

**Oil India Limited**  
**Duliajan, Assam**

**Tender No. CPI2947L14 dated 01.04.2014 for *Construction and Laying of Three Nos of 200MM X 2500 Meter COD Line, 250 psig HP Natural Gas Pipeline and 30 psig LP Natural Gas Pipeline from Hebeda- OCS to Makum- OCS in Tinsukia district, Assam (Approximate linear length 3 lines of 2.5 KM each) and its associated works***

**Limited Tender issued to following parties only:**

<b>SI no</b>	<b>V_Code</b>	<b>Vendor Name</b>	<b>City/State/Country</b>
1	400425	M/s Bordubi Engg. Works, Bordubi	Tinsukia, Assam, India
2	401369	M/s Mech Technik (I) Pvt. Ltd.,	Guwahati, Assam, India
3	401604	M/s P.Das & Co.	Guwahati, Assam, India
4	404075	M/s Tiratna Enterprise,	Tinsukia, Assam, India
5	401378	M/s Mideast Pipeline Products	New Delhi, India

**Salient Points are as under:**

- i) Bid Security amount : INR 1,75,000.00
- ii) Bidding Type : Single Stage – Single Bid System
- iii) Bid Closing On : 22.04.2014 at 11:00 hrs. (IST)
- iv) Bid Opening On : 22.04.2014 at 14:00 hrs. (IST)
- v) Performance Guarantee : 7.5% of Total Contract value
- vi) Integrity Pact : Applicable
- vii) VALIDITY : Your offer must be valid for 180 days from the date of bid opening. Offer with inadequate validity will be rejected.
- viii) The offer should be submitted through e-portal only.

\*\*\*\*\*



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

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

To

### **FORWARDING LETTER**

**Sub.:** IFB No. CPI2947L14 for *Construction and Laying of Three Nos of 200MM X 2500 Meter COD Line, 250 psig HP Natural Gas Pipeline and 30 psig LP Natural Gas Pipeline from Hebeda- OCS to Makum- OCS in Tinsukia district, Assam (Approximate linear length 3 lines of 2.5 KM each) and its associated works*

Dear Sirs,

**1.0 OIL INDIA LIMITED (OIL), a Govt. of India “NAVARATNA” category 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 ON-LINE Domestic Competitive Bids (DCB) from competent and experienced indigenous contractors for providing the services of *Construction and Laying of Three Nos of 200MM X 2500 Meter COD Line, 250 psig HP Natural Gas Pipeline and 30 psig LP Natural Gas Pipeline from Hebeda- OCS to Makum- OCS in Tinsukia district, Assam (Approximate linear length 3 lines of 2.5 KM each) and its associated works*. 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:**

<b><u>IFB NO.</u></b>	<b>: CPI2947L14</b>
<b><u>TYPE OF IFB</u></b>	<b>: Single Bid System</b>
<b><u>BID CLOSING DATE &amp; TIME</u></b>	<b>: 17.04.2014 (11.00 Hrs, IST)</b>
<b><u>BID OPENING DATE &amp; TIME</u></b>	<b>: 17.04.2014 (14.00 Hrs, IST)</b>
<b><u>BID SECURITY/EARNEST MONEY AMOUNT</u></b>	<b>: Rs. 1,75,000.00</b>

<b><u>BID SECURITY VALIDITY</u></b>	: 210 days from Bid closing date.
<b><u>BID VALIDITY</u></b>	:180days from Bid opening date
<b><u>AMOUNT OF PERFORMANCE GUARANTEE</u></b>	: 7.5% of Total Contract value.
<b><u>VALIDITY OF PERFORMANCE SECURITY</u></b>	: 19 Months from the date of LOA.
<b><u>MOBILISATION TIME</u></b>	: 7 days from issue of Work Order
<b><u>DURATION OF CONTRACT</u></b>	: 4 months
<b><u>QUANTUM OF LIQUIDATED DAMAGE FOR DEFAULT IN TIMELY MOBILIZATION</u></b>	: 0.5 % of the total contract value per week or part thereof of delay subject to maximum of 7.5%
<b><u>QUANTUM OF LIQUIDATED DAMAGE FOR DEFAULT IN TIMELY COMPLETION</u></b>	: 0.5 % of the total contract value per week or part thereof of delay subject to maximum of 7.5%.
<b><u>BIDS TO BE ADDRESSED TO</u></b>	: HEAD-CONTRACTS OIL INDIA LIMITED DULIAJAN – 786602 ASSAM.

**3.0 INTEGRITY PACT** : The Integrity Pact must be uploaded in OIL's E- Procurement portal along with the bid duly signed (digitally) by the same signatory who signed the bid, i.e., who is duly authorized to sign the bid. Any bid not accompanied by Integrity Pact Proforma duly signed (digitally) by the bidder shall be rejected straightway. Uploading the Integrity Pact with digital signature will be construed that all pages of the Integrity Pact has been signed by the bidder's authorized signatory who sign the Bid.

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

To participate in OIL's E-procurement tender, bidders should have a legally valid digital certificate **of Class 3 with Organizations Name** 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>). Bidders must have a valid User ID to access OIL E-Procurement site. **The User ID shall be issued to the shortlisted bidders separately through email. The detailed guidelines are available in OIL's E-Procurement site.** For any clarification in this regard, bidders may contact OIL.

## 5.0 **IMPORTANT NOTES :**

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

- i) The bid along with all supporting documents must be submitted through OIL's E-Procurement site only except the following documents which shall be submitted manually by the bidder in a sealed envelope super scribed with OIL's IFB No. and Bid Closing date to Head-Contracts, Contracts Department, Oil India Limited, Duliajan-786602, Assam(India) :
  - a) Original Bid Security
  - b) Power of Attorney for signing the bid.
  - c) Any other document required to be submitted in original as per tender requirement.

The above documents including the Original bid security must be received at OIL's Contract office on or before 12:45Hrs (IST) on the bid closing date. A scanned copy of the Bid Security shall also be uploaded by the bidder along with their Bid in OIL's E-Procurement site.

- ii) 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 Head-Contracts in presence of the authorized representatives of the bidders.
- iii) The authenticity of digital signature shall be verified through authorized CA after bid opening. If the digital signature used for signing is not of "Class - 3" with Organizations name, the bid will be rejected.
- iv) Bidder is responsible for ensuring the validity of digital signature and its proper usage by their employee.

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

Thanking You,

Yours Faithfully,

(M. Ali)  
Head-Contracts  
for Resident Chief Executive

## **PART - I**

### **INSTRUCTIONS TO BIDDERS**

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

#### **A. BIDDING DOCUMENTS**

2.0 The services required, bidding procedures and contract terms are prescribed in the Bidding Documents. This bidding document includes the following:

- (a) A forwarding letter highlighting the following points :
  - (i) Company's IFB (Tender) No. & Type
  - (ii) Bid closing/ opening date, time and place.
  - (iii) The amount of Bid Security & Validity.
  - (iv) The amount of Performance Guarantee & Validity.
  - (v) Quantum of liquidated damages for default in timely Mobilisation
  - (vi) Quantum of Liquidated Damage for default in timely completion
  - (vii) Duration of the Contract
- (b) Instructions to Bidders (Part-1)
- (c) Bid Rejection Criteria (BRC) & Bid Evaluation Criteria (BEC)- (Part-2)
- (d) General Conditions of Contract (Part -3, Section-I)
- (e) Scope of Work / Terms of Reference (Part -3, Section-II)
- (f) Special conditions of Contract (Part-3, Section III)
- (g) Schedule of Rates & Payment (Part- 3, Section-IV)
- (h) Statement of Non-Compliance (Part -4, Proforma-I).
- (i) Bid Form (Part-4, Proforma-II A).
- (j) Form of Performance Security (Bank Guarantee) (Part-4, Proforma-II B).
- (k) Contract Form (Part-4, Proforma-II C).
- (l) Form of Bid Security (Bank Guarantee) (Part -4, Proforma-II D).
- (m) Proforma Letter of Authority (Part -4, Proforma-III)
- (n) Integrity Pact Proforma (Part-4, Proforma- IV)

2.1 The bidder is expected to examine all instructions, forms, terms and specifications in the Bidding Documents. 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.

#### **3.0 AMENDMENT OF BIDDING DOCUMENTS:**

3.1 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 Bidding Documents by the issuance of an Addendum.

3.2 The Addendum will be uploaded in OIL's E- Tender Portal in the C- folder under tab "Amendments to tender documents". Bidders to whom Company has issued Bid

documents shall be intimated about the amendments through E-mail/Fax/courier etc. Company may, at its discretion, extend the deadline for Bid submission, if the Bidders are expected to require additional time in which to take the Addendum into account in preparation of their Bid or for any other reason. **Bidders shall also check OIL's E-Tender portal for any amendments to the bid documents before submission of their bids.**

**B. PREPARATION OF BIDS:**

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

4.1 **BIDDER'S NAME & ADDRESS:** Bidders should indicate in their bids their detailed postal address including Fax/ Telephone/ Cell Phone Nos. And E-mail address.

5.0 **DOCUMENTS COMPRISING THE BID:**

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

- (i) Complete technical details of the offered services and equipment specifications with catalogue, etc.
- (ii) Bid Security (**scanned copy**) furnished in accordance with **Clause 10.0** below.

**Original Bid Security to be sent by post/courier separately.**

- (iii) Statement of Non-Compliance as per **Proforma -I**
- (iv) Price Schedule as per Part -3, Section -IV
- (v) Bid Form as per Proforma-IIA
- (vi) **Integrity Pact** digitally signed by OIL's competent personnel as **Proforma IV** attached with the bid document to be digitally signed & uploaded by the bidder.

6.0 **BID FORM:** The bidder shall complete the Bid Form (Proforma IIA) furnished in the Bid Document.

7.0 **BID PRICE:**

7.1 Prices must be quoted by the Bidders online as per the price bid format (Section- IV) available in OIL's E- Tender Portal.

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

7.3 All duties (except Service Tax which will be borne by Company) and taxes including Corporate Income Taxes and other levies payable by the successful bidder under the Contract for which this Bidding Document is being issued, shall be included in the rates, prices and total Bid Price submitted by the bidder, and the evaluation and comparison of bids shall be made accordingly. For example, personal taxes and/or any corporate taxes arising out of the profits on the contract as per rules of the country shall be borne by the Bidder/ Contractor.

8.0 **CURRENCIES OF BID AND PAYMENT**: INR ( Indian Rupees ) only

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

9.1 These are listed in **BID REJECTION CRITERIA (BRC) / BID EVALUATION CRITERIA (BEC), PART-2** of the Bidding documents.

10.0 **BID SECURITY**:

10.1 Pursuant to **Clause 5.0** the **Bidder during online submission of bid shall furnish as part of its Bid, Bid Security(scanned copy)** in the amount as specified in the "Forwarding letter". **The Original bid security should reach the office of HEAD-CONTRACTS, Oil India Limited, Duliajan-786602, Assam on or before 12:45Hrs(IST) on the Bid closing date, otherwise Bid will be rejected.**

10.2 The Bid Security is required to protect the Company against the risk of Bidder's conduct, which would warrant the security's forfeiture, pursuant to **Sub-Clause 10.7**.

10.3 The Bid Security shall be denominated in the currency of the bid and shall be in one of the following form:

- (a) A Bank Guarantee or irrevocable Letter of Credit in the prescribed format vide **Proforma-IID** or in another form acceptable to the Company: Bank Guarantee/LC issued from any of the following Banks only will be accepted:
- i) Any Nationalised / scheduled Bank in India or
  - ii) Any Indian branch of a Foreign Bank

The Bank Guarantee / LC shall be valid for 30 days beyond the validity of the bids 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.

- (b) A Cashier's cheque or Demand Draft drawn on 'Oil India Limited' valid for 90/180 days from the date of issue and payable at Duliajan, Assam.

10.4 Any bid not secured in accordance with **Sub-Clause 10.3** shall be rejected by the Company as non-responsive.

10.5 Unsuccessful Bidder's bid Security will be discharged and/or returned within 30 days of expiry of the period of bid validity.

10.6 Successful Bidder's bid Security will be discharged upon the Bidder's signing of the contract and furnishing the performance security.

10.7 The Bid Security may be forfeited:

(a) If any Bidder withdraws their Bid during the period of Bid validity (including any subsequent extension) specified by the Bidder on the Bid Form, or

(b) If a successful Bidder fails:

- i) to sign the contract within reasonable time and within the period of Bid validity, and /or
- ii) to furnish Performance Security.

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

10.8 The scanned copy of the original Bid Security in the form of either Bank Guarantee or LC or Cashier Cheque or Bank Draft must be uploaded by bidder along with the bid in OIL's E-Tender portal.

#### **11.0 PERIOD OF VALIDITY OF BIDS:**

11.1 Bids shall remain valid for 180 days after the date of bid opening prescribed by the Company.

11.2 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 (or by Fax). The bid Security provided under Para 10.0 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.

#### **12.0 SIGNING OF BID:**

12.1 Since bids are to be submitted ONLINE with digital signature, manual signature is NOT relevant.

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

##### **13.0 SUBMISSION OF BIDS**

13.1 The bid along with all annexure and copies of documents should be submitted in e-form only through OIL's E-Tender Portal. The price bids submitted in physical form against e-procurement tenders shall not be given any cognizance. However the following documents should necessarily be submitted in physical form in sealed envelope superscribed as "Tender Number and due for opening on.....". The outer cover should duly bear the tender number and date of bid closing/bid opening prominently underlined and addressed to "Head-Contracts, Oil India Limited,

Duliajan-786602, Assam”, which should reach his office positively on or before 12:45Hrs(IST) on the bid closing date:

1. The original bid security.
2. Power of attorney for signing the offer/bid.
3. Printed catalogue and Literature if called for in the IFB.
4. Any other document required to be submitted in original as per tender requirement.

#### **14.0 DEADLINE FOR SUBMISSION OF BIDS:**

14.1 Bidders will not be permitted by System to make any changes in their bid after bid has been uploaded by bidder. Bidder may however request Head-Contracts for returning their bids before the due date of submission for resubmission. But no such request would be entertained once due date for submission of bids has been reached and bids are opened.

14.2 No bid can be submitted after the submission dead line is reached i.e. **11:00Hrs(IST)on the bid closing date**. The system time displayed on e-procurement web page shall decide the submission dead line.

14.3 **EXTENSION OF BID SUBMISSION DATE:** Normally no request for extension of Bid Closing Date will be entertained. However, in case of any changes in the specifications, inadequate response or for any other reasons, OIL may at its discretion, extend the Bid Closing Date and/or time.

**15.0 FORMAT OF BID SUBMISSION:** Submission of Bids online at OIL’s E-Tender Portal. Detailed instructions are available in “HELP DOCUMENTATION” available in OIL’s E-Tender Portal. Guidelines for bid submission are also provided in the Forwarding letter.

15.1 The offer should contain complete details of the services offered together with other relevant literature/ catalogues of the services offered. **The Bid Security(scanned copy) mentioned in Clause 10.0 should be uploaded with the Bid.**

15.2 All the conditions of the contract to be made with the successful bidder are given in various Sections of this document. Bidders are requested to state their compliance/ non-compliance to each clause as per **PROFORMA I**. This should be uploaded along with the bid.

15.3 Timely online submission of the bids is the responsibility of the Bidder. Company shall not be responsible for any postal delay/ transit loss for physical submission of the documents like bid security etc., specifically asked for in the tender.

15.4 Bid received through the e-procurement portal shall only be accepted. Bids received in any other form shall not be accepted.

16.0 **LATE BIDS**: Bidder(s) are advised in their own interest to ensure that bid(s) are uploaded in system well before the closing date and time of the bid.

17.0 **MODIFICATION AND WITHDRAWAL OF BIDS**:

17.1 The Bidder after submission of bid may withdraw its bid by written notice prior to bid closing.

17.2 No bid can be withdrawn subsequent to the deadline for submission of bids.

17.3 No bid may 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.

18.0 **BID OPENING AND EVALUATION**

18.1 Company will **open the Bids**, including submission made pursuant to **Clause 17.0**, in the presence of Bidder's representatives who choose to attend **on the bid closing date (14:00 Hrs., IST) at the office of Head-Contracts, Oil India Limited, Duliajan-786602, Assam.** However, an authorization letter (as per **PROFORMA -III**) 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.

18.2 Bid for which an acceptable notice of withdrawal has been received pursuant to **Clause 17.0** 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 properly signed and whether the bids are generally in order.

18.3 At bid opening, Company will announce the Bidder's names, written notifications of bid withdrawal, if any, the presence of requisite Bid Security and such other details as the Company may consider appropriate.

18.4 Company shall prepare, for its own records, minutes of bid opening including the information disclosed to those present in accordance with the **Sub-Clause 18.3**.

18.5 To assist in the examination, evaluation and comparison of bids the Company may at its discretion, ask the Bidder for clarifications of its bid. The request for clarification and the response shall be in writing and no change in the price or substance of the bid shall be sought, offered or permitted.

18.6 Prior to the detailed evaluation, Company will determine the substantial responsiveness of each bid to the requirement of the Bidding Documents. For purpose of these paragraphs, a substantially responsive bid is one, which conforms to all the terms and conditions of the Bidding Document without material deviations or reservation. A material deviation or reservation is one which affects in any way substantial way the scope, quality, or performance of work, or which limits in any

substantial way, inconsistent way with the bidding 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.

