifying criteria.

Signature
(Name & Designation of Authorized person)

PROFORMA FOR BIODATA OF KEY PERSONNEL

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

AFFIX
PASSPORT
SIZE
PHOTOGRAPH

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.

ANNEXURE-IX

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,

**CGM-CONTRACTS
OIL INDIA LIMITED
DULIAJAN-786602**

SUB:SAFETY MEASURES FOR TENDER NO. CDG4007P20

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_____

M/s_____

Yours Faithfully
FOR & ON BEHALF OF CONTRACTOR

Proforma of Bank Guarantee towards Purchase Preference – Local Content

Ref. No. _____

Bank Guarantee No. _____

Dated _____

To
Oil India Limited

India
Dear Sirs,

1. In consideration of _____
_____ (hereinafter referred to as OIL, which expression shall, unless repugnant to the context or meaning thereof, include all its successors, administrators, executors and assignees) having entered into a CONTRACT No. _____ dated _____ (hereinafter called 'the CONTRACT' which expression shall include all the amendments thereto) with M/s _____ having its registered/head office at _____ (hereinafter referred to as the 'CONTRACTOR') which expression shall, unless repugnant to the context or meaning thereof include all its successors, administrators, executors and assignees) and OIL having agreed that the CONTRACTOR shall furnish to OIL a Bank guarantee for India Rupees/US\$ _____ for the faithful fulfillment of conditions pertaining to Local Content in accordance with the value mentioned in the certificate of Local Content submitted by the contractor for claiming purchase preference under the Purchase Preference Policy (linked with Local Content).
2. We (name of the bank) _____ registered under the laws of _____ having head/registered office at _____ (hereinafter referred to as "the Bank", which expression shall, unless repugnant to the context or meaning thereof, include all its successors, administrators, executors and permitted assignees) do hereby guarantee and undertake to pay to OIL immediately on first demand in writing any/all money to the extent of Indian Rs./US\$ (in figures) _____ (Indian Rupees/US Dollars (in words) _____) without any demur, reservation, contest or protest and/or without any reference to the CONTRACTOR. Any such demand made by OIL on the Bank by serving a

written notice shall be conclusive and binding, without any proof, on the bank as regards the amount due and payable, notwithstanding any dispute(s) pending before any Court, Tribunal, Arbitrator or any other authority and/or any other matter or thin whatsoever, as liability under these presents being absolute and unequivocal. We agree that the guarantee herein contained shall be irrevocable and shall continue to be enforceable until it is discharged by OIL in writing. This guarantee shall not be determined, discharged or affected by the liquidation, winding up, dissolution or insolvency of the CONTRACTOR and shall remain valid, binding and operating against the bank.

3. The Bank also agrees that OIL at its option shall be entitled to enforce this Guarantee against the Bank as a principal debtor, in the first instance, without proceeding against the CONTRACTOR and notwithstanding any security or other guarantee that OIL may have in relation to the CONTRACTOR's liabilities.
4. The Bank further agrees the OIL shall have the fullest liberty without our consent and without affecting in any manner our obligations hereunder to vary any of the terms and conditions of the said CONTRACT or to extend time of performance by the said CONTRACTOR(s) from time to time or to postpone for any time or from time to time exercise of any of the powers vested in OIL against the said CONTRACTOR(s) and to forbear or enforce any of the terms and conditions relating to the said agreement and we shall not be relived from our liability by reason of any such variation, or extension being granted to the said CONTRACTOR(s) or for any forbearance, act or omission on the part of OIL or any indulgence by OIL to the said CONTRACTOR(s) or any such matter or thing whatsoever which under the law relating to sureties would, but for this provision, have effect of so relieving us.
5. The Bank further agrees that the Guarantee herein contained shall remain in full force during the period that is taken for the performance of the CONTRACT and all dues of OIL under or by virtue of this CONTRACT have been fully paid and its claim satisfied or discharged or till OIL discharges this guarantee in writing, whichever is earlier.
6. This Guarantee shall not be discharged by any change in our constitution, in the constitution of OIL or that of the CONTRACTOR.
7. The Bank confirms that this guarantee has been issued with observance of appropriate laws of the country of issue.
8. The Bank also agrees that this guarantee shall be governed and construed in accordance with Indian Laws and subject to the exclusive jurisdiction of Indian Courts of the place from where the purchase CONTRACT has been

placed.