18.7 A Bid determined as not substantially responsive will be rejected by the Company and **will not subsequently be made responsive** by the Bidder by correction of the non-conformity.

18.8 The Company may waive minor informality or nonconformity or irregularity in a bid, which does not constitute a material deviation, provided such waiver, does not prejudice or affect the relative ranking of any Bidder.

#### **19.0 EVALUATION OF PRICE BIDS**

19.1 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.

19.2 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 any Bidder does not accept the correction of the errors, their bid will be rejected.

20.0 **COMPARISON OF BIDS**: The Company will evaluate and compare the bids as per **BID REJECTION CRITERIA (BRC) / BID EVALUATION CRITERIA (BEC), PART-2** of the bidding documents.

#### **21.0 CONTACTING THE COMPANY:**

21.1 Except as otherwise provided in Para 18.0 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 Para 18.5.

21.2 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:**

22.0 **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.

23.0 **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.

**24.0 NOTIFICATION OF AWARD:**

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

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

24.3 Upon the successful Bidder's furnishing of Performance Security pursuant to Para 25.0 the company will promptly notify each un-successful Bidder and will discharge their Bid Security, pursuant to Para 10.0 hereinabove.

**25.0 PERFORMANCE SECURITY:**

**25.1** Within 15(fifteen) days of the 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-IIB** or in any other format acceptable to the Company and must be in the form of Bank Guarantee (BG) or an irrevocable Letter of Credit (L/C) from any of the following Banks:

- i) Any Nationalised / Scheduled Bank in India OR
- ii) Any Indian branch of a Foreign Bank

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

25.2 The performance security specified above must be **valid for 16(Sixteen) months plus 3(three) months to lodge claim, if any.** The same 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.

25.3 The performance security shall be payable to Company as compensation for any loss resulting from Contractor's failure to fulfill its obligations under the Contract.

25.4 The Performance Security will not accrue any interest during its period of validity or extended validity.

25.5 Failure of the successful Bidder to comply with the requirements of **Clause 25.1, 25.2 and/or 26.0** shall constitute sufficient grounds for annulment of the award and forfeiture of the Bid Security. In such an eventuality, the party shall be debarred for a period of 2(two) years from the date of default. Also, the Company may award the contract to the next evaluated Bidder or call for new bid or negotiate with the next lowest bidder as the case may be.

## **26.0 SIGNING OF CONTRACT:**

26.1 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 Bidding Documents, along with the General & Special Conditions of Contract, Technical Specifications/Terms of Reference or Scope of work, Schedule of rates incorporating all agreements between the parties.

26.2 Within 30 days of receipt of the final contract document, the successful Bidder shall sign and date the contract and return it to the company. Till the contract is signed, the LOA issued to the successful bidder shall remain binding amongst the two parties.

26.3 In the event of failure on the part of the successful Bidder to sign the contract within the period specified above or any other time period specified by Company, OIL reserves the right to terminate the LOA issued to the successful Bidder and invoke the Bid Security or the Performance Security if submitted by the successful Bidder. The party shall also be debarred for a period of 2(two) years from the date of default.

## **27.0 FURNISHING FRAUDULENT INFORMATION/DOCUMENTS :**

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

## **28.0 BIDDERS' AWARENESS ON THE COMPLETE REQUIREMENT OF THE PROJECT:**

28.1 Bidders in their own interest are advised to visit the site of the works near Duliajan (Assam) to gather information about the site, its surroundings and for preliminary assessment for preparing their bids and for subsequent execution of the contract. However all expenses of the personnel including but not limited to their to and fro fares, boarding, lodging etc. to Duliajan shall be to prospective bidder's account. OIL shall arrange visit to the site from Duliajan at its cost.

## **28.2 LOCAL CONDITIONS :**

It is imperative for each Bidder to fully inform themselves of all local conditions, factors and legislation which may have any effect on the execution of the work covered under the Bid Document. The bidders shall be deemed prior to submitting their bids to have satisfied themselves as to the circumstances at the Site, including without limitation, the ground and sub-soil, the form and nature of the Site and the climate and hydrological conditions of the Site and obtained for themselves all necessary information as to the risks, contingencies and all other circumstances, which may influence or affect the Contract price and its 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 its officers or agents 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.

### **28.3 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 to be executed under this contract.

### **29.0 INTEGRITY PACT :**

29.1 The Integrity Pact is applicable against this tender .OIL shall be entering into an Integrity Pact with the bidders as per format enclosed vide **Proforma IV, PART-4** 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 bid) duly signed (digitally) by the same signatory who signed the bid, i.e., who is duly authorized to sign the bid. Any bid not accompanied by Integrity Pact Proforma duly signed (digitally) by the bidder shall be rejected straightway. Uploading the Integrity Pact with digital signature will be construed that all pages of the Integrity Pact has been signed by the bidder's authorized signatory who sign the Bid.

29.2 OIL has appointed Shri N. Gopaldaswami, Ex-CEC and Shri R. C. Agarwal, IPS(Retd) as Independent External Monitors(IEMs) for a period of 3(three) years to oversee implementation of Integrity Pact in OIL. Bidders may contact the Independent External Monitors for any matter related to the IFB as per the contact details indicated below:

1. Shri N. Gopaldaswami, IAS(Retd), Ex-CEC, Phone No. : 91-44-2834-2444(Res),91-9600144444(Cell);E-mail : [gopaldaswamin@gmail.com](mailto:gopaldaswamin@gmail.com)
2. Shri R. C. Agarwal, IPS(Retd), Phone No. : 91-11-22752749(Res), 91-9810787089(Cell) ; E-mail : [rcagarwal@rediffmail.com](mailto:rcagarwal@rediffmail.com)

**END OF PART – 1**

## **PART- 2 (BEC/BRC)**

### **BID EVALUATION CRITERIA (BEC) / BID REJECTION CRITERIA (BRC)**

#### **I) BID REJECTION CRITERIA (BRC):**

The bid shall conform generally to the specifications and terms and conditions given in the Bid Documents. Bids will be rejected in case services offered do not conform to the required parameters stipulated in the technical specifications. Notwithstanding the general conformity of the bid to the stipulated specifications, the following mandatory requirements will have to be particularly met by the Bidders without which the same will be considered as non-responsive and rejected.

**1.0** The tender is invited under **SINGLE BID SYSTEM**. The bidder has to submit bid through electronic form in the OIL's e-Tender portal within the Bid Closing Date and Time stipulated in the e-Tender.

NB: All the Bids must be Digitally Signed using valid "Class 3" digital signature certificate with Organizations Name (e-commerce application) as per Indian IT Act obtained from the licensed Certifying Authorities operating under the Root Certifying Authority of India (RCAI), Controller of Certifying Authorities (CCA) of India.

**2.0** Bidder shall offer firm prices. Price quoted by the successful bidder must remain firm during the execution of the contract and not subject to variation on any account.

**3.0** Bids with shorter validity will be rejected as being non-responsive.

**4.0** During the Online submission of the bid, a scanned copy of the Bid Security shall be uploaded as a part of the Bid. The validity period and amount of Bid Security shall be as specified in the Forwarding Letter of the Bid Document. The Original Bid Security should however be forwarded to office of the "Head-Contracts, Oil India Limited, Duliajan-786602, Assam" which should reach the said office on or before 12.45 Hrs(IST) on the bid closing date, otherwise Bid will be rejected.

**5.0** The Integrity Pact is applicable against this tender. OIL shall be entering into an Integrity Pact with the bidders as per format enclosed in Part-4 of the bid document. This Integrity Pact Proforma has been duly signed digitally by OIL's competent signatory. The Proforma has to be returned by the bidder duly signed (digitally) by the same signatory who signed the bid, i.e., who is duly authorized to sign the bid. Any bid not accompanied by Integrity Pact Proforma duly signed (digitally) by the bidder shall be rejected straightway. Uploading the Integrity Pact with digital signature will be construed that all pages of the Integrity Pact has been signed by the bidder's authorized signatory who sign the Bid.

**6.0** No bid can be submitted after the submission deadline is reached. The system time displayed on e-procurement web page shall decide the submission deadline.

**7.0** Bid received through the e-procurement portal shall only be accepted. Bids received in any other form shall not be accepted.

**8.0** Bid should be submitted online up to 11:00 AM (IST) (Server Time) on the date as mentioned and will be opened on the same day at 02:00 PM (IST) at Office of the Head-Contracts in presence of authorized representative of the bidder.

**9.0** The bid documents are non-transferable. Bid can only be submitted in the name of the bidder in whose name the User ID and Password have been issued. Unsolicited bids will not be considered and will be straightway rejected.

**10.0** Bids shall be typed or written in indelible ink and shall be digitally signed by the bidder or his authorised representative.

**11.0** 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.

**12.0** Any Bid containing false statement will be rejected.

**13.0** Conditional bids are liable to be rejected at the discretion of the Company.

**14.0** 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 Guarantee Clause.
- (ii) Force Majeure Clause.
- (iii) Tax Liabilities Clause.
- (iv) Arbitration Clause.
- (v) Acceptance of Jurisdiction and Applicable Law Clause.
- (vi) Liquidated damage and penalty clause.
- (vii) Safety & Labour Law Clause.
- (viii) Termination Clause.
- (ix) Integrity Pact Clause.

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

The bids conforming to the technical specifications, terms and conditions stipulated in the bidding document and considered to be responsive after subjecting to Bid Rejection Criteria will be considered for further evaluation as per the Bid 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** The bidders must quote their charges/rates in the manner as called for vide “Schedule of Rates” under Part 3, Section-IV. To ascertain the inter-se-ranking, the comparison of the responsive bids will be made on ‘Total estimated contract cost inclusive of Service Tax’ basis subject to loading for any deviation.

**END OF PART – 2**

## **PART 3 / SECTION - I**

### **GENERAL CONDITIONS OF THE CONTRACT**

#### **1.0 DEFINITIONS**

In the Contract, the following terms shall be interpreted as indicated:

- 1.1 “The Contract” means agreement to be entered into between Company and Contractor, as recorded in the Contract signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein;
- 1.2 “The Contract Price” means the price payable to Contractor under the Contract for the full and proper performance of their contractual obligations;
- 1.3 “The Work” means each and every activity required for the successful performance of the services described in the Technical Specification/Terms of Reference;
- 1.4 “Company” means Oil India Limited (OIL);
- 1.5 “Contractor” means the individual or firm or Body incorporated performing the work under the Contract.
- 1.6 “Contractor’s Personnel” means the personnel to be provided by Contractor to provide services as per contract.
- 1.7 “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.

#### **2.0 EFFECTIVE DATE, DATE OF COMMENCEMENT OF CONTRACT, MOBILISATION TIME AND DURATION OF CONTRACT**

- 2.1 The Contract shall become effective as of the date the Company notifies the Contractor in writing that it has been awarded the Contract i.e. with effect from the date of issue of Letter of Award (LOA) of the Contract.
- 2.2 The commencement date of the Contract will be reckoned from the date of issue of WORK ORDER.
- 2.3 The duration of the Contracts will be for a period of 04 (four) months to be reckoned from the date issue of WORK ORDER.
- 2.4 Mobilisation shall be completed within 7 (seven) days from the date of issue of Work Order.

#### **3.0 OBLIGATIONS OF CONTRACTOR**

Contractor in accordance with and subject to the terms and conditions of the Contract shall have following obligations:

- 3.1 Perform the work described in the Scope of Work of this tender document.
- 3.2 Provide and make regular payments to all labour as required to perform the work.

- 3.3 Perform all other obligations, work and services which are required by the terms of this Contract or which reasonably can be implied from such terms as being necessary for the successful and timely completion of the work.
- 3.4 Contractor shall deem to have satisfied themselves before submitting their offer as to the correctness and sufficiency of their offer for the services required and of the rates and prices quoted, which rates and prices shall, except insofar as otherwise provided, cover all their obligations under the Contract.
- 3.5 Contractor shall give or provide all necessary supervision during the performance of the services and as long thereafter as the Company may consider necessary for the proper fulfilling of Contractor's obligations under the Contract.

#### **4.0 OBLIGATIONS OF THE COMPANY**

The Company in accordance with and subject to the terms and conditions of the Contract shall have following obligations:

- 4.1 Pay Contractor in accordance with terms and conditions of the Contract for works as per the Payment Schedule.
- 4.2 Allow the Contractor 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 of the Company as required by the terms of the Contract.

#### **5.0 CONTRACTOR'S PERSONNEL**

- 5.1 Contractor warrants that they will provide competent, qualified and sufficiently experienced personnel to perform the work correctly and efficiently and shall ensure that such personnel observe all applicable statutory norms and safety requirement of the Company. Upon the Company's written request, the Contractor, entirely at their own expense, shall remove immediately, from assignment to the work, any personnel of the Contractor determined by the Company to be unsuitable and shall promptly replace such personnel with alternative personnel acceptable to the Company.
- 5.2 The Contractor shall be solely responsible throughout the period of the 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 the Company.
- 5.3 Contractor's main personnel shall be fluent in English Language (both writing and speaking).

#### **6.0 GUARANTEES, WARRANTIES AND REMEDY OF DEFECTS**

- 6.1 The Contractor must warrant that they shall perform the work in a first class, workmanlike and professional manner and in accordance with the highest quality, efficiency and current state of the art technology and in conformity with all specifications, standards and drawings set forth or referred to in the Terms of Reference & Technical Specification and with instructions and guidance which the Company may, from time to time, furnish to the Contractor.
- 6.2 Should the Company discover at any time during the tenure of the Contract or within the Performance Liability Period of the Contract that the work does not conform to and perform as per terms and conditions of the Contract, Contractor shall after receipt of notice from the Company, promptly perform any and all corrective work required to make the services conform to the terms and conditions. Such corrective work shall be performed entirely at the 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 the Contractor, which the Contractor must pay promptly. In case the Contractor fails to perform remedial work, the Performance Bank Guarantee shall be invoked.
- 6.3 All Goods or Materials shall be supplied strictly in accordance with the specifications, drawings, data sheets, other attachments and conditions stated in the Contracts.
- 6.4 The Contractor guarantees that the Goods or Materials supplied under the Contract are new, unused, of the most recent or current models and incorporate all recent improvements in design and materials unless provided otherwise in the Contract. The Contractor further warrants that the goods supplied under this Contract shall have no defect arising from design, materials or workmanship or from any act of omission of the Contractor that may develop under normal use of the supplied goods in the conditions obtaining in the Country of final destination.
- 6.5 No deviation from such specifications or alterations or of these conditions shall be made without COMPANY agreement in writing, which must be obtained before any work against the order is commenced. All materials supplied by the CONTRACTOR pursuant to the Contract (irrespective of whether engineering, design data or other information has been furnished, reviewed or approved by Company) are guaranteed to be of the best quality of their respective kinds, (unless otherwise specifically authorised in writing by Company) and shall be free from faulty design, workmanship and materials, and to be of sufficient size and capacity and of proper materials so as to fulfil in all respects operating conditions, if any, specified in the Contract.
- 6.6 This Guarantee shall remain valid for a period of 12 (twelve) months from the date of putting the pipeline into operation i.e. DATE OF COMPLETION OF THE PROJECT. If any trouble or defect, originating with the design, material, workmanship or operating characteristics of any materials, arises at any time

prior to expiry of guarantee period, the CONTRACTOR is notified thereof, CONTRACTOR shall, at his own expense and as promptly as possible, make such alterations, repairs and replacements as may necessary to permit the material to functions in accordance with the specifications and to fulfil the foregoing guarantees.

6.7 The Company may, at its option, remove such defective materials, at CONTRACTOR'S expense in which event CONTRACTOR shall, without cost to Company and as promptly as possible, furnish and install proper materials. Repaired or replacement materials shall be similarly guaranteed by the CONTRACTOR for a period of no less than 12 (twelve) months from the date of replacement/ repair.

6.8 In the event that the materials supplied do not meet the specifications and/ or not in accordance with the drawings data sheets or the terms of Contract and rectification is required in site, COMPANY shall notify the CONTRACTOR giving full details of differences. The CONTRACTOR shall attend the site within 7 (seven) days of receipt of such notice to meet and agree with representatives of COMPANY, the action required to correct the deficiency. Should the CONTRACTOR fail to attend meeting at site within the time specified above, COMPANY shall immediately rectify the work/ materials and CONTRACTOR shall reimburse COMPANY all cost and expenses incurred in connection with such trouble or defect. In case the Contractor fails to perform remedial work, the Performance Bank Guarantee shall be invoked.

7.0 **CONFIDENTIALITY, USE OF CONTRACT DOCUMENTS & INFORMATION**

7.1 The Contractor shall not, without the 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 the 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.

7.2 The Contractor shall not, without the Company's prior written consent, make use of any document or information except for purposes of performing the Contract.

7.3 Any document supplied to the Contractor in relation to the Contract other than the Contract itself remain the property of the Company and shall be returned (in all copies) to the Company on completion of Contractor's performance under the Contract if so required by the Company.