9. Notwithstanding anything contained herein above, 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
address (in legible letters)
Stamp

(Signature)
Full name, designation and
(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.

Annexure-XII

Attached as separate Annexure.

ANEXURE-XIII

Proforma for entering into Framework Agreement for a period of 02 (Two) years from the commencement of the contract awarded against Tender No. CDG4007P20. (on the official pad of the bidder to be executed by the authorized signatory of the bidder) Consent for entering into Framework Agreement:

Reference Bid Evaluation Criteria Clause No. I.0 on Framework Agreement, we confirm our acceptance to enter into a framework agreement for period of 02 (Two) years with Oil India Limited for “Hiring the services of Well Servicing Unit consisting of Coiled Tubing Unit (CTU), Nitrogen Pumping Unit (NPU), Fluid Pumping Unit (FPU) with heating facility and other related accessories”.

Place:

Date:

Signature of the authorized signatory

ANNEXURE-E

Format of undertaking by Bidders towards submission of authentic
information/documents
(To be typed on the letter head of the bidder)

Ref. No. _____

Date _____

To,

**CGM-CONTRACTS
OIL INDIA LIMITED
DULIAJAN-786602**

Sub: Undertaking of authenticity of information/documents submitted

Ref: Your tender No. _____ **Dated** _____

Sir,

With reference to our quotation against your above-referred tender, we hereby undertake that no fraudulent information/documents have been submitted by us.

We take full responsibility for the submission of authentic information/documents against the above cited bid.

We also agree that, during any stage of the tender/contract agreement, in case any of the information/documents submitted by us are found to be false/forged/fraudulent, OIL has right to reject our bid at any stage including forfeiture of our EMD and/or PBG and/or cancel the award of contract and/or carry out any other penal action on us, as deemed fit.

Yours faithfully,

For (type name of the firm here)

Signature of Authorised Signatory

Name:

Designation:

Phone No.

Place:

Date:

(Affix Seal of the Organization here, if applicable)

COMMERCAIL CHECK LIST**Bidder's Name:**_____**TENDER NO. CDG4007P20**

This Questionnaire duly filled in should be returned along with each copy of Un-priced Bid. Clauses confirmed hereunder should not be repeated in the Bid.

S1	Description	Bidder's Confirmation
1.	Bidding structure	
2	Bidder's name and address:	
3.	It is noted that deviations to Terms & Conditions shall lead to rejection of offer, as specified in the Tender.	
4.	Ensure and confirm that prices quoted in 'Schedule of Rates', are for complete scope of work as defined in the tender	
5.	Indicate SAC Code Indicate rate of GST applicable.	SAC Code: GST%
6.	EMD Details: EMD No., Issuing bank, amount with currency and Validity	
7.	Confirm to Submit PBG as per Tender requirement	
8.	Confirm that the offer shall remain valid for acceptance up to hundred and twenty (120) days from final Bid Due Date/Date of opening of bids.	
9.	Whether Mobilization and Completion period of contract is complied?	
10.	Whether Integrity Pact Submitted?	
11.	Confirm that currency of quoted prices: (The same will be finally converted to Indian Rupees for evaluation).	
12.	Confirm that quoted prices shall remain firm	

	and fixed until completion of the contract.	
13.	Confirm that you have submitted all documents as mentioned in the Tender/Annexures	
14.	Confirm acceptance to all terms & conditions of the Tender.	
15.	Confirm that all correspondence must be in English Language only.	
16.	Indicate Name & Contact No. (Telephone/Fax/E-mail) of person signing the bid.	Name: Contact No.: Fax: Email:
17.	Confirm that all Bank charges associated with Bidder's Bank shall be borne by Bidder.	
18.	Please indicate the following: (i) PAN No. (ii) GST Regn. No.	

Bidder confirms that in case of conflicting version of various terms & conditions at different places, the confirmation furnished as above shall be considered overriding and final and any other deviation indicated elsewhere shall be treated as redundant.

Signature _____

Name _____

Designation _____

Office Stamp _____

---End of tender--

No. FP-20013/2/2017-FP-PNG
Government of India
Ministry of Petroleum & Natural Gas

Dit - I/c mm
C.C. DKA
Arora
9/10/19

Shastri Bhawan, New Delhi
Dated 07th October, 2019

To

1. Chairman, IOCL
2. C& MD, BPCL/HPCL/ONGC/GAIL/EIL/OIL/ Balmer Lawrie
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



CMD's Office N. Delhi
Dy No. M-3047
Date 09/10/2019

Subject: Policy to provide Purchase Preference (linked with local content) (PP-LC) in all Public Sector Undertakings under the M/o P&NG - Amended; regarding.

Sir/Madam,

I am directed to refer to this Ministry's letter No. O-27011/44/2015-ONG-II/FP dated 25.04.2017 on the subject mentioned above. It is stated that several provisions of the Policy have been amended as per the recommendations of the Steering Committee constituted under PP-LC Policy by MoPNG. Amended PP-LC Policy is enclosed herewith for necessary compliance.

Chief MM
[Signature]
11/10/19

[Signature]
7/10/19
(Noas Kindo)
Under Secretary to the Govt. of India
Tel.: 23074370

Copy to:

- a) PS to Minister, P&NG & Steel
- b) PPS/ PS to Secretary/Pr. Advisor /AS&FA, MoPNG
- c) PPS /PS to JS(E)/ JS(M)/JS(GP)/JS(IC)/ JS(R)/ EA/ DDG (IFD), MoPNG
- d) US(Admn.) MoPNG
- e) Ms. Neelam Naval, PR, System Analyst (NIC): with request to upload the letter 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- Amended

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.

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 Sample 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. Bidder's confirmation on LC shall be based on the calculation shown in these enclosures.

However, these enclosures shall not be required to be included in the bid.

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 the percentage of local content in the bid.
- Bidder must have LC in excess of the requirement specified in **Enclosure-I.**

b)

- The bidder shall submit an undertaking from the authorised signatory of bidder having the power of Attorney alongwith the bid stating the bidder meets the mandatory minimum LC requirement and such undertaking shall become a part of the contract.
- In cases of procurement for a value in excess of Rs 10 crores, the undertaking submitted by the bidder shall be supported by a certificate from the statutory auditor or cost auditor of the company (in case of companies) or from a practicing cost accountant or practising chartered accountant (in respect of other than companies) giving the percentage of local content.
- However, in case of foreign bidder, certificate from the statutory auditor or cost auditor of their own office or subsidiary in India giving the percentage of local content is also acceptable. In case office or subsidiary in India does not exist or Indian office/ subsidiary is not required to appoint statutory auditor or cost auditor, certificate from practising cost accountant or practising chartered accountant giving the percentage of local content is also acceptable.

7.1.3 After Contract Award:

- The bidder shall submit an undertaking from the authorised signatory of bidder having the power of Attorney alongwith the bid stating the bidder meets the mandatory minimum LC requirement and such undertaking shall become a part of the contract.
- In cases of procurement for a value in excess of Rs 10 crores, the undertaking submitted by the bidder shall be supported by a

certificate from the statutory auditor or cost auditor of the company (in case of companies) or from a practicing cost accountant or practising chartered accountant (in respect of other than companies) giving the percentage of local content.

- However, in case of foreign bidder, certificate from the statutory auditor or cost auditor of their own office or subsidiary in India giving the percentage of local content is also acceptable. In case office or subsidiary in India does not exist or Indian office/subsidiary is not required to appoint statutory auditor or cost auditor, certificate from practising cost accountant or practising chartered accountant giving the percentage of local content is also acceptable.

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
	c. Deep Water Operations	05	05	05
7	Logistics (including FPSO and Tankers)			
	a. Onshore	75	75	80

Sl. No	Item	Local Content (%)		
		2017-2018	2018-2020	2020-2022
	b. Offshore	15	20	25
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	30	40
	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 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.

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	Cost component						
	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	Taxes and Duties	Rs US\$					
C	Total quoted price	Rs US\$					

Note:

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

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

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 contacts 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.

No. FP-20013/2/2017-FP-PNG
Government of India
Ministry of Petroleum & Natural Gas

Dil - I/c MM
C.C. DKA
Arora
9/10/19

Shastri Bhawan, New Delhi
Dated 07th October, 2019

To

1. Chairman, IOCL
2. C& MD, BPCL/HPCL/ONGC/GAIL/EIL/OIL/ Balmer Lawrie
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



CMD's Office N. Delhi
Dy No. M-3047
Date 09/10/2019

Subject: Policy to provide Purchase Preference (linked with local content) (PP-LC) in all Public Sector Undertakings under the M/o P&NG - Amended; regarding.