7.4 The above obligations of the Contractor shall be in force even after termination of the Contract.

8.0 **TAXES, DUTIES & LEVIES**

- 8.1 Tax levied as per the provisions of Indian Income Tax Act and any other enactment/rules on income derived/ payments received under the Contract will be on the Contractor's account. Such taxes will be deducted at source by the Company from the Contractor's invoice.
- 8.2 Corporate income tax will be deducted at source by the Company from the Contractor's 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.
- 8.3 The Contractor shall be responsible for and pay the personal taxes, if any, for all their personnel deployed.
- 8.4 The Contractor shall furnish to the Company, if and when called upon to do so, relevant statement of accounts or any other information pertaining to work done under the Contract for submitting the same to the Tax authorities, on specific request by them. Contractor shall be responsible for preparing and filing the return of income etc. within the prescribed time limit to the appropriate authority.
- 8.5 Prior to start of operations under the Contract, the Contractor shall furnish the Company with the necessary documents, as asked for by the Company and/or any other information pertaining to the Contract, which may be required to be submitted to the Income Tax authorities at the time of obtaining "No Objection Certificate" for releasing payments to the Contractor.
- 8.6 Corporate and personnel taxes on the 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, customs duty, octroi, etc. on purchases and sales made by the Contractor shall be borne by the Contractor.
- 8.8 **Service tax** : Service tax as applicable shall be extra on company's account. However the liability for payment of the service tax will lie on contractor.

## **9.0 INSURANCE**

- 9.1 The Contractor shall arrange insurance to cover all risks in respect of their personnel, materials and equipment belonging to the Contractor or their Sub-Contractor during the currency of the Contract.
- 9.2 The Contractor shall at all times during the currency of the Contract provide, pay for and maintain the following insurances amongst others:
- i) Workmen compensation insurance as required by the laws of the country of origin of the employee.
  - ii) Employer's Liability Insurance as required by law in the country of origin of employee.
  - iii) General Public 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 the Contractor required to fulfil the provisions under the Contract.

- iv) The Contractor's equipment provided by the Contractor for performance of the work shall have an insurance cover with a suitable limit (as per International Standards).
  - v) 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 shall be governed by Indian Insurance regulations.
  - vi) Public Liability Insurance as required under Public Liability Insurance Act 1991.
  - vii) The Contractor shall obtain additional insurance or revise the limits of existing insurance as per the Company's request, if any, in which case additional cost shall be to Contractor's account.
- 9.3 Any deductible set forth in any of the above insurance shall be borne by the Contractor.
- 9.4 Contractor shall furnish to the Company prior to commencement date, certificates of all their insurance policies covering the risks mentioned above.
- 9.5 The Contractor shall require all of their Sub-Contractors to provide such of the foregoing insurance coverage as the Contractor is obliged to provide under the Contract and inform the Company about the coverage prior to the commencement of agreements with their Sub-Contractors.
- 9.6 All insurance taken out by the Contractor or their Sub-Contractors shall be endorsed to provide that the underwriters waive their rights of recourse on the Company.
- 9.7 i) All goods/equipment to be supplied by the Company under this contract shall be under Contractor's custody until such goods/equipment are installed and commissioned on turnkey basis. The Contractor shall at his own expense, secure and maintain insurance covering the full value of all such goods/equipment for the period up to commissioning of the Pipelines.
- ii) Such insurance shall cover any loss or damage of supplied goods/equipment during transit from Contractor's source of despatch to project sites, storage at various sites, erection, installation and commissioning of such goods/equipment till such time the entire Pipeline is commissioned. The beneficiary of all such insurance policies shall be OIL.
- 9.8 All cost on account of insurance liabilities covered under Contract will be to Contractor's account and will be included in Contract Price. However, the Company may from time to time, during the currency of the Contract, ask the Contractor in writing to limit the insurance coverage risk and in such settlement, for reduction in Contract Price to the extent of reduced premium amounts.
- 9.9 If any of the above policies expire or are cancelled during the term of the Contract and the Contractor fails for any reason to renew such policies, then

the Company will renew/replace same and charge the cost thereof to the Contractor. Should there be a lapse in any insurance required to be carried by the Contractor for any reason whatsoever, loss/damage claims resulting there from shall be to the sole account of the Contractor.

## **10.0 CHANGES**

10.1 During the performance of the work, the Company may make a change in the work within the general scope of the Contract including, but not limited to, changes in methodology, and minor additions to or deletions from the work to be performed. The Contractor shall perform the work as changed. Changes of this nature will be effected by Written Order (Change Order) by the Company.

10.2 If any change results in an increase in compensation due to the Contractor or in a credit due to the Company, the Contractor shall submit to the Company an estimate of the amount of such compensation or credit in a form prescribed by the Company. Such estimates shall be based on the rates shown in the Schedule of Rates. Upon review of the Contractor's estimate, the Company 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 21.1 hereunder. Contractor's performance of the Work as changed will not prejudice the Contractor's request for additional compensation for work performed under the Change Order.

## **11.0 FORCE MAJEURE**

11.1 In the event of either party being rendered unable by 'Force Majeure' to perform any obligation under the Contract, the relative obligation of the party affected by such 'Force Majeure' will stand suspended as provided herein. The term "Force Majeure" as employed herein shall mean act of God, strikes, war, revolt, lockouts or other industrial disturbances, agitation, blockade / road barricade (but not due to interference of employment of the bidder), sabotage, riots, fire, floods, civil commotion etc. and any other cause, whether of the 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.

11.2 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.

11.3 Should 'force majeure' condition as stated above occurs and should the same be notified within 72 (Seventy Two) hours after its occurrence, both the parties shall have no obligation. Either party will have the right to terminate the Contract if such 'force majeure' condition continues beyond 15 (Fifteen) days with prior written notice. Should either party decide not to terminate the Contract even under such condition, no payment would apply. Time for

performance of the relative obligation suspended by the Force majeure shall then stand extended by the period for which such cause lasts.

## **12.0 LIABILITY**

- 12.1 Except as otherwise expressly provided, neither the Company nor its servants, agents, nominees, contractor's, 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 the Company and/or its servants, agents, nominees, assignees, Contractors and Sub-Contractors. The Contractor shall protect, defend, indemnify and hold harmless the Company from and against such loss or damage and any suit, claim or expense resulting there from.
- 12.2 Neither the 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-Contractors irrespective of how such injury, illness or death is caused and even if caused by the negligence of the Company and / or its servants, agents, nominees, assignees, Contractors and Sub-Contractors. The Contractor shall protect, defend, indemnify and hold harmless the Company from and against such liabilities and any suit, claim or expense resulting there from.
- 12.3 The Contractor hereby agrees to waive their right to recourse and further agrees to cause their underwriters to waive their right of subrogation against the 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 Contractors, Sub-Contractors when such loss or damage or liabilities arises out of or in connection with the performance of the Contract.
- 12.4 The Contractor hereby further agrees to waive their right of recourse and agrees to cause their underwriters to waive their right of subrogation against the 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.
- 12.5 Except as otherwise expressly provided, neither the Contractor nor their 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 its Contractors or Sub-Contractors, irrespective of how such loss or damage is caused and even if caused by the negligence of the Contractor and/or its servants, agents, nominees, assignees, Contractors and Sub-Contractors. The Company shall protect, defend, indemnify and hold harmless the Contractor from and against such loss or damage and any suit, claim or expense resulting there from.

**13.0 INDEMNITY APPLICATION**

13.1 The indemnities given herein above, whether given by the Company or the 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.

**14.0 CONSEQUENTIAL DAMAGE**

14.1 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 of 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.

**15.0 WAIVERS AND AMENDMENTS**

15.1 It is fully understood and agreed that none of the terms and conditions of the Contract shall deemed to be waived or amended by either party unless such waiver or amendment is executed in writing by the duly authorised agents or representatives of such party. The failure of either party to execute any right of termination shall not act as a waiver or amendment of any right of such party provided hereunder.

**16.0 PAYMENT & INVOICING PROCEDURE**

16.1 The 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 price schedule and in accordance with other provisions hereof. No other payments shall be due from the Company unless specifically provided for in this Contract. All payments will be made in accordance with the terms hereinafter described.

16.2 All payments due by the Company to the Contractor shall be made at the Company's designated Bank. All Bank charges will be on Contractor's account.

16.3 Payment of any invoices shall not prejudice the right of the Company to question the validity of any charges therein, provided the Company within one year after the date of payment shall make and deliver to the Contractor written notice of objection to any item or items the validity of which the Company questions.

16.4 The Contractor will submit six sets of all invoices ,clearly marking as "Original" and "Copy" and duly certified by Engineer-In-Charge along with duly filled up activity completion sheet to Production Projects Department, OIL, Duliajan for processing of payment.

16.5 Invoices shall be raised by the Contractor as per the Payment Schedule prescribed in this document.

- 16.6 The Company shall within 20 (Twenty) 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 within 30 (Thirty) days from the date of receipt of the invoices. This will not prejudice the Company's right to question the validity of the payment at a later date. No interest shall be payable by the Company on any delayed / disputed amount.
- 16.7 The acceptance by the Contractor of part payment on any billing not paid on or before the due date shall not be deemed to be a waiver of the Contractor's rights in respect of any other billing, the payment of which may then or thereafter be due.
- 16.8 The Contractor shall maintain complete and correct records of all information on which the Contractor's invoices are based up to 2 (two) years from the date of last invoice. Such records shall be required for making appropriate adjustments or payments by either party in case of subsequent audit query/ objection.
- 16.9 Any audit conducted by the Company of the Contractor's records, as provided herein, shall be limited to the Company's verification of (i) the accuracy of all charges made by the Contractor to the Company and (ii) that the Contractor is otherwise in compliance with the terms and conditions of this Agreement.

#### **17.0 WITHHOLDING**

- 17.1 The Company may withhold or nullify the whole or any part of the amount due to the Contractor on account of subsequently discovered evidence in order to protect the Company from loss on account of:
- i) For non-completion of assigned jobs.
  - ii) Contractor's indebtedness arising out of execution of the Contract.
  - iii) Defective work not remedied by the Contractor.
  - iv) Claims by Sub-Contractors of the Contractor or others filed or on the basis of reasonable evidence indicating probable filing of such claims against the Contractor.
  - v) Failure of the Contractor to pay or provide for the payment of salaries/wages, contributions, unemployment compensation, taxes or enforced savings withheld from wages etc.
  - vi) Failure of the Contractor to pay the cost of removal of unnecessary debris, materials, tools, or machinery.
  - vii) Damage to another Contractor of the Company.
  - viii) All claims against the Contractor for damages and injuries, and/or for non-payment of bills etc.
- ix)** Any failure by Contractor to fully reimburse the Company under any of the indemnification provisions of this Contract. If, during the progress of the work the Contractor shall allow any indebtedness to accrue for which the Company, under any circumstances in the opinion of the Company may be primarily or contingently liable or ultimately responsible and the Contractor shall, within 5 (Five) days after demand is made by the Company, fail to pay and discharge such indebtedness, then the Company may during the period for which such indebtedness shall remain unpaid, withhold from the amounts due to the

Contractor, a sum equal to the amount of such unpaid indebtedness. When all the above grounds for withholding payments shall be removed, payment shall thereafter be made for amounts so withhold.

- 17.2 Withholding will also be affected 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 the Contractor which by any law prevalent from time to time to be discharged by the Company in the event of the Contractor's failure to adhere to such laws.
  - iv) Any payment due from the Contractor in respect of unauthorised imports.
- 17.3 Notwithstanding the foregoing, the right of the Company to withhold shall be limited to damages, claims and failure on the part of the Contractor which is directly/indirectly due to some negligent act or omission on the part of the Contractor.

#### **18.0 APPLICABLE LAW / JURISDICTION**

- 18.1 This 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, Assam.
- 18.2 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:
- i. The Mines Act - as applicable to safety and employment conditions.
  - ii. Indian Explosives Act
  - iii. Indian Electricity Rules
  - iv. Petroleum Rules
  - v. The Minimum Wages Act, 1948.
  - vi. The Oil Mines Regulations, 1984 (Latest amendment/revision).
  - vii. The Workmen's Compensation Act, 1923.
  - viii. The Payment of Wages Act, 1963.
  - ix. The Payment of Bonus Act, 1965.
  - x. The Contract Labour (Regulation & Abolition) Act, 1970 and the rules framed there under.
  - xi. The Employees Pension Scheme, 1995.
  - xii. The Interstate Migrant Workmen Act, 1979 (Regulation of employment and conditions of service).
  - xiii. The Employees Provident Fund and Miscellaneous Provisions Act, 1952.
  - xiv. The Central Sale Tax Act.
  - xv. Service Tax Act.
  - xvi. Assam Entry Tax Act, 2001.
  - xvii. AGST Act.
  - xviii. Customs & Excise Acts and Rules framed there under.

**19.0 TERMINATION**

**19.1 TERMINATION ON EXPIRY OF THE DURATION**

This Contract shall be deemed to have been automatically terminated on the expiry of duration of the contract or extension, if any, there of.

**19.2 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 Clause No. 13.0.

**19.3 TERMINATION ON ACCOUNT OF INSOLVENCY:**

In the event that the Contractor at any time during the term of this 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 this Contract and all the Contractor's rights and privileges hereunder, shall stand terminated forthwith.

**19.4 TERMINATION FOR UNSATISFACTORY PERFORMANCE:**

If the Company considers that, the performance of the Contractor is unsatisfactory, or not up to 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 this Contract by giving 15 (Fifteen) 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.

**19.5 TERMINATION FOR DEFAULT:**

The COMPANY may, without prejudice to any other remedy for breach of CONTRACT, by written notice of default sent to the CONTRACTOR, terminate the CONTRACT in whole or in part:

- A) If the CONTRACTOR fails to deliver any or all of the GOODS within the period(s) specified in the CONTRACT; or
- B) If the CONTRACTOR fails to perform any of their obligations(s) under the CONTRACT, and
- C) If the CONTRACTOR, in either of the above circumstances does not rectify his failure within a period of 30 (Thirty) days (or such longer period as the COMPANY may authorise in writing) after receipt of the default notice from the COMPANY.

**19.6 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.

**20.0 CONSEQUENCES OF TERMINATION:**

20.1 In all cases of termination herein set forth, the obligation of the Company to pay for the services rendered / goods supplied 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.

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

- 20.3 In the event the COMPANY terminates the Contract in whole or in part, pursuant to sub-clause 19.5, the COMPANY may procure, upon such terms and in such manner as it deems appropriate, goods similar to those undelivered and the Contractor shall be liable to the COMPANY for any excess costs for such similar Goods. However, the CONTRACTOR shall continue performance of the contract to the extent not terminated.
- 20.4 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 Sub-Clause from 19.1 to 19.5 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 for Work done as per this Contract up to the date of termination.
- 20.5 In the event of termination of Contract, the Company will issue Notice of Termination of the Contract with date or event after which the Contract will be terminated.

**21.0 SETTLEMENT OF DISPUTES:**

- 21.1 Any disputes or differences arising between the parties out of or relating to the construction, meaning and operation or effect of this Contract or the breach thereof shall be settled by arbitration in accordance with the rules of Indian Arbitration and Conciliation Act, 1996. The venue of arbitration will be Duliajan, Assam. The award made in pursuance thereof shall be binding on the parties.

**22.0 NOTICES**

- 22.1 Any notice given by one party to other, pursuant to this Contract shall be sent in writing or by Fax with confirmation copy and confirmed in writing to the applicable address specified below:

**COMPANY**

For Contractual Matter  
 HEAD- CONTRACTS  
 CONTRACTS DEPARTMENT  
 OIL INDIA LIMITED  
 DULIAJAN, ASSAM-786602

For Technical Matters  
 GENERAL MANAGER (PP)  
 PRODUCTION PROJECT DEPT.  
 OIL INDIA LIMITED  
 DULIAJAN, ASSAM-786602

Fax : 0374 280 3549

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

**23.0 MISCELLANEOUS PROVISIONS:**

- 23.1 The 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.

- 23.2 The Contractor shall conform in all respects with the provisions of any Statute, Ordinance or 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 the Companies as aforesaid and shall keep the Company indemnified against all penalties and liability of every kind for breach of any such Statute, Ordinance or Law, regulation or bye-law.
- 23.3 All fossils, coins, articles of value or antiquity and structures and other remains or things of geological or archaeological interest discovered on the site where the services are performed, be deem to be the absolute property of the Company. The Contractor shall take reasonable precautions to prevent the personnel or any other persons from removing or damaging any such article or thing and shall immediately upon the discovery thereof and, before removal, acquaint the Company of such discovery any carry out, at the expense of the Company, the Company's orders as to the disposal of the same.
- 23.4 During the tenure of the Contract, the 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, the 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 tidy condition to the satisfaction of the Company.
- 23.5 Key personnel should not be changed during the tenure of the Contract except due to sickness/death 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.

#### **24.0 PERFORMANCE SECURITY**

- 24.1 The Contractor has furnished Performance Bank Guarantee \_\_\_\_\_ (being 7.5% of the estimated total Contract value) in the form of Bank guarantee (No. \_\_\_\_\_ dated \_\_\_\_\_) issued by \_\_\_\_\_. The Performance Bank Guarantee is valid up to \_\_\_\_\_ to cover the duration of contract including warranty obligations indicated in para 6.0 of this **SECTION** hereof. The performance security shall be payable to Company as compensation for any loss resulting from Contractor's failure to fulfill their obligations under the Contract. In the event of extension of the Contract period, the Contractor shall suitably extend the validity of the bank guarantee. Company will discharge the bank guarantee not later than 30 days following its expiry.

#### **25.0 INVOCATION OF PERFORMANCE BANK GUARANTEE**

- 25.1 In the event of the Contractor failing to honour any of the commitments entered into under the Contract and/or in respect of any amount due from the Contractor to the Company, The Company shall have an unconditional option under the guarantee to invoke their performance bank guarantee and clear the amount from Bank.

**26.0 LIQUIDATED DAMAGES :**

- 26.1 Time is the essence of this Contract. In the event of the Contractor's default in timely mobilization and completion of the works within the stipulated period, the Contractor shall be liable to pay liquidated damages as specified in the clause Nos. 8.0 & 9.0 in Part-3, Section III under special conditions of contract
- 26.2 The Company also reserves the right to cancel the Contract without any compensation whatsoever in case of failure by the Contractor to mobilize and commence operation within the stipulated period.

**27.0 SUBSEQUENTLY ENACTED LAWS**

- 27.1 Subsequent to the date of submission of offer by the Contractor, if there is a change in or enactment of any law or interpretation of existing law, which results in additional cost/ reduction in cost to the Contractor on account of the operation under this contract, the Company / the Contractor shall reimburse/pay the Contractor/ the Company for such additional / reduced cost actually incurred.

**28.0 ASSOCIATION OF THE COMPANY'S PERSONNEL**

- 28.1 The 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. The Company's representative will be vested with the authority to order any changes in the scope of work to the extent so authorised 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.
- 28.2 The 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 the Company's opinion, the Contractor is complying with the provisions of the Contract.

**29.0 LABOUR**

- 29.1 Before starting the work the Contractor shall obtain a license from competent authority under the Contract Labour Act 1970 and furnish a copy of it to the Company. The recruitment of the labour shall be met mainly from the areas of operation and wages will be according to the rates prevalent at the time, which can be obtained from the District Authorities of the area. The facilities to be given to the labourers should conform to the provisions of labour laws as per Contract Labour (Regulation and Abolition) Act, 1970. The Contractor shall not engage any minor labour (below 18 years age) for the work.

**30.0 SAFETY**

- 30.1 The Contractor shall take all measures necessary to protect the personnel, work and facilities and shall observe safety rules and regulations as per Oil Mines Regulation, 1984 & other statutory provisions. The Contractor must provide safety appliances and protective gears to its employees during work.

30.2 The Contractor shall report, as soon as possible, any evidence, which may indicate or is likely to lead to an abnormal or dangerous situation and then immediately take the first emergency control steps conforming to good operation practice and safety regulations.

**31.0 SET-OFF:**

**31.1** 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).

\*\*\*\*\***END OF SECTION-I**\*\*\*\*\*

## **PART 3/ SECTION-II**

### **SCOPE OF WORK / TERMS OF REFERENCE**

#### **A . General**

##### **1.0 Pipe Laying works**

- 1.1. Laying / construction of three (3) parallel pipe lines of length 2500 Meter each of 200 MM NB for evacuation of Oil & Gas produced in Habeda – OCS to Makum - OCS in Tinsukia district of Assam. All the pipe lines shall be laid in parallel at an intermediate distance of minimum 1.0 Meters & have to be buried at a depth of 1.5 Meter.
- 1.2. The pipe lines shall be constructed in accordance with ASME B 31.8 / 31.4 specification, latest edition. This section is intended to cover the general construction specifications, but neither anything herein contained nor the omission of any essential provisions here from shall be construed to relieve Contractor of any duty or obligations necessary for the complete and satisfactory completion of the works envisaged under the contract. All works shall be done by the Contractor diligently, continuously in a thorough, careful, skillful and workmanlike manner in full accordance with quality pipeline construction practices and as approved by the COMPANY's representative/s.
- 1.3. All materials, except otherwise specified in the tender, shall be delivered to the Contractor at Company's designated stores / yards, located within a distance of 6 km from Duliajan. It shall be responsibility of the Contractor at his own risk and cost to take delivery of the materials from the Company's stores / yard after completing the required formalities and to arrange for loading, transportation to the job site and unloading at the job site or other places of storage arranged by the contractor in consultation with company representatives.
- 1.4. The Contractor shall inspect the materials supplied to him at the time of taking delivery thereof and satisfy himself of the quantity, quality and condition thereof prior to taking delivery and the Company shall not be liable for any claims or complaints whatsoever in respect of quantity, quality and condition of said materials once the contractor has taken delivery thereof.

##### **2.0 LOCATION OF LINES**

###### **2.1 MAP**

THE COMPANY shall supply to THE CONTRACTOR one set of maps showing the route of the pipelines covered by this Contract.

###### **2.2 ROUTE OF LINE**

The course of the lines shall be clearly indicated on these maps and also will be shown to the CONTRACTOR at site. The right-of-way boundary lines shall be staked by the CONTRACTOR, so as to prepare the strip for laying the

pipeline. The CONTRACTOR shall also establish all required lines and grades necessary to complete the work and shall be responsible for accuracy of such lines and grades.

### **2.3 STAKING**

Prior to clearing operation the CONTRACTOR shall install Bench Marks, Intersection points and any other required survey monuments. The CONTRACTOR shall also stake the centre line of the pipe line with suitable markers at distances of maximum 50 meters for straight line sections and maximum 10 meters for horizontal bends.

### **3.0 RIGHT-OF-WAY (ROW)**

#### **3.1 GENERAL :**

In general the proposed pipelines will be laid along with the Right-Of-Way being procured by the Company. The COMPANY does not warranty that the Right-of-Way shall be suitable at all locations for use and / or movement of mechanical and other equipment of the CONTRACTOR. The CONTRACTOR shall at its own initiative and cost make suitable arrangement to perform the work in any particular circumstances as may be encountered.

#### **3.2 RIGHT OF INGRESS AND EGRESS**

The right of ingress and egress to the right-of-way furnished by THE COMPANY shall be limited to points where such right-of-way intersects public roads. Arrangements for other access if necessary shall be made by THE CONTRACTOR at its expense.

### **4.0 PRE PROJECT PREPARATORY ACTIVITIES**

#### **4.1 GENERAL**

The project shall be executed in two phases, viz, Pre Project Preparatory Phase and Actual Execution Phase. Pre Project Preparatory Phase involves the jobs of clearing / grading / leveling / bulldozing of the ROW including uprooting of tea bushes, installation of ROW boundary marker posts, development / construction of pipe dump yard etc. The Actual Execution Phase pertains to the job of actual construction of the pipelines.

As soon as the contract is awarded and LOA is issued, the ROW shall be handed over to the Contractor for start of the Pre Project Preparatory activities. The ROW shall be handed over either in one go or in phases depending on acquisition of the same by the Company. The Contractor shall plan and mobilize for the activities accordingly.

#### **4.2 CLEARING / GRADING / LEVELING / BULDOZING OF ROW**

THE CONTRACTOR shall clear the entire width of the Right-Of-Way acquired by the Company and handed over to the Contractor in phases. Clearing means the removal and proper disposal of all trees, tea bushes, farm crops, under growths and any other items encountered along the Right Of Way. Special care must be taken while removal of tea bushes so that adjacent tea bushes outside the boundary of the ROW does not get effected during the clearing process. For this purpose the Contractor shall perform the job in consultation with the concerned tea garden COMPANY(OIL) / property COMPANY(OIL) so as to limit the damages incurred to the absolute minimum. When THE CONTRACTOR fails to observe restrictions and limitations, if any, furnished by THE COMPANY or other property COMPANY(OIL)s, and cause damage to property beyond the grants secured by THE COMPANY, such damages shall be THE CONTRACTOR'S liability. After clearing, the ROW shall be graded and leveled properly to the natural contour by manually or by bulldozing so that trenching operations can be carried out to provide an equal earth cover over the pipe lines as per requirements and specifications.

#### **4.3 INSTALLATION OF ROW BOUNDARY POSTS**

The Contractor shall supply and install ROW boundary posts as per specifications and requirements of the company representatives. All boundary post shall be placed at the ROW limits on either side at a distance decided by company representatives .

#### **5.0 HANDLING, HAULING, STRINGING OF LINE PIPES ALONG THE ROW**

##### **5.1 HANDLING**

In loading pipes on trucks / trailers for transportation to secondary dump sites/ stringing along the ROW, each length shall be lowered to position by means of crane or other equipment without dropping and each succeeding length shall rest evenly with other lengths on the truck. Dragging and skidding of pipe during the process of loading will not be permitted. Lifting hooks when used shall be equipped with a plate curved to fit the curvature of the inside of pipe. After loading, suitable chains shall be used to tie the load securely to each bolster. Pipes, when stock piled either in primary dump sites or in secondary dump sites along the ROW, shall be placed on suitable skids to keep it clear of the ground and flood waters and piled not more than eight tiers high. Care shall be exercised in handling or stocking pipe in order to avoid distortion, flattening, denting, scoring or other damages. THE CONTRACTOR shall provide all necessary timber or other materials required for the stock piles. THE CONTRACTOR shall exercise care in handling, hauling, storing and distribution of such materials, in order to avoid damage and deterioration of these materials.

#### **6.0 HAULING AND STRINGING OF PIPE**

Pipe is to be unloaded from the trucks and lowered to the ground by means of boom tractor or swinging crane or other suitable equipment. Dragging and skidding of pipe will not be permitted. In stringing pipes along the Right-Of-Way, gaps shall be left between adjacent lengths of pipe at suitable intervals and at all well defined trails to permit the free passage of livestock or vehicles during the time interval between stringing and other construction operations. THE CONTRACTOR shall be liable for damage caused by it to State and

District roads including bridges, culverts and other facilities during hauling and stringing of the pipes.

**6.1 DAMAGED PIPE**

After the pipe has been strung on the right-of-way, it will be inspected by THE CONTRACTOR and THE COMPANY and all defective pipe ends repaired. Defective pipes shall be repaired or rejected as the COMPANY'S REPRESENTATIVE/S may direct. Defects noted at the time of THE CONTRACTOR taking delivery shall be repaired at THE COMPANY'S expense at the rates quoted in the schedule of Rates. The cost for repairing any other defects detected later on shall be borne by the CONTRACTOR who will also reimburse the Company for any pipes rejected due to bad handling.

**6.2 PROPER PLACEMENT OF PIPE BY SIZE, GRADE, WEIGHT AND OTHER SPECIFICATION**

It will be the responsibility of THE CONTRACTOR to see that pipe is strung in accordance with the lists furnished by THE COMPANY for the proper placement of pipe by size, grade and other specifications. Any moving of pipe resulting from failure to comply with these requirements shall be at THE CONTRACTOR'S expense.

**7.0 TRENCHING (DITCHING)**

- 7.1 THE CONTRACTOR shall dig the pipeline trench on the stacked centering of the pipeline, but may deviate if conditions require, with the prior approval of THE COMPANY.
- 7.2 THE CONTRACTOR shall by any method that may be necessary or directed, dig the pipeline trench on the cleared and graded right-of-way. Suitable crossings should be provided and maintained over the open trench, where necessary, to permit the property COMPANY(OIL) or his tenants to move stock or equipment from one side of the trench to the other.
- 7.3 THE CONTRACTOR shall exercise care to see that the fresh soil recovered from trenching operation intended to be used for back filling over the laid pipe in the trench, is not mixed with loose debris or foreign matter. In this process, the earth cutting from the top to a depth of 300 mm should be kept in one side of the trench and the rest (from 300 mm to the required depth) to be kept in the other side of the trench. Back filling over the laid pipe firstly to be done only with the earth recovered from the later half trench (earth dug out deeper than 300 mm) followed by the earth recovered from the initial stage of the trench (earth dug out from the surface up to 300 mm depth).
- 7.4 Without regard to soil conditions and / or the topography of the ground, the trench shall be excavated and finished to provide a minimum of 1200 mm of cover over the pipe and to a bottom width of 600 mm. The depth of the trench shall be measured from the level of the original ground or graded surface whichever is lower. In case of difference in level between the two banks of the trench, the lower level shall be 1200 mm of cover.
- 7.5 The width specified shall be measured at the bottom of the trench.
- 7.6 The trench shall be cut with a square bottom so that the width is available for providing slack in the line at the time of laying.
- 7.7 THE CONTRACTOR shall, if necessary, dig the trench to such additional depth and width as will, ensure that the finished trench meets the minimum

dimensions of 1200 mm cover from the top of the pipe when placed in the trench and back filling from the mean surface of the graded right-of-way, except as noted hereafter. In no circumstances will fill-in the graded right-of-way be considered as cover. THE CONTRACTOR shall at its cost, grade the trench so that the pipe has a firm continuous support on the bottom. Where the trench is across or adjacent to roads, highways, railways, canals, ravines and other water courses or landfalls and at locations where the contour of the land may require additional depth to eliminate unnecessary bending of pipes, THE CONTRACTOR shall dig such additional depth and / or directed by the COMPANY'S REPRESENTATIVE/S to reduce to minimum the required number of bends to lay the pipes to conform with contour of the ground and shall maintain normal covering by cutting the trench deep enough at the crest of ridges and by gradually deepening the trench in approaches to crossings.

- 7.8 THE CONTRACTOR shall dig the trench to such additional depth necessary to lay the pipeline under any other pipelines or underground metallic structures with at least 300 mm of clearance.
- 7.9 The bottom and sides of the finished trench shall be uniformly graded and must be free of loose rock, hard clods, large gravel, protruding roots, or rock projections, bush skids, sticks, welding rods, or other hard objects and debris which are liable to cause damage to the coating when the pipe is lowered in.
- 7.10 In cases where tea bushes, trees or valuable growing timber is encountered in the right-of-way and in locations where in the opinion of the COMPANY'S REPRESENTATIVE/S the use of the trenching machinery may result in unnecessary damage or injury to the property crossed by the right-of-way, THE COMPANY may require trench to be excavated manually at no extra cost.
- 7.11 THE CONTRACTOR'S attention is called to marshy and high water-table conditions which may require the use of pumps, well points or other means of dewatering. No additional compensation shall be due to THE CONTRACTOR in such occasions. THE CONTRACTOR shall bear the costs for damage resulting from the disposal of such water from the trench upon properties adjacent to the right-of-way.
- 7.12 THE CONTRACTOR shall also be responsible for locating and protecting any other pipelines or underground structures falling on the same ROW. He should exercise sufficient care to avoid damage to the pipelines / cables arising out of its activities on the existing Right Of Way.
- 7.13 If damage should occur to any structures, pipe line (s) or property as specified above, repair shall forthwith be made / carried out by THE CONTRACTOR at its expense under the direction and to the satisfaction of the property COMPANY(OIL). Reports shall be made to THE COMPANY by THE CONTRACTOR of any damage or any other incidents relating to interference with adjacent structures.
- 7.14 THE CONTRACTOR shall be responsible for making all necessary arrangement, to remove bail or pump water from the trench or from wet area, if required, by the COMPANY's representative/s, before lowering the pipe into the trench, without any extra cost to THE COMPANY.

## **8.0 LAYING OF THE PIPELINE**

### **8.1 SKIDS**

Skids of sufficient number shall be supplied by THE CONTRACTOR to support the pipe to proper height. If pipe is supported over the trench, skids shall be of sufficient length to prevent collapsing of the trench and of sufficient strength to carry the pipe. Skids shall be used such that damage to the coating of the pipes is minimized. Further, if required padding of gunny bags stuffed with wood shavings may be used between the pipe and the skids to safe guard the coating. If slack loops are required, skids shall be properly spaced to permit the introduction of slack loops in the line.

8.2 **BENDING**

Factory made long radius Bends of higher degrees will be provided by the COMPANY. However THE CONTRACTOR, in general, shall provide for marginal changes of vertical and horizontal alignment by making Cold Field Bends up to 25 Degrees by the use of a Bending Machine, approved by THE COMPANY, in such a manner as to preserve the cross sectional shape of the pipe. The Bending Machine shall be capable of making bends without wrinkles, buckles and stretching and pipe diameter shall not be reduced at any point by more than 2.5% of the nominal diameter and completed bends shall pass the sizing pig. The longitudinal weld in a bend section shall be near the neutral axis of the pipe. No welded joint shall be included in a bend. The ends of each bend length shall be straight and not involved any way in the bending and the length of the straight section shall permit easy jointing. Over bends shall be made in such a manner that the centre of the bend clears the high points of the trench bottom. Sag bends shall fit the bottom of the trench and side bends shall conform and leave clearance to the outside wall of the trench. Any bend rejected by the COMPANY's representative/s shall be removed from the line at THE CONTRACTOR'S expense and pipe thus removed will be charged to THE CONTRACTOR as damaged materials.

8.3 **SWABBING, NIGHT CAPPING, PIPE BEVELLING AND CLEANING ENDS AND JOINTS**

Internal surface of each joint of pipe shall be swabbed with a leather or canvas belt disc of proper diameter and sufficient length to remove dirt, mill scale and other foreign substances immediately before joining up. The open ends of the pipe shall be securely closed by bolt-on metal caps at the ends of each day's work and shall not be opened until the work is resumed. Fabric night caps will not be accepted. Particular attention must be paid to capping off at open ends left for tie-ins. Any obstruction remaining in the pipe after the completion of the line shall be removed at the expense of THE CONTRACTOR. Just prior to aligning pipe for welding, the beveled ends of each joint of pipe and the area immediately adjacent thereto shall be thoroughly cleaned of paint, rust, mill scale, dirt and other foreign mater by use of power driven wire buffing wheels, disc sanders or by other approved methods, so as to avoid defects in the completed welds.

The CONTRACTOR shall re-cut and bevel all pipe ends as may be necessary to maintain correct alignment and spacing of the pipe. No extra compensation will be made by reason of such re-cutting or re-bevelling, except when required because of the original bevel being damaged before the pipe is delivered to the CONTRACTOR.