Sir/Madam,

I am directed to refer to this Ministry's letter No. O-27011/44/2015-ONG-II/FP dated 25.04.2017 on the subject mentioned above. It is stated that several provisions of the Policy have been amended as per the recommendations of the Steering Committee constituted under PP-LC Policy by MoPNG. Amended PP-LC Policy is enclosed herewith for necessary compliance.

Chief MM
[Signature]
11/10/19

[Signature]
7/10/19
(Noas Kindo)
Under Secretary to the Govt. of India
Tel.: 23074370

Copy to:

- a) PS to Minister, P&NG & Steel
- b) PPS/ PS to Secretary/Pr. Advisor /AS&FA, MoPNG
- c) PPS /PS to JS(E)/ JS(M)/JS(GP)/JS(IC)/ JS(R)/ EA/ DDG (IFD), MoPNG
- d) US(Admn.) MoPNG
- e) Ms. Neelam Naval, PR, System Analyst (NIC): with request to upload the letter 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- Amended

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.

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 Sample 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. Bidder's confirmation on LC shall be based on the calculation shown in these enclosures.

However, these enclosures shall not be required to be included in the bid.

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 the percentage of local content in the bid.
- Bidder must have LC in excess of the requirement specified in **Enclosure-I.**

b)

- The bidder shall submit an undertaking from the authorised signatory of bidder having the power of Attorney alongwith the bid stating the bidder meets the mandatory minimum LC requirement and such undertaking shall become a part of the contract.
- In cases of procurement for a value in excess of Rs 10 crores, the undertaking submitted by the bidder shall be supported by a certificate from the statutory auditor or cost auditor of the company (in case of companies) or from a practicing cost accountant or practising chartered accountant (in respect of other than companies) giving the percentage of local content.
- However, in case of foreign bidder, certificate from the statutory auditor or cost auditor of their own office or subsidiary in India giving the percentage of local content is also acceptable. In case office or subsidiary in India does not exist or Indian office/ subsidiary is not required to appoint statutory auditor or cost auditor, certificate from practising cost accountant or practising chartered accountant giving the percentage of local content is also acceptable.

7.1.3 After Contract Award:

- The bidder shall submit an undertaking from the authorised signatory of bidder having the power of Attorney alongwith the bid stating the bidder meets the mandatory minimum LC requirement and such undertaking shall become a part of the contract.
- In cases of procurement for a value in excess of Rs 10 crores, the undertaking submitted by the bidder shall be supported by a

certificate from the statutory auditor or cost auditor of the company (in case of companies) or from a practicing cost accountant or practising chartered accountant (in respect of other than companies) giving the percentage of local content.

- However, in case of foreign bidder, certificate from the statutory auditor or cost auditor of their own office or subsidiary in India giving the percentage of local content is also acceptable. In case office or subsidiary in India does not exist or Indian office/subsidiary is not required to appoint statutory auditor or cost auditor, certificate from practising cost accountant or practising chartered accountant giving the percentage of local content is also acceptable.

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
	c. Deep Water Operations	05	05	05
7	Logistics (including FPSO and Tankers)			
	a. Onshore	75	75	80

Sl. No	Item	Local Content (%)		
		2017-2018	2018-2020	2020-2022
	b. Offshore	15	20	25
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	30	40
	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 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.

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	Cost component						
	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	Taxes and Duties	Rs US\$					
C	Total quoted price	Rs US\$					

Note:

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

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

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 contacts 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.