#### 8.4 **LINE UP**

All joints shall be aligned with internal line-up clamps wherever practicable and may be removed after the root bead is 50% completed, provided that the completed part of the root bead is in segments of approximately equal lengths, spaced around the circumference of the pipe. External line-up clamps must be used where it is impracticable to use internal line up clamps. Partial root beads made when using external clamps shall be uniformly spaced about the circumference of the pipe, and shall have an accumulative length of not less than 50% of the pipe circumference before the clamps are removed.

The space between abutting pipe ends, when aligned for welding, shall be such as to ensure complete penetration without burn-through. For pipes having the same dimensions, the spacing should be approximately 1.6 mm and it is to be essentially uniform around the entire circumference. No backing rings will be permitted. The high low misfit shall be scattered about the periphery or swaged to fit with a set of suitable flatter.

Pipe shall be lined up in such a manner as to prevent damage thereto. Hammers if used shall have brass coated or other suitable head and shall be used in a manner as to avoid damage to the pipe. The pipes shall be laid so that the seam will be on the upper surface of the line and within 30 degree of the top centre. Successive joints shall be rotated so that pipe seams are staggered by not less than 20 degree. In no case the longitudinal weld seam is permitted in the lower quadrants of the pipe circumference. Weld seam at both ends of each joint of pipe shall be marked by a suitable point (approx. 1 ft. in length) for identification of weld seams.

#### 9.0 **WELDING**

##### 9.1 **WELDING SPECIFICATION**

Welding shall be done in accordance with the API standard for field welding of pipelines, API standard no. 1104 (latest edition). The CONTRACTOR shall employ reputed third party inspection agency approved by the COMPANY for qualification of welding procedure / welders and radiography of weld joints. The following is not to be construed as the complete specification for welding.

##### a) **QUALIFICATION OF WELDING PROCEDURE**

Before any welding is begun, The CONTRACTOR shall establish and qualify the welding procedures in accordance with section 2.0 of API 1104.

**b) QUALIFICATION OF WELDERS**

The CONTRACTOR shall test and grade the welders in accordance with section 3.0 of API 1104 using a previously qualified welding procedure. The welders employed by THE CONTRACTOR shall be required to pass satisfactorily the welding test before being allowed to weld on the pipe line. Each welder will be required to make a position weld on a pipe nipple of the same diameter and specifications as the pipe in the line in presence of COMPANY'S representative and the Third Party Inspection agency, engaged by the CONTRACTOR. The CONTRACTOR shall issue identity cards to all the welders who have passed the test and approved by the Company. THE COMPANY will supply pipe for the purpose of making test pieces. THE CONTRACTOR shall arrange at no cost to THE COMPANY the welders time, welding equipment, welding rods as well as the Third Party Inspection agency for the purpose of conducting the test.

**c) WELDING EQUIPMENT AND SUPPLIES**

THE CONTRACTOR shall furnish all labour, equipment, tools and supplies including shielded type welding electrodes of correct specification. THE CONTRACTOR shall purchase the electrodes in sealed containers and protect these from any deterioration or damage. Electrodes that show signs of deterioration or damage shall be rejected. The electrodes shall be of the make approved by THE COMPANY. The CONTRACTOR shall submit batch test certificates from the electrode manufacturers giving details of physical and chemical test carried out by them for each batch of electrodes to be used.

All welding machines, line up clamps, beveling machines and other equipment and supplies used in connection with welding work must be satisfactory to THE COMPANY and must be kept in good condition so as to produce sound welds. Any equipment or supplies that are not satisfactory to the COMPANY'S REPRESENTATIVE/S, must be replaced with new equipment or supplies approved by the COMPANY'S REPRESENTATIVE/S.

**d) TYPE AND METHOD OF WELDING**

Welds shall be made by the manual shielded electric arc process and shall be done in such a manner as to produce welds as strong as or stronger than the pipe itself. The electrodes shall have to be tested and approved prior to welding. The electrodes shall be of suitable gauge and of following specifications.

Stringer or Root bead – E 6010 conforming to AWS A 5.1

Hot Pass – E 7010 conforming to AWS A 5.5

Filler Passes – E 7010 conforming to AWS A 5.5

The number of passes will vary depending upon the wall thickness. The stringer bead must approach full and complete penetration throughout the periphery of the weld and preferably build up a small reinforcement at the root. Weld projection inside the pipe shall not exceed 1.5 mm. The 'Hot Pass' or second bead shall be run completely around the pipe immediately after the

stringer bead has been run and cleaned and before the joint and the adjacent pipe has cooled below 94 degree centigrade. No two beads shall be started at the same point. All slag and scale shall be removed by power tools from each bead for visual inspection immediately after each bead is run. Welding shall be continuous and uninterrupted during a pass. While the welding is in progress care should be taken to avoid any kind of movement of the components, shocks, vibrations and stresses to prevent occurrence of weld cracks.

The length of line in which only 'stringer' and 'hot pass' beads have been applied shall be limited to 500 meters at the end of each day's work. Should a section of the line containing unfinished weld fall from the skids THE CONTRACTOR'S representative shall immediately report the same to the COMPANY and all costs of repair shall be borne by THE CONTRACTOR.

e) **WELDING DURING INCLEMENT WEATHER**

Welding shall not be done when the quality of the completed weld may be impaired by the prevailing weather conditions, including but not limited to airborne moisture, blowing sands or dust or high winds. The COMPANY'S REPRESENTATIVE/S shall decide if weather conditions are suitable for welding. THE CONTRACTOR shall provide wind-breaks or sunshades of a type that will give adequate protection to the welder.

f) **MARKING OF WELDS**

THE CONTRACTOR shall furnish each welder employed with a method of marking his welds so that the work of each welder may be identified. Each welder shall mark the pipe adjacent to the weld with the figure assigned to him. In the event any welder leaves the job, his figure shall not be used by any other welder. Steel stamps must not be used.

g) **REPAIR OF WELDS**

With the prior permission of THE COMPANY, welds which do not comply with the standards of acceptability shall be repaired, the joint cut out and re-welded at the cost of THE CONTRACTOR entirely including the radiography cost. Only one attempt of repair of any region is permitted. Repairs are limited to a maximum 30% of the weld length. The minimum length of area shall be 100 mm as measured over the recapped length.

h) **TESTING OF WELDS IN THE LINE**

Inspection of all welds shall be carried out as per the latest editions of the applicable codes and specifications. All finished welds shall be visually inspected for parallel and axial alignment of the work, shrinkage, cracks, under-cuts, dimensions of the weld, surface porosity and other defects. Under-cutting adjacent to the completed weld shall not exceed the limits specified in the applicable standard / code.

100 % Radiographic examination of weld joints shall be carried out by the Third Party Inspection agency engaged by THE CONTRACTOR. THE COMPANY shall be privileged in the judgment of its COMPANY'S REPRESENTATIVE/S to cut out welds for further tests. Repairs and replacement of cut-out shall be at THE CONTRACTOR'S expense except where the cut out, when tested proves to be in accordance with the specifications. In such case THE CONTRACTOR will be paid at the rates quoted in the schedule of Rates depending on the method of repair. Radiography reports issued by the Third party Inspection Agency along with the radiography films shall be submitted to OIL for retention

i) **TIE-INS**

Pipes shall be lined up and welded in accordance with the foregoing specifications, with internal / external line up clamps. Special care shall be taken to ensure that the pipe is properly aligned and is not in any strain. The joint shall be tested by radiography.

**10.0 COATING OF FIELD JOINTS**

**10.1 GENERAL**

All pre-coated pipes, however, has uncoated areas of three to six inches from each end to prevent the coating from interfering with the welding process. Once the welds are made, the uncoated area including the weld joint shall be coated before the pipeline is lowered into the trench.

**10.2 MATERIALS AND EQUIPMENT**

Field joint anti-corrosion coating material shall be either heat shrinkable wraparound sleeve or cold applied tape suitable for a maximum operating temperature of (+) 60° C ( $T_{max}$ ) and shall conform to designation EN 12068 – C HT 60 UV.

a) **Heat shrinkable wraparound sleeves :**

Heat shrinkable wraparound sleeve shall consist of radiation cross-linked, thermally stabilized, ultraviolet resistant semi-rigid polyolefin backing with a uniform thickness of high shear strength thermoplastic / co-polymer hot melt adhesive. The joint coating system shall consist of a solvent free epoxy primer applied to the pipe surface prior to sleeve application. The backing shall be provided with suitable means (thermo-chrome paint, dimple, or other means) to indicate the desired heat during shrinking in field is attained. The sleeve shall be supplied in pre-cut sizes to suit the pipe diameter and the requirements of overlap.

The total thickness of heat shrinkable wraparound sleeve in the as applied condition shall be as follows

Thickness on pipe body : 2.0 mm (Average) , 1.8 mm (Minimum)

Thickness on weld bead : 1.6 mm (minimum)

The heat shrinkable wraparound sleeve shall have the required adhesive properties when applied on various commercial pre-coating materials. The pre-heat and application temperatures required for the application of the shrink sleeve shall not cause loss of functional properties of the pipe coating.

Heat shrinkable wraparound field joint coating system manufactured by M/s Tyco Adhesives – Raychem and M/s Canusa are acceptable for the supply of field joint coating materials. The Contractor shall propose the specified grade of field joint coating system meeting the requirements of this specification from these manufacturers. In case the Contractor proposes to supply heat shrinkable wraparound sleeve from any other manufacturer, then the Contractor shall propose only those coating systems that have been previously used in pipelines of size 16" and above and a length of 15 km and above in a single project for similar operating conditions.

**b) Cold Applied Tapes :**

Cold applied tape system shall comprise of primer, an inner wrap and an outer wrap. The inner and outer wraps shall be asymmetric 3-ply tape with co-extruded polyethylene carrier film and butyl rubber adhesive layers on both sides. The inner layer of butyl rubber adhesive of inner wrap shall have a thickness of min. 1.0 mm. The inner and outer wraps are to be spirally wrapped with 55% overlap, equivalent to two layers each providing a total minimum thickness of 3.0 mm on the pipe body and 2.5 mm on the weld.

The Contractor shall propose only those cold applied tape coating systems that have been previously used in pipelines of size 16" and above and a length of 15 km and above in a single project for similar operating conditions.

10.3 Contractor shall obtain prior approval from Company regarding the Manufacturer of the joint coating materials and the specific grade of the joint coating system. Complete technical details along with test certificates complying with the requirements of this specification shall be submitted to company for this purpose. The contractor shall furnish test certificates from an independent DIN recognized / approved laboratory for all the properties required for the specified EN designation of field joint coating and the requirements of this specification.

10.4 The materials shall not be older than their period of validity at the time of application by Contractor. Deteriorated / decomposed material shall be disposed of and replaced by Contractor at his own expense.

Contractor shall ensure that the coating materials supplied him are properly packed and clearly marked with the following:

- Manufacturer's name
- Material qualification
- Batch number
- Date of manufacturing and date of expiry

10.5 Contractor shall ensure that the Manufacturer has carried out all quality control tests on each batch and manufacturer shall provide test certificates to certify that the supplied materials meet the manufacturer's specifications as indicated in the purchase order and as approved by COMPANY. Certificates and data sheets certifying the qualities of the coating materials shall be submitted by Contractor to Company prior to application. Company reserves the right to have the materials tested by an independent laboratory.

10.6 Materials shall be stored in sheltered storage in the manufacturer's original packing and away from direct sunlight and in accordance with manufacturer's instructions.

10.7 Contractor shall provide and maintain mobile facilities which contain all necessary equipment and its spares for cleaning, coating, repairs, inspection and tests.

#### **10.8 REPAIRS**

- a) If a field joint is detected to be unacceptable after testing the contractor shall, at his own cost :
  - Determine the cause of the faulty results of the field coating.
  - Mobilize the expert of manufacturer, if required.
  - Test to the complete satisfaction of the Company, already completed field coatings.
  - Stop field coating until remedial measures are taken against the causes of such faults, to the entire satisfaction of the Company.
- b) Contractor shall replace all joint coating found or expected to be unacceptable.
- c) Contractor shall, at his own cost repair all areas where the coating has been removed for testing by the Company.
- d) After the coating work on welded joints and repairs to the coating have been completed, the coating as a whole shall be tested with a spark-tester before lowering or jacking the pipeline.
- e) Company shall be entitled to check the coating on buried pipelines or parts of pipelines with equipment such as the "Pearson Meter" and the resistance

meter. If coating defects are established, the Contractor shall be responsible for excavation at such points, repairing the coating, spark testing and backfilling the excavations without extra charge.

#### **10.9 DOCUMENTATION**

Prior to procurement of coating materials, Contactor shall furnish the following information for qualification of the Manufacturer and materials:

- a) Complete information of the materials along with descriptive technical catalogues.
- b) Test certificates and results of previously conducted tests, for all properties.
- c) Reference list of previous supplies in last 5 years, of the similar material indicating the project details such as diameter, quantity, operating temperature, year of supply, project name, contract person and feed back on performance.

Prior to shipment of materials from the Manufacturer's Works, Contractor shall furnish the following documents:

- a) Test certificate / results as per Manufacturer's Quality Control Procedure for each batch of materials.
- b) Specific application instructions with pictorial illustrations.
- c) Specific storage and handling instructions.

10.10 All documents shall be in English language only.

#### **10.11 INSPECTION OF JOINT COATING**

All coating operations shall be subject to the approval of the COMPANY's representative/s who shall cut samples from the coating from time to time for determination of thickness, bond of coating etc. The COMPANY's representative/s may use a thickness gauge. These inspection points are to be promptly and carefully repaired. THE Third Party Inspector engaged by the Contractor will operate, under the supervision of COMPANY'S COMPANY's representative/s; high tension electric Holiday Detectors which will be passed over the coated areas. All holidays and defective coating disclosed by visual and holiday detector tests shall be repaired by THE CONTRACTOR to the satisfaction of the COMPANY's representative/s at no extra cost to THE COMPANY. The COMPANY's representative/s may do a recheck with the detector at any time when there is reason to suspect that imperfection still exists. If numerous repairs are required in any particular length, then that shall, after coating, not be laid in the trench but laid on skids to facilitate rechecking. The skids or cribbing shall be spaced so as to keep the pipe from touching the ground. Gunny bags stuffed with wood shavings / sand etc. shall be placed between pipe and skids. No claims for extra compensation shall be allowed because of time required for testing and inspection by the COMPANY's representative/s. The COMPANY's representative/s may deploy Discontinuity Locator (Pearson Detector) after the pipe has been buried in the ground to test the condition of the coating. THE CONTRCTOR shall, at its

own expense, unearth and repair to the satisfaction of the COMPANY's representative/s any fault of coating so detected.

## **11.0 REPAIRING OF DAMAGED COATING**

Repairing of the damaged coating of the pipes shall be done and tested as per the procedure and methodology stated in above paragraph. Defects / damages noted at the time of THE CONTRACTOR taking delivery of the pipes shall be repaired at THE COMPANY'S expense at the rates quoted in the schedule of Rates. The cost for repairing any other coating damages detected later on shall be borne by the CONTRACTOR who will also reimburse the Company for any pipes rejected because of damaged coating due to bad handling.

## **12.0 LOWERING PIPE INTO TRENCHES**

### **12.1 GENERAL**

The welded pipe line shall be lowered into the trench as soon as possible after the coating is applied, tested and approved. The line shall be entirely lowered into the trench with the exception of slack loops in an amount and location to be determined by the COMPANY's representative/s. Slack loops shall be left on the skids above the trench until enough of the lowered pipe is securely anchored by backfill. Slack shall then be lowered into the trench when the pipe temperature is at its lowest i.e. early morning. Slack loops formed at tie-ins shall be similarly treated. It is preferred that if trench, weather and coating conditions permit, the pipe be lowered immediately following the joint coating and testing, rather than being allowed to remain on skids for long.

### **12.2 TRENCH CONDITION**

At the time of lowering in, the trench must present an even and smooth bottom and be entirely free of roots, caving, loose rock, welding rods or other debris. Should water be present it shall be pumped out at no extra cost before lowering so that the trench may be seen to conform to the specification there of. If necessary, such pumping shall be done in sections formed between previous backfill and temporary earth dams placed in the trench. The vertical and lateral bends of the lowered line must fit the trench with proper lateral and vertical clearances. THE CONTRACTOR shall, at its expense do whatever hand work is necessary to ensure these proper clearances.

### **12.3 CARE IN HANDLING COATED PIPE**

Coated pipe shall not be handled or moved by means of cables or chains or by prying with skids or bars, but by side boom tractors or cranes equipped with belt slings at least 500 mm in width.

### **12.4 REPAIR OF DAMAGE COATING**

THE CONTRACTOR shall at its expense repair, to the specifications given herein and to the satisfaction of the COMPANY's representative/s, any coating damaged during lowering in or any other operations carried out subsequent to the testing and approval of the coating.

## **13.0 BACKFILL AND DRESS TRENCH**

### **13.1 GENERAL**

The back filling operations shall follow as closely as possible to lowering in of the pipe, provided that the pipe has been lowered to its correct depth. No trench shall be back filled unless the pipe has a proper fit therein and has the required space for cover. Before any pipe is covered or section is back filled, it is THE CONTRACTOR'S responsibility to secure the approval of the COMPANY's representative/s. Should such sanction not be obtained due to exigencies of the work, the COMPANY's representative/s shall have the right to require uncovering of the pipe at certain locations for examination. The cost of uncovering and refilling shall be borne by THE CONTRACTOR. Rock, Gravel pieces, wood or like materials shall not be back filled directly on to the pipe. Where such materials are encountered, THE CONTRACTOR shall arrange and cover the pipe with not less than 200 mm of earth or sand. Such earth or sand is to be sieved through a 10 mm mesh should the COMPANY's representative/s so require. After the trench has been initially filled, earth shall be neatly crowned over the trench to form a raised walk way.

When the trench has been dug through drive way, streets, roads, drains, canals, embankments etc. all backfill shall be thoroughly compacted to their original contour and condition as is necessary and to the satisfaction of the COMPANY's representative/s and the authority having jurisdiction. At end of each day's work back filling shall not be more than 1.5 Km behind the head end of the lowered in pipe approved for backfill. In such case at least 300 mm earth cover shall be provided over the lowered pipe in the trench.

### 13.2 **CLEAN UP**

Following the installation and back filling of the pipeline, THE CONTRACTOR shall clear the right-of-way and its surrounding ground, and shall dispose of all waste materials, debris resulting from its operations. It shall repair all miscellaneous ground damage done by it and shall restore the ground to such stable condition as may reasonably be required consistent with the condition of the ground prior to the construction of the pipeline. THE CONTRACTOR shall make permanent repair of fences and other enclosures through which it has had temporary gates or other means of passage. New and like materials shall be placed in condition as good as or better than at the beginning of construction. These repairs shall be satisfactory of the property COMPANY(OIL) and his tenants. THE CONTRACTOR shall remove all other temporary means of access to the right-of-way it may have installed, excepting any which may, by agreement with the COMPANY's representative/s, be left for later use by maintenance crews or the land COMPANY(OIL). THE CONTRACTOR shall at its expense repair or restore to original condition all public right-of-way at the points where they have been intersected by the pipeline right-of-way.

### 13.3 **CONTRACTOR'S DAMAGES**

THE CONTRACTOR shall be entirely responsible for all claims which may result from damage done by it off the right-of-way of the pipeline, and shall make any repairs and restorations and shall satisfy all proper claims. In making settlement of all claims for damages for which THE CONTRACTOR is liable as specified in this contract, THE CONTRACTOR shall either authorize THE COMPANY in writing to settle on THE CONTRACTOR'S behalf or appoint a representative to make the settlement. The releases for all such

damages are to be made out in the name of THE CONTRACTOR and THE COMPANY jointly. If THE CONTRACTOR is unable to make settlement of any claims within fifteen days from the date of completion and acceptance of construction cleanup on the track of land involved (unless THE CONTRACTOR intends to litigate the claims involved), then in either of such event, THE COMPANT reserves the right to make settlement of the claim and charge the amount paid to THE CONTRACTOR. THE COMPANY shall be furnished with a copy of all releases obtained by THE CONTRACTOR.

#### **14.0 TESTING**

##### **14.1 HOLIDAY TESTING**

As the pipe is welded into sections, The Third Party Inspection Agency engaged by the Contractor will operate, under the supervision of COMPANY'S representative/s; high tension electric Holiday Detectors which will be passed over the coated line. All holidays and defective coating disclosed by visual and holiday detector tests shall be repaired by THE CONTRACTOR to the satisfaction of the COMPANY's representative/s at no extra cost to THE COMPANY in case the damage is due to the fault of the Contractor. Otherwise the extra work shall be compensated by the Company as per the rates as specified in the Schedule of Works of the tender.

##### **14.1.1 AIR CLEANING AND AIR TEST**

As pipe is welded into sections and prior to laying or tying-in, cleaning and coating, THE CONTRACTOR shall arrange to propel an approved pig of correct diameter (95% of the I.D. of the heavy wall pipe used in the section) by compressed air through each section to clear out all dirt and debris and to verify the fact that there are no obstructions for free passage of scraper subsequently. THE CONTRACTOR shall check the gauging plate for wear after running each section of the line and shall replace the plate whenever necessary. After pigging, THE CONTRACTOR shall fill the section concerned with compressed air to a pressure of 7 kg/cm<sup>2</sup> and examine all circumferential and seam welds for pin-hole leaks by coating each weld with a soap solution. The COMPANY's representative/s shall always be present during this testing.

##### **14.2 FINAL PRESSURE TEST**

After the back filling operation has been completed, hydrostatic test shall be performed on the entire length of the pipeline. Hydrostatic test shall commence only after completion of mechanical and civil works, i.e. all welds have accepted and pipeline has been laid and back filled according to the specifications. The pipeline shall be tested in accordance with the requirements of ANSI B 31.8 / 31.4 latest edition.

The test media shall be fresh water sourced by the Contractor. The water to be used shall not be contaminated and free from sand / silts. The Contractor shall provide corrosion inhibitors to be added to the test water. After completion of all pre-requisites for testing and obtaining approval from the

Company's COMPANY's representative/s, the whole length of the pipe line shall be filled with water. A pig of approved pattern shall be furnished by THE CONTRACTOR and propelled through the line ahead of the water in order to clear out the air. THE CONTRACTOR shall furnish line walkers to follow this pig in order that its location may be known at all times. When purging of air is complete and the line is full with water, **a hydraulic test pressure of 50 kg/cm<sup>2</sup> for the HP & 30kg/cm<sup>2</sup> for the LP Gas line and 70 kg/cm<sup>2</sup> for the COD line is to be applied.** The pressurization shall be performed in the presence of the COMPANY's representative/s at a moderate and constant rate not exceeding 2 bar / min. One pressure recording gauge shall be installed in parallel with the continuous pressure recorder. The pipeline is to be 'cycled' twice prior to the 24 hours pressure test by bringing the test section to full specified test pressure, holding that pressure for one hour, bleeding down to 7 kg/cm<sup>2</sup>, re-pressurizing to specified test pressure and then bleeding down a second time to 7 kg/cm<sup>2</sup>. Upon bringing a hydrostatic test section to the full specified test pressure for the third time a stabilization period of 2 to 4 hours may be required before full stabilization occurs, during which time the pressure shall be maintained by either bleeding off or adding water.

After stabilization, the test pressure shall be re-established and the line shall be completely isolated for the 24 hours test. If pressure maintained during the stabilization period is acceptable to the COMPANY's representative/s, the stabilization period may become part of the 24 hours test.

The charts from the pressure recording instruments during the pressurizing and test operations shall be preserved for THE COMPANY as official records of the tests. The charts shall be properly identified and signed by THE CONTRACTOR as being true records of the test involved. All failures shall be numerically and chronologically numbered and reported with appropriate description and date on proper "Test Failure Report" forms. Failures on the line disclosed by loss of pressure shall be located and repaired by THE CONTRACTOR. Cost of such repairs shall be borne by THE CONTRACTOR except when the failure results from defective pipe or fittings. In the event of the leak being due to defective pipe or fittings supplied THE COMPANY, the cost of repair will be paid by THE COMPANY as per schedule of Rates. After any leaks or failure disclosed by the pressure test have been repaired, the test shall be repeated until the specified test pressure can be satisfactorily maintained.

The hydrostatic test shall be considered as positive if pressure has kept a constant value throughout the test duration except for change due to temperature effects.

All necessary precautionary measures shall be taken by THE CONTRACTOR as per the relevant standards during the period of hydrostatic testing.

All pigs used shall embody a hard steel gauging plate with a diameter of 95% of internal diameter of the heaviest wall section of pipe in the section and THE CONTRACTOR must ensure, at its own expense, free passage of pigs.

All pumps, suction and delivery lines required for the job to be arranged by the CONTRACTOR.

**14.3 WATER REMOVAL AFTER TEST :**

THE CONTRACTOR will de-pressurize the pipe line by bleeding after testing. This will be followed by running a approved pattern of pig with compressed air to flush out the water from the line completely.

**15.0 STREAM / NALLAH / RIVER CROSSING**

All crossings shall be submerged single underground line. The approximate profile and laid down depth are shown in the relevant drawings. The profile and the depth of the crossings shown in these sketches are provisional only and may vary at the time of execution. However, the exact profile, depth and locations of sags and over bends shall be approved by the COMPANY's representative/s at the time of execution.

All welding on pipes for crossings shall be tested by radiography to be carried out by an independent agency engaged by THE CONTRACTOR. Pipe shall be welded into sections on the Bank and shall be hydrostatically pre-tested to the designated pressure after preliminary air test and prior to installing the pipe in the trench. The line shall maintain the test pressure for 24 hrs. with no drop in pressure. Should a leak occur, the line shall be repaired and re-tested by the Contractor. All costs of repairs and retest due to inferior workmanship shall be performed by THE CONTRACTOR at no extra cost to THE COMPANY. The pipe line section for River Crossing shall be applied with a cement mortar coating of 50 mm thickness as directed by the Company representative and as per specification shown in the relevant drawing.

The Contractor shall dredge or excavate the trench for the crossing in conformity with applicable specifications and norms. The equipment employed and the method applied shall be approved by the Company. After the specified depth is reached, the pipe line section will be laid in the trench so that it is firmly, uniformly and continuously supported. After the laying operation, concrete weight blocks of appropriate size shall be placed on the pipe line section if considered necessary and as directed and approved by the COMPANY's representative/s. Back filling shall be performed in such a way that the bottom of the water way shall be reinstated to its original level. After laying operation, THE CONTRACTOR shall run gauging pig through the pipe. THE CONTRACTOR shall then make a final hydrostatic pressure test immediately after completion of back filling. This shall be maintained at

specified test pressure for a period of 8 hours with no drop in pressure. The equipment for launching shall be arranged in such a way that the pipeline is laid without impact or jerking and is not subjected to stresses of any type other than those which are allowable. The banks are to be reinstated with the original materials spread, watered and rammed to obtain maximum compaction. The natural course of the river stream shall be maintained after the work.

**16.0 CASED CROSSING :**

**16.1 ROAD / HIGHWAY / RAILWAY / EMBANKMENT**

The work under crossing shall include necessary clearing, grading, trenching to required depth & width, boring, open cut, supply of casing pipe, welding of casing and carrier pipe, coating of casing pipe with coal tar enamel, field joint coating, lowering in, backfilling, clean up, restoration to original condition and further strengthening and protective works, testing, installation of assemblies, insulators, end seals and temporary works such as sheet piling, bridges, traffic diversion etc.

The line shall be laid in steel casing at all type of roads, paved public highways, Railway tracks, embankments and as designated by THE COMPANY or its COMPANY's representative/s. THE CONTRACTOR shall supply and install the casing in accordance with the specification and construction drawings provided by the COMPANY. In addition to casing, THE CONTRACTOR shall supply and install vent pipes, insulators and end seals / stuffers as are in the COMPANY's representative/s's opinion necessary, in conjunction with the casing at the crossing.

THE CONTRACTOR shall notify the COMPANY's representative/s at least 72 hours in advance of the beginning of any work at any specific crossing. THE CONTRACTOR will also be responsible for advising the appropriate authority of the time when work will commence.

THE CONTRACTOR shall, where the trench remains open across public or private roads, install bypass roads, temporarily back-fill ditch, or install substantial temporary bridge work of adequate strength and width to ensure safety of traffic. It shall be THE CONTRACTOR'S responsibility to furnish and install at all the crossings of public roads adequate and proper traffic aids for protection of the public safety.

The welding of the casing pipe will be done in accordance with the clauses of the specification covering welding. Casing pipe shall be cleaned, primed, flood coated and wrapped.

All the crossings to be done at a depth of  $X + 1.5$  meters from the top surface of the road, whereas  $x$  is the depth between the top surface and toes of the road.

The carrier pipe shall be supported inside the casing pipe with the help of neoprene centralizers (to be supplied by the contractor) spaced uniformly

approximately 2 meters apart from each other. Both ends of the casing shall be fitted with end seals.

Necessary pit for the boring shall be cut at a distance of 3 to 5 meters from the toes of the road and any damage of the same in the process of laying the line to be repaired by THE CONTRACTOR free of cost.

16.2 **IN WET AREA :**

THE CONTRACTOR shall dewater, shore or do whatever is required to excavate the trench. Dewatering shall be done far enough in advance of the installation of the casing and carrier pipe to allow adequate inspection of padding of the bottom with 150 mm fine earth in case of open cut. If required the dewatering with be maintained throughout installation of casing seals and backfill of the trench.

The bottom of trench shall be compacted thoroughly, throughout the length of crossing, to provide uniform bedding for pipe.

16.3 **TESTING :**

Prior to tie-in and back filling, the COMPANY's representative/s will conduct electrical tests to determine the resistance between casing and the carrier pipe. **These tests should show a resistance of greater than one mega ohm.** If the resistance is less than one mega ohm, THE CONTRACTOR shall repair the insulator at its own expense until a satisfactory test is obtained.

17.0 **OTHERS :**

17.1 **VALVE ASSEMBLIES :**

Valve assemblies shall be installed at locations designated by THE COMPANY. Valve installations shall include all supports, foundation blocks, valve box, enclosure, and insulating assemblies (wherever applicable) as per relevant drawings as specified and applicable. The valve shall be tested to specified test pressure of the pipe line before installation. The valve assemblies, enclosures etc. shall be cleaned by wire brushing and given one coat of primer and enamel paint as the case may be.

17.2 **INSULATING FLANGES AND ANCHOR BLOCKS INCLUDING TREATING / PAINTING :**

These shall be installed in accordance with the Exhibit attached at locations designated by the COMPANY.

17.3 **SCRAPPER TRAPS**

Scrapper trap assembly consisting of trap barrel, quick opening closure, reducer, neck, flanged nozzle ends, etc. has to be fabricated by the contractor & the materials required for the purpose will be supplied by the COMPANY. The work under the item shall include transportation to site from Company's yard, storage, erection, installation of requisite valves / fittings, welding, construction of supports as necessary and all other jobs as per drawing,

specifications and instructions of the Company. After erection and installation, the entire assembly will be cleaned and painted as per the requirement of the work and as specified in the tender.

## **18.0 PAINING**

### **18.1 GENERAL**

- i) This specification covers the minimum technical requirement for the painting of all above ground piping, structures, requirement etc. installed by THE CONTRACTOR as per the Scope of Work explained earlier. The primer and finished paint necessary will be procured and applied by THE CONTRACTOR.
- ii) Work : The work involves surface preparation and painting the outer surfaces as specified.

### **18.2 PAINING SPECIFICATION :**

- i) This specification covers the general requirements like surface preparation, paint application sequence, methods of paint application colour codes, etc.
- ii) Paints selected shall be such that they should be able to withstand all weather conditions as well as the atmospheric conditions. The COMPANY's representative/s shall approve all the paints that are used for the work.
- iii) In all cases the primer coat must be applied within three hours after cleaning.
- iv) No paints shall be applied to the name plates, studs, bolts, nuts, spindles and threads of valves and other such items / accessories. Any paint on these shall be removed if applied through carelessness or inadvertence at THE CONTRACTOR'S cost.
- v) **Applicable Standards** : The latest revisions of the following standards shall be followed for the painting works.

IS-1477 - Code of Practice for painting.

IS-2074 - Red-oxide Zinc Chromate Primer.

IS-2339 – Aluminum paint

IS-2932 – Synthetic enamel paint of approved shed

### **18.3 MATERIAL SPECIFICATION :**

Primer for Synthetic Enamel Finishing Paint : Primer shall be of red-oxide zinc chromate conforming to IS-2074.

### **18.4 SURFACE PREPARATION :**

- i) Any surface to be painted shall be quite dry and clean. It shall be free from rust, sharp points, butts, weld spatter, flux, dust, grease, and other foreign materials before paint is applied. All steel surfaces shall be free from all loose mill scale and removable rust.
- ii) Solvent cleaning shall be adopted only in extreme cases with the approval of the COMPANY's representative/s.
- iii) Surface treatment shall not be done under humid conditions without approved precautions and prior approval of the COMPANY's representative/s.

- iv) All surfaces which show traces of oxidation after cleaning shall be cleaned again before applying paint.
- v) No sharp scratches or cuts shall be made on the surface during cleaning operations.

**18.5 METHOD OF SURFACE PREPARATION :**

The following methods shall be adopted for the surface preparation with the approval of the COMPANY's representative/s.

All piping, structural steel shall be cleaned manually by wire brushes or by mechanical wire brushes.

**18.6 HAND CLEANING :**

Procedure of hand cleaning consists of :

- a) Hand Scaling
- b) Hand Scraping
- c) Hand wire brushing
- d) Other systems with manual striking tools. Rust mill scale and other foreign mater classified as loose, shall be removed by hammering, scaling or by any other hand striking tools or by a combination of the above methods.

**18.7 PAINTING APPLICATION :**

Sequence of application : The sequence of painting application shall be as given below :

<b>Surface</b>	<b>Primer</b>	<b>Finish</b>
All exposed surfaces	2 costs of Zinc Chromate	2 coats of synthetic enamel or Aluminum Paint.

- a) The primer and finish coat to be used shall be in accordance with the specifications.
- b) Each paint coat shall be dry before applying the next coat. The drying time shall be as recommended by the paint manufacturer.
- c) No outdoor painting shall be done during following weather conditions.
  - Rain
  - Fog
  - Humid conditions
  - Temperature of metal surface greater than 60° C.
- d) Paints used shall be uniform and of even consistency.