OIL INDIA LIMITED (A Government of India Enterprise) Duliajan, Assam													
Price Bid Format													
PROFORMA-B (REVISED)													
Tender No.							Name of the Bidder						
TENDER DESCRIPTION :		IFB No. CDG4007P20 for ‘Hiring the services of 08 (Eight) nos. Electrical Submersible Pumps (ESPs) with a provision to enter into Framework Agreement to cover the near future requirement’.								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 Percentage	TOTAL (A) including GST rate	TOTAL (B) including GST rate	
										Select From Drop Down List			
			A	B			C=A*B			D	E = C + (%age of D on C)		
Capacity: 10-30 KLPD					For Gas Genset Based ESP system	For Diesel Genset Based ESP system	For Gas Genset Based ESP system	For Diesel Genset Based ESP system			For Gas Genset Based ESP system	For Diesel Genset Based ESP system	
1a	MOBILIZATION CHARGE: 10 - 30 KLPD capacity ESP's	Per Unit	1				0.00	0.00			0.00	0.00	
1b	DE-MOBILIZATION CHARGE: 10 - 30 KLPD capacity ESP's	Per Unit	1				0.00	0.00			0.00	0.00	
1c	DAILY RENTAL CHARGE FOR EQUIPMENT (PER SET PER DAY)	Per Day	1095				0.00	0.00			0.00	0.00	
1d	OPERATING DAY RATE CHARGE (PER SET PER DAY)	Per Day	1005				0.00	0.00			0.00	0.00	
1e	INSTALLATION, COMMISSIONING & RETRIEVAL OF ESP CHARGES	Days	30				0.00	0.00			0.00	0.00	
1f	INTERIM DE-MOBILIZATION CHARGE & MOBILIZATION CHARGE FOR (PERSONNEL & EQUIPMENT)	Lump sum	3				0.00	0.00			0.00	0.00	
TOTAL (excl GST)							0.00	0.00	TOTAL (incl GST)		0.00	0.00	
Total for 03 Gas ESP units and 02 Diesel ESP units (excl GST)							0.00	0.00	Total for 03 Gas ESP units and 02 Diesel ESP units (incl GST)		0.00	0.00	
Capacity - 30-60 KLPD					For Gas Genset Based ESP system	For Diesel Genset Based ESP system	For Gas Genset Based ESP system	For Diesel Genset Based ESP system			TOTAL (C) including GST rate	TOTAL (D) including GST rate	
2a	MOBILIZATION CHARGE : 30 - 60 KLPD capacity ESP's	Per Unit	1				0.00	0.00			0.00	0.00	
2b	DE-MOBILIZATION CHARGE : 30 - 60 KLPD capacity ESP's	Per Unit	1				0.00	0.00			0.00	0.00	
2c	DAILY RENTAL CHARGE FOR EQUIPMENT (PER SET PER DAY)	Per Day	1095				0.00	0.00			0.00	0.00	
2d	OPERATING DAY RATE CHARGE (PER SET PER DAY)	Per Day	1005				0.00	0.00			0.00	0.00	
2e	INSTALLATION, COMMISSIONING & RETRIEVAL OF ESP CHARGES	Days	30				0.00	0.00			0.00	0.00	

2f	INTERIM DE-MOBILIZATION CHARGE & MOBILIZATION CHARGE FOR (PERSONNEL & EQUIPMENT)	Lump sum	3				0.00	0.00		0.00	0.00
TOTAL (excl GST)							0.00	0.00	TOTAL (incl GST)	0.00	0.00
Total for 02 Gas ESP units and 01 Diesel ESP unit (excl GST)							0.00	0.00	Total for 02 Gas ESP units and 01 Diesel ESP unit (incl GST)	0.00	0.00
GRAND TOTAL (excl GST)							0.00		TOTAL (incl GST)	0.00	
NOTE:											
1	Present requirement is for 05 nos of 10-30KLPD capacity and 03 nos of 30-60 KLPD Capacity ESP Service package only.										
2	Price to be quoted Unit wise based on Genset fuel.										
3	Bidder to categorically mention the currency of the quote.										
4	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.										
5	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.										
6	Bidder should also mention the Harmonised System of Nomenclature (HSN) and Service Accounting Codes (SAC) at the designated place in SOR. [Cell I9]										
7	Price Bids shall be evaluated on lowest cost to OIL (L-1 offer) basis considering total quoted price for all services including GST(CGST & SGST/UTGST or IGST).										
8	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.										
9	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.										
10	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			0.00	#DIV/0!	#DIV/0!	
	II	Personnel & Consultant cost	Rs./Foreign Currency			0.00	#DIV/0!	#DIV/0!	
	III	Other services cost	Rs./Foreign Currency			0.00	#DIV/0!	#DIV/0!	
	IV	Total cost (I to IV)	Rs./Foreign Currency	0.00	0.00	0.00	#DIV/0!	#DIV/0!	
B		Taxes and Duties	Rs./Foreign Currency			0.00	#DIV/0!	#DIV/0!	
C		Total quoted price	Rs./Foreign Currency	0.00	0.00	0.00	#DIV/0!	#DIV/0!	

Note:-

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

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

As regards cases where currency quoted by the bidder is other than Indian Rupee, exchange rate prevailing