**18.8 METHODS OF APPLICATION :**

Primer coats shall be applied by brushing. The preferred method for the finish coats is brushing or spraying. Sufficient time shall be allowed between coats for thorough drying. This shall be strictly followed as per manufacturer's recommendation.

#### **18.9 INSPECTION :**

Each coat shall be inspected and approved before the succeeding coat is applied.

Each coat of thickness shall be as per the specification and THE CONTRACTOR shall provide all the instruments like elcometer necessary for measuring the film thickness.

#### **19.0 SCOPE OF SUPPLY**

##### **19.1 Company's Scope of Supply:-**

###### **19.1.1 Line pipe**

Required quantities of pipes with 3 layer polyethylene coated line pipe for TWO pipeline & bare pipes for ONE pipe line (**approximately 3000 Meter**) will be provided to the contractor & same is required to be field coating & wrapping.

##### **19.2 Contractor's Scope of Supply**

The procurement and supply, in sequence and at the appropriate time, of all materials and consumables required for completion of the WORK as defined in this document except the materials specifically listed under para 19.1.1 above as Company free-issue materials, shall be entirely the Contractor's responsibility. The rates quoted for the execution of the WORK shall be inclusive of supply of all these materials. All materials supplied by the Contractor shall be strictly in accordance with the requirements of relevant specification as applicable. All equipment, materials, components etc. shall be new and specifically purchased for this job from Company's approved vendors, duly inspected by third party inspection agency like Lloyds, Bureau Veritas etc. (only manufacturer's certificates shall not be adequate). As a minimum, such materials to be supplied by the Contractor shall include, but not limited to, the following.

- a) All equipment and consumables for welding such as welding electrodes, oxygen, acetylene, inert gases, all types of electrodes, filler wire, brazing rods, flux etc. for welding / cutting and soldering purpose.
- b) Field joint coating materials shall be as specified elsewhere in the tender document.
- c) All temporary materials required for filling, pressurizing and dewatering in connection with hydrostatic testing including pipes, flanges, fittings, valves,

gaskets, bolts, nuts, instruments, etc. required for fabrication of test headers and all consumables.

- d) Pumps, water and corrosion inhibitors for water for hydrostatic testing.
- e) All pigs for cleaning, gauging, filling and dewatering of the pipeline.
- f) All consumables required for all types of tests and NDT including radiographic film, etc.
- g) All materials for all types of markers including cement, sand, reinforcements, structural steel, etc.
- h) All materials required for repair / restoration of pavements, roads, bunds, other structures affected / damaged by Contractor's construction activities. Materials shall be equivalent / superior to those used for original construction of the facility.
- i) All safety tools and tackles, devices, apparatus, equipment, etc. including ladders and scaffolding etc. complete as required.
- j) All material for anti-buoyancy measures, as required.
- k) End caps.
- l) Any other materials, equipment and consumables not specifically listed herein but required for the successful completion of the WORK.

### **19.3 As built documents**

Contractor shall prepare and submit six copies (hard copy) of the "As Built Drawing" to the Company. In addition, two copies of final documents shall also be submitted in electronic media i.e. CD ROM.

### **20.0 DOCUMENTS TO BE SUBMITTED.**

All design and details to be approved by COMPANY's representative/signed documents including design calculations shall be submitted to the Company within 15 days from the date of issue of Work order by the Company for scrutiny and approval.

\*\*\*\*\*END OF SECTION-II\*\*\*\*\*

## **PART 3/ SECTION III**

### **SPECIAL CONDITIONS OF CONTRACT**

#### **1.0 PROJECT EXECUTION PLAN**

- 1.1 The project shall be executed in two phases, viz, Pre Project Preparatory Phase and Actual Pipe Laying Phase. Pre Project Preparatory Phase involves the jobs of clearing / grading / leveling / bulldozing of the Right of Way (ROW) including uprooting of tea bushes, digging of earthen drain along both the edges of the ROW, installation of ROW boundary marker posts, development/ construction of pipe Dump Yard etc. Detail job involvement under this phase is specified in Sections II and III of PART-3 of the tender document. The Actual Execution Phase pertains to the job of actual construction of the pipelines.
- 1.2 As soon as the contract is awarded and Letter of Award (LOA) is issued, the ROW shall be handed over to the Contractor for start of the Pre Project Preparatory activities. The ROW shall be handed over either in one go or in phases depending on acquisition of the same by the Company. The Contractor shall plan and mobilize for the activities accordingly.
- 1.3 After completion of the Pre Project Activities, the Contractor shall take up the construction activities of the pipelines. There may be time lag between completion of Pre Project Activities and start of actual laying of the pipelines. However **no idle time claim** of the Contractor shall be entertained by the Company on account of delay in start of pipeline construction job.
- 1.4 The Contractor shall ensure that the ROW shall be free from any encroachment till the pipeline job is completed and handed over to the Company. As such adequate security personnel shall be deployed by the Contractor from the date of handing over the ROW to the Contractor till completion / handing over the pipeline after construction in order to safe guard the ROW.

#### **2.0 MOBILISATION**

Soon after the Work Order is issued, the Contractor shall start Mobilisation as specified in para 2.0 of Section-I of this document. The contract will be signed after the submission of Performance Security by the Contractor as specified in Section-I. THE COMPANY shall issue notice / work order to the contractor, specifying the actual date of commencement of the works / service and the date of its completion based on the contract provisions.

During the execution of the works, THE CONTRACTOR must maintain a steady rate of progress to complete the works within the time provided in this contract.

### **3.0 DETAILS OF MOBILISATION**

3.1 Immediately after issue of WORK ORDER, but not later than seven days (which is the mobilization period of the contract), THE CONTRACTOR shall submit to the COMPANY for its approval a program showing the following.

a) Generally, the order of procedure and method in which the contractor proposes to carry out the works in relation to time, and

b) In particular, the distinct phases of works, arrangement of constructional plant and equipment, temporary works, delivery at site of such materials that are to be supplied by THE CONTRACTOR, site placement and plan of utilization of THE COMPANY'S materials, stages of inspection of works in phases by the COMPANY'S REPRESENTATIVE/S and all other relevant parts of the work all in relation to Time. Upon receipt of such program from THE CONTRACTOR, The Company or its representative/s shall finalize the program after such modifications in consultation with THE CONTRACTOR, as deemed necessary for efficient and timely completion of works. The copy of approved program shall be issued by the COMPANY'S REPRESENTATIVE/S to THE CONTRACTOR, and THE CONTRACTOR shall be bound by this program, not only wholly but also phase-wise.

3.2 Revised program of works can be submitted, while the works are still in progress, by THE CONTRACTOR and approved by the Company's representative/s if and when an unforeseen condition or a combination of such conditions so demand provided, however, the Company's representative/s is fully satisfied about the changed circumstances necessitating a Revised Program. Such approved Revised Program shall then replace the earlier program without extension of time.

3.3 The COMPANY'S REPRESENTATIVE/S shall have power to call THE CONTRACTOR at any time while the works are still in progress for a further detailed program of works in respect of any particular phase of works, if in the opinion of the COMPANY'S REPRESENTATIVE/S such a phase is considered too complex requiring further break-up into sub-phases. In such an event, THE CONTRACTOR shall, if so required by the COMPANY'S REPRESENTATIVE/S, furnish such information also to the Company's representative/s as to enable him to assess and approve the sub-phase program of the phase and approve the sub-phase program of the phase or phase previously considered THE CONTRACTOR shall be bound by such sub-phase of the program as part of the overall program.

### **4.0 COMMENCEMENT OF WORK**

THE CONTRACTOR shall commence the works after completion of mobilisation or after an instruction in writing to this effect by the Company or

from the date specifically mentioned in the work order or notice, THE CONTRACTOR shall proceed with the work in an efficient manner following the detailed program which is previously approved by the COMPANY, as described in the contract.

#### **5.0 SEQUENCE OF WORKS**

The work shall commence at the point or points approved by THE COMPANY and shall proceed in an orderly workmanlike manner to complete as specified by THE COMPANY unless the COMPANY may at any time during the progress of the works require that works shall be done upon and part as specified by the COMPANY'S representatives. No change in sequence of works shall be made without express permission of the COMPANY.

#### **6.0 SETTING OUT OF WORKS**

THE CONTRACTOR shall be responsible for the true and proper setting out of the works and for the correctness of the position levels, dimensions and alignment of all parts of the works and for the provision of all necessary instruments, appliances and labour in connection therewith. If at any time during the progress of the works any error shall appear or arise in the position levels, dimensions or alignment of any part of the works, THE CONTRACTOR on being required so to do by the COMPANY'S REPRESENTATIVE/S shall at his own expense rectify such error to the satisfaction of the COMPANY'S REPRESENTATIVE/S unless, such error is based on incorrect data supplied in writing by the COMPANY'S REPRESENTATIVE/S in which case the expense of rectifying the same shall be borne by THE COMPANY.

#### **7.0 EXECUTION OF WORKS**

- a) Before submitting tender & in case of any doubt, the Contractor should clarify the specifications of different items of the contract from the department concerned. Afterwards, decision of the Company regarding clarification of any item of the contract will be final and no compromise will be made in any respect.
  
- b) THE CONTRACTOR shall execute and complete the works in strict accordance with the specifications hereto and shall be entirely responsible for the execution of the works in all respect in accordance with the terms and conditions specified herein notwithstanding any approval which the COMPANY'S REPRESENTATIVE/S may have given in respect of the method, materials or workmanship of any part or the whole of the works or of any tests carried out either by THE CONTRACTOR or by THE COMPANY. Subject to the foregoing THE CONTRACTOR shall be at liberty at his own risk, to employ his own method subject to the approval of the COMPANY'S REPRESENTATIVE/S, for the execution of the works. If in the opinion of THE COMPANY or THE Company's representative/s duly authorized for the

purpose hereof, the works or any item thereof is found to be not in accordance with the specifications and exhibits, THE CONTRACTOR shall remove the defect and re-execute the works or the item in accordance therewith at his own expense, whether such defect be discovered during the normal course of inspection hereafter or subsequently. Any delay caused in remedying any defective performance shall not absolve THE CONTRACTOR from adhering to the time schedule as provided in the contract hereof, and no extension in time shall be granted for such delay in any circumstances whatsoever.

- c) THE CONTRACTOR shall give Company's representative/s reasonable notice of the readiness of each part of the works for examination or test and if the examination or test is by an authority other than THE COMPANY, the date fixed for the examination or test shall also be intimated. If the works requiring appropriate approval or testing are covered up without such approval having been given or such test (s) carried out, then THE CONTRACTOR shall at his own expense uncover such works to the extent necessary for appropriate examination or test and shall at his own expense cover it on completion of such examination or test. THE CONTRACTOR shall uncover any inspected by subsequently questioned work or item of work if so requested by the COMPANY'S REPRESENTATIVE/S. If such works are found to be in accordance with the specifications and exhibits, the work involved in re-examination and replacement shall be treated as an addition and shall be paid for by THE COMPANY. If such works be found not in accordance with the specifications and exhibits all costs involved in re-examination and making good the defect and replacement shall be borne by THE CONTRACTOR

#### **8.0 LIQUIDATED DAMAGES FOR DEFAULT IN TIMELY MOBILISATION:**

- 8.1 In the event of the Contractor's default in timely mobilisation for commencement of operations within the stipulated period, the Contractor shall be liable to pay liquidated damages at the rate of 0.5% of the total contract value per week or part thereof of delay subject to maximum of 7.5%. Liquidated Damages will be reckoned from the date after expiry of the scheduled mobilization period till the date of commencement of contract as defined in clause no. 2.0 of Section - I.
- 8.2 The Company also reserves the right to cancel the Contract without any compensation whatsoever in case of failure to mobilise and commence operation within the stipulated period.

#### **9.0 LIQUIDATED DAMAGES FOR DEFAULT IN TIMELY COMPLETION**

- 9.1 In the event of the Contractor's default in timely completion of the work under the provisions of this Contract, the Contractor shall be liable to pay liquidated damages at the rate of 0.5% of the total Contract Price for each week (7 days) or a part thereof of delay till the works are completed, subject to a maximum of 7.5 % of the total calculated Contract Price. The Company may without prejudice to any other method of recovery, deduct the amount of such liquidated damages from any amount due to the Contractor

9.2 Both the Contractor & the Company agree that the above percentages of liquidated damage is genuine pre-estimates of loss/damage, which the Company would have to suffer on account of delay/breach on the part of the Contractor and the said amount will be payable on demand without there being any proof of the actual loss/or damage caused by such delay/breach. Decision of the Company in the matter of applicability liquidated damage shall be final & binding on the Contractor.

**BOTH LIQUIDATED DAMAGE FOR DEFAULT IN TIMELY MOBILISATION AND TIMELY COMPLETION OF THE CONTRACT SHALL BE APPLICABLE SIMULTANEOUSLY.**

**10.0 WORKS TO THE SATISFACTION OF THE COMPANY :**

THE CONTRACTOR shall execute the works entirely in strict accordance with the accepted practices, laid out standards and in accordance with the specifications as spelt out in these presents, to the complete satisfaction of the COMPANY'S REPRESENTATIVE/S and shall comply with and adhere strictly to the COMPANY'S REPRESENTATIVE/S'S instructions and directions on any matter relating to this contract.

**11.0 WARRANTY AND REMEDY**

THE CONTRACTOR shall be responsible for the care and maintenance of the works until the works are accepted in writing by THE COMPANY. Such acceptance to be made without unreasonable delay after THE COMPANY is satisfied, that the works have been completed in accordance with the specifications. THE CONTRACTOR shall give THE COMPANY prompt notice of completion. Failure or neglect on the part of the COMPANY'S REPRESENTATIVE/S to condemn or reject inferior work or materials shall not imply acceptance of such works or materials. It may further be noted that the giving of written acceptance of the works shall not be deemed a waiver by THE COMPANY of any claim in respect of latent or hidden defect in the materials or workmanship and THE CONTRACTOR agrees to repair, replace forthwith at his own expense any part of the works found within one year from such acceptance to be subject to such defects, unless such defects are in materials originally supplied by the COMPANY provided that THE CONTRACTOR'S treatment / handling of such materials did not cause or contribute to the defect.

**12.0 MEASUREMENT OF WORKS**

i) The quantities detailed any in this contract represent only the estimated quantities of works and they are not to be taken as the exact quantity of the works to be executed by THE CONTRACTOR in fulfillment of his obligations under this contract. The quantities of works to be considered for purpose of payment shall be those actually executed either in accordance with detailed

drawings or with the written instruction of the COMPANY'S REPRESENTATIVE/S.

- ii) In respect of completed works accepted by the COMPANY'S REPRESENTATIVE/S either in part or in full at his discretion, the COMPANY'S REPRESENTATIVE/S shall in consultation with THE CONTRACTOR call upon THE CONTRACTOR by a notice, written or verbal to be present at work site on specific date and at specific hour for the purpose of making measurements and recording the same. THE CONTRACTOR or its authorized representative shall be present at the site and shall furnish to the COMPANY'S REPRESENTATIVE/S all particulars required for a proper measurement. Should THE CONTRACTOR not attend or neglect or omit to send such authorized representative, then the measurement made by the COMPANY'S REPRESENTATIVE/S or approved by him will be the conclusive measurement of the works and THE CONTRACTOR shall accept such measurement.
- iii) In respect of works in progress, the measurement of works shall be on the basis of either a percentage of actual progress made in relation to the contract quantity of the works as assessed by the COMPANY'S REPRESENTATIVE/S wherein applicable or by measurements of detailed items as described in sub-clause 12 (ii) above as deemed necessary and at the discretion of the COMPANY'S REPRESENTATIVE/S wherever applicable.
- iv) All measurements shall be duly recorded by the COMPANY'S REPRESENTATIVE/S in THE COMPANY'S measurement book and THE CONTRACTOR shall agree to such measurement by signing the same. Measurement so recorded shall be treated as legally binding on both parties.
- v) Schedule of quantities shall be deemed to have been prepared and measurements shall be made in accordance with the procedures described for the various classes of work in the specifications or if no procedure be so specified then the method of measurements shall be as described in the Schedule of Rates for the corresponding items of work.
- vi) All materials / equipment to be supplied / used by THE CONTRACTOR in accordance with this contract shall be measured / inspected after the materials / equipment have been duly approved as to their specifications and other requirements by the COMPANY'S REPRESENTATIVE/S, before the material / equipment is used on the work in presence of THE CONTRACTOR or its authorized representative. Such measurements shall be duly recorded as per sub-clause 12 (iv) above.
- vii) The COMPANY'S REPRESENTATIVE/S shall be free to reject for purpose of measurement any materials / equipment supplied by the CONTRACTOR at sites if such materials are not up to the required specifications and differ from the previously approved samples.

- viii) Notwithstanding the fact that certain works and materials have been already measured and recorded by the COMPANY'S REPRESENTATIVE/S, THE CONTRACTOR shall remain fully responsible for all such works and materials till the final expiry of the defect liability period.

### **13.0 RIGHT OF INSPECTION**

THE COMPANY shall have the right but not the obligation to inspect the works during its progress. THE CONTRACTOR shall provide proper access for such inspection.

THE COMPANY shall provide Inspectors for this purpose and shall arrange for all inspection and tests to be carried out promptly after notification.

### **14.0 DELAY IN WORK BY THE CONTRACTOR**

If THE CONTRACTOR is responsible for a delay in progress of the works, THE CONTRACTOR shall, without additional cost to THE COMPANY work overtime and / or mobilize / utilize such additional equipment and personnel at any time to improve the progress of the work as may be necessary to eliminate delay in final completion of the works within the stipulated time of completion.

### **15.0 MATERIALS, TOOLS AND EQUIPMENT TO BE PROVIDED BY THE COMPANY**

- a) THE COMPANY shall provide the materials listed below to the contractor. All materials shall be checked, agreed and recorded by both THE COMPANY AND THE CONTRACTOR at the time THE CONTRACTOR takes delivery. This record shall determine the quantity, description and condition of materials delivered to THE CONTRACTOR by THE COMPANY. THE CONTRACTOR shall not be relieved of responsibility for such pipes and materials by failure to participate jointly with the COMPANY'S REPRESENTATIVE/S in making or signing materials receiving or transfer records. The COMPANY'S REPRESENTATIVE/S'S receiving records will determine the specification, quantity and condition of pipe and materials for further accounting purposes. Upon receipt of materials from THE COMPANY, THE CONTRACTOR shall visually inspect the same to ascertain that that same are free of defects except in relations to the quality and workmanship. Any defect apparent on visual inspection must be notified to THE COMPANY immediately for effecting necessary replacement / repairs / remedies.
- b) No responsibility for security of equipment / loose materials / fittings etc. will be borne by OIL. Security of the Company's materials once supplied to the Contractor will be his responsibility.
- i) 8" NB, 6.4 mm thick API 5L Gr X-60, ERW line pipes with 3 LPE coating
- ii) 8" NB, 6.4 mm thick API 5L Gr X-60, ERW line pipes bare pipe.

- iii) All Valves and Pipe Fittings
- iv) Stud Bolts and Nuts
- v) Gaskets

**16.0 DRAWING TO BE SUPPLIED BY THE COMPANY**

- a) The drawings made available to THE CONTRACTOR are for general guidance to THE CONTRACTOR to enable him to visualize the work contemplated under this contract. Detailed working drawings on the basis of which actual execution is to proceed will be furnished by THE COMPANY to THE CONTRACTOR from time to time during the progress of the works. Copy-write in the said drawing shall always remain in the COMPANY.
- b) THE CONTRACTOR shall be bound to go through all the supplied drawings thoroughly and carefully in conjunction with all other connected drawings and bring to the notice of the COMPANY'S REPRESENTATIVE/S discrepancies if any, therein before actually carrying out the works. Copies of all detailed working drawings relating to works shall be kept at THE CONTRACTOR'S office on the site and shall be made available to the COMPANY'S REPRESENTATIVE/S at any time during the contract. The drawing shall be returned to THE COMPANY on completion of the works.

**17.0 MATERIALS, LABOUR, TOOLS AND EQUIPMENT TO BE PROVIDED BY THE CONTRACTOR**

- a) THE CONTRACTOR shall provide all materials (except the free materials to be supplied by the Company as stated above), consumables, labour, tools, supervision, plant and equipment necessary to complete the works within the time schedule and in accordance with the specifications. All material furnished by THE CONTRACTOR unless otherwise specified shall be of a suitable grade and type and where such materials are to form part of the permanent works shall also be new. No substitution of any materials shall be made without the written approval of THE COMPANY and any materials which do not conform to the specifications or is otherwise rejected, shall be removed immediately from the site and replaced with materials satisfactory to THE COMPANY. In all cases where an article is specified with the words "Approved Equal", THE COMPANY shall be the sole judge as to whether the substitution specified is equal to the materials specified and its decision shall be final. Any equipment furnished by THE CONTRACTOR shall be suitable for the purpose for which it is to be used and shall be in good condition.
- b) All materials procured should meet the specifications given in the tender document. The Engineer-in-Charge may, at his discretion, ask for samples and test certificates for any batch of any materials procured. Before procuring, the Contractor should get the approval of Engineer-in-Charge / Site-in-Charge for any materials to be used for the works.
- c) Manufacturer's certificate shall be submitted for all materials supplied by the Contractor. If, however, in the opinion of the Engineer-in-Charge / Site-in-Charge any tests are required to be conducted on the material supplied by the contractor, these will be arranged by the Contractor promptly at his own cost.

- d) THE COMPANY shall have a first lien on all plant and machinery brought or caused to be brought by THE CONTRACTOR for all payments by THE CONTRACTOR to THE COMPANY under this contract with our prejudice to the right of recovery in any other manner as provided in this contract or otherwise.
- e) Electricity, water, accommodation etc. for Contractor's men will not be provided by the Company. These are to be arranged by the Contractor itself. Further, electrical power required for construction works shall also be arranged by the contractor.
- f) No transport for transfer of Contractor's men & material will be provided by the Company.

#### **18.0 THE CONTRACTOR'S EMPLOYEES**

- a) THE CONTRACTOR shall perform the works in a workmanlike manner with qualified, competent, careful and efficient workmen in strict conformity with the provisions in this contract. The COMPANY'S REPRESENTATIVE/S will have the right to remove from the works any employee of THE CONTRACTOR who, in the COMPANY'S REPRESENTATIVE/S'S opinion, may be incompetent, careless or not qualified to perform the works assigned to him.
- b) Before starting the job, the CONTRACTOR will have to submit the list of competent skilled persons with valid certificate wherever necessary who will carry out the job. If Company desires, the competent persons of the CONTRACTOR will have to pass necessary tests conducted by the COMPANY.

#### **19.0 SERVICES / EQUIPMENT PROVIDED BY THE COMPANY**

If by reason of any event occurring to, in or in connection with the works, either during execution of the work or during defect liability period, any remedial or other works, which in the opinion of the COMPANY'S REPRESENTATIVE/S be necessary and the CONTRACTOR is unable or unwilling to do such works / provide services or equipment as the case may be, than the COMPANY may, by its own or other, do such works / provide services or equipment as the COMPANY'S REPRESENTATIVE/S may consider necessary. If in the opinion of the COMPANY'S REPRESENTATIVE/S the CONTRACTOR is liable to do so at his own expenses under this contract, all costs and charges including overheads incurred by the COMPANY in doing so shall be paid by the CONTRACTOR to the COMPANY or may be deducted by the COMPANY from any money due or which may become due to the CONTRACTOR. The costs incurred by the COMPANY shall be assessed independently by the COMPANY as per the COMPANY'S standard and prevalent practices and no dispute on this account shall be entertained in any circumstances whatsoever.

#### **20.0 REPORTING OF PROGRESS**

The CONTRACTOR shall furnish to the COMPANY daily Progress Reports along with applicable drawings indicating all details of the construction. Further, the CONTRACTOR shall submit to the COMPANY the “as built drawing” of the pipe lines after completion of the construction job.

#### **21.0 THIRD PARTY INSPECTION AGENCY AND THEIR SCOPE OF WORK**

- a) The Contractor shall arrange suitable, proven, resourceful and experienced Inspection Agency at his cost that shall have to be approved by the company before starting of works. Past experience of the party is to be submitted to the Company for approval prior to engagement of such party.
- b) Scope of works of the Agency shall be as follows.
  - I. Witness and approve Welding Procedure and Welders Qualification test as per relevant code and issue certificates of acceptability.
  - II. Carry out radiography of weld joints as per relevant code / standards and issue certificates of acceptability.
  - III. Carryout Holiday Testing of pipeline segments immediately after welding / laying and issue certificates of acceptability.
  - IV. Witness, measure and approve pipeline trench as per relevant specifications and issue certificates of acceptability.
  - V. Witness hydraulic test of the entire pipeline as per relevant code / standards and issue certificates of acceptability.
- c) The Third Party Inspection Agency must have qualified radiographer having valid certificate along with Radiographic Camera and Radio isotopes approved by statutory agencies. Documentary evidence in support of the same is to be furnished to the Company.
- d) Details of the equipments owned by the Third Party Inspection Agency and / or proposed to hire for the job like Radiographic Camera, Holiday Detector etc. are to be submitted to the Company.

#### **22.0 SAFETY OF EXISTING LINES**

The Contractor shall ensure the safety of the lines already laid on the Right of Way and at no instance; the existing lines shall be disturbed, stressed or damaged in any way during the construction activities. In the event of any damage, the Contractor shall repair the line forthwith at its own expense and pay any consequential damages arising there from.

#### **23.0 CONSTRUCTIONAL DRAWINGS/ EXHIBITS**

**In general, the following constructional drawings/ exhibits shall be used for the work unless otherwise specified or directed by the Company.**

- a) **Submerged River Crossing (OIL/PP/08)**
- b) **Launching Scrapper Trap (OIL/PP/09)**
- c) **Receiving Scrapper Trap (OIL/PP/10)**

d) **Oil – Water Trap (OIL/PP/12)**

**24.0 SURPLUS PERMANENT MATERIALS**

All surplus permanent materials shall be collected and transported by THE Contractor to THE COMPANY'S depots / yards as directed by the Company's representative/s under "Material Custody Transfer Note".

**25.0 PROTECTION OF PROPERTY AND EXISTING FACILITIES**

25.1 The Contractor shall perform each work in such a manner as will prevent damage to the Company's property and conform to and be consistent with, operational practices of hydrocarbon industries. Any permanent damage / loss to the Company's pipeline, assets and plants due to actions undertaken by the Contractor in order to provide the services envisaged under this Contract shall have to be remedied by the Contractor, entirely at their own cost. This cost shall include and not be limited to actual replacement of such damaged pipeline, assets or plants, or payment of actual replacement cost in relation thereto as may be incurred by the Company.

25.2 The CONTRACTOR shall take sufficient care in moving his plants, equipments and materials from one place to another so that they do not cause any damage to any person or to the property of COMPANY or any third party including overhead and underground cables and in the event of any damage resulting to the property of COMPANY or of a third party during the movement of the aforesaid plant, equipment or materials the cost of such damages including eventual loss of production, operation or services in any plant or establishment as estimated by COMPANY or ascertained or demanded by the third party shall be borne by the CONTRACTOR.

25.3 The CONTRACTOR shall take sufficient care in moving his plants, equipments and materials from one place to another so that they do not cause any damage to any person or to the property of COMPANY or any third party including overhead and underground cables and in the event of any damage resulting to the property of COMPANY or of a third party during the movement of the aforesaid plant, equipment or materials the cost of such damages including eventual loss of production, operation or services in any plant or establishment as estimated by COMPANY or ascertained or demanded by the third party shall be borne by the CONTRACTOR.

**26.0 PERFORMANCE OF WORK:**

26.1 The Contractor shall submit daily reports to EIC (Engineer in Charge) detailing progress of different operations as per the scope of the work. The Company, at its option may change the periodicity of such reports. In addition, they shall submit the complete job report (with all pertinent details to serve permanent record) within 15 (Fifteen) days from the date of completion of each individual job. The manner and the speed of execution and maintenance of the operations are to be conducted in a manner to the satisfaction of the Company's representative. Should the rate of progress of the operations or

any part of them is at any time too slow in the opinion of the Company's representative, (to ensure completion of the operations within schedule) the Company's representative may so notify the Contractor in writing. The Contractor shall reply to the written notice giving details of the measures, which he proposes to take to expedite the operations. If no satisfactory reply to the Company's notice is received in seven days, the Company shall be free to take necessary actions as deem to be fit.

**27.0 PERMITS & CERTIFICATES**

27.1 The Contractor shall procure, at his expense, all necessary permits, certificates and licences required by virtue of all applicable laws, regulations, ordinances and other rules in effect at the place where any of the works is to be performed, and Contractor further agrees to hold COMPANY harmless from liability or penalty which might be imposed by reason of any asserted or established violation of such laws, regulations, ordinances or other rules. COMPANY will provide necessary permits for Contractor's personnel to undertake any work in India in connection with Contract.

**28.0 COMPLETION CERTIFICATE :**

28.1 As soon as the works have been completed and the Contractor fulfils his obligation envisaged under the contract, he shall be eligible to apply for 'Completion Certificate'. The Company shall issue to the Contractor the completion certificate within one month after receiving an application from Contractor after verifying the works have been completed in accordance with the Contract Document. The issue of Completion Certificate shall not operate as an admission that the works have been accepted in every respect. The warranty period / defect liability period one year shall commence from date of issuance of the 'Completion Certificate'.

**29.0 ACCEPTANCE OF WORK :**

29.1 Upon expiry of the period of Defect Liability and subject to the Company being satisfied that Contractor's obligation have been duly maintained by Contractor during such period and that Contractor has in all respect duly made up any subsidence and performed all his obligations under this contract, the Company shall issue certificate (herein after referred to as 'Acceptance Certificate') to that effect and Contractor shall not be considered to have fulfilled the whole of his obligations until 'Acceptance Certificate' has been issue by the Company. The Performance Bank Guarantee for Defect liability shall be discharged by the Company upon issuance of such Acceptance Certificate.

**30.0 CONTRACTOR TO INDEMNIFY THE COMPANY :**

30.1 The Contractor shall indemnify the Company and every member, officer and employee of the Company, also the Engineer-in-Charge / Site-in-Charge and his staff against the actions, proceedings, claims, demands, costs, expenses, whatsoever arising out of or in connection with the works and all actions,

proceedings, claims, demands, costs, expenses which may be made against the Company for or in respect of or arising out of any failure by the Contractor in the performance of his obligations under the contract. The Contractor shall be liable for or in respect of or in consequence of any accident or injury to any workmen or other person in the employment of the Contractor or his sub contractor and Contractor shall indemnify and keep indemnified the Company (OIL) against all such damages, proceedings, costs, charges and expenses whatsoever in respect thereof or in relation thereto.

### **31.0 CONTRACT PRICE AND PAYMENT :**

#### **31.1 CONTRACT PRICE :**

- i) The total price quoted by the successful bidder in Bid form, in his bid with additions and deletions as may have been agreed before issue of Letter of Award, for the entire WORKS covered and in accordance with all terms, conditions, stipulations, specifications, requirements and other contents of contract as accepted by company incorporated in to the contract as accepted by Company, and incorporated in to the contract as accepted by Company, and incorporated in to the contract document, shall be treated as the contract price. Wherever it is mentioned in the specifications that the Contractor shall perform certain works or provide certain facilities, it is understood that the Contractor shall do so at his cost and the Contract Price shall be deemed to have included cost of such performances and provisions, so mentioned.
- ii) The Contract price shall remain firm and fixed till the issue of completion certificate and shall not be subjected to escalation on any account whatsoever and shall be deemed to include and cover all costs, expenses and liabilities of every description and all risks of every kind to be taken in executing, completing and handing over works to Company by Contractor. The Contract Price shall hence always be deemed to include any likely future increase in statutory duties and levies on material supplied or any likely future increase in rates of compensation payable to labour whether statutory or otherwise. No claim shall be entertained on the aforesaid account for any reason whatsoever, except to the extent expressly agreed by the Company under this agreement.
- iii) The Contract Price shall be deemed interalia to include and cover the cost of all temporary works, materials, labour, insurance, etc. to be supplied by contractor as per contract and the execution of works or any portion thereof finished, complete in every respect and maintained as shown or described in the Contract Document or as may be ordered in writing during the continuance of contract.
- iv) The Contract Price shall include and cover the cost of royalties and fees for all equipment, protected by letters, patent or otherwise incorporated in or used in connection with works, also all royalties, rents and other payments in connection with obtaining materials of whatsoever kind for works. The Contractor shall indemnify the Company which indemnity, the Contractor

hereby gives against all actions, proceedings, claims, damages, cost and expenses arising from the incorporation in or use on WORKS of any such equipment, articles, processes or materials.

**32.0 SUB-CONTRACTING :**

32.1 If the Contractor desires to engage Sub-Contractor (s) for any part (s) of work (to be agreed by the Company) under this contract, they may do so by applying to the Company and obtaining prior written approval of the Company.

**33.0 INTERPRETATION OF CONTRACT DOCUMENT :**

33.1 All documents forming part of the Contract are to be taken mutually explanatory. Should there be any discrepancy, inconsistency, error or omission in the contract, the decision of the Company or its representatives shall be the final and the contractor shall abide by the decision. Works shown upon the drawings but not mentioned in the specification or described in the specifications without being shown on the drawings shall nevertheless be deemed to be included in the same manner as if they are shown in the drawings and described in the specifications.

**34.0 EXECUTION OF WORK FOR TIMELY COMPLETION :**

34.1 All the works shall be executed in strict conformity with the provisions of the contract documents and with such explanatory details, drawings, specifications and instructions as may be furnished from time to time to the Contractor by the Engineer-in-Charge / Site-in-Charge, whether mentioned in the Contract or not. The contractor shall be responsible for ensuring that works throughout are executed in the most proper and workmen like manner with the quality of material and workmanship in strict accordance with the specifications and to the entire satisfaction of the Engineer-in-Charge / Site-in-Charge.

34.2 The completion of work may entail working in monsoon also. The contractor must maintain the necessary work force as may be required during monsoon and plan to execute the job in such a way the entire project is completed within the contracted time schedule. No extra charges shall be payable for such work during monsoon. It shall be the responsibility of the contractor to keep the construction work site free from water during and off the monsoon period at his own cost and expenses.

34.3 For working on Sunday / Holidays, the contractor shall obtain the necessary permission from Engineer In-charge / Site In-charge in advance. The contractor shall be permitted to work beyond the normal hours with prior approval of Engineer-in-Charge / Site-in-Charge and the contractors quoted rate is inclusive of all such extended hours of working and no extra amount shall be payable by the Company(OIL) on this account.

**35.0 EXTENSION OF TIME :**

35.1 If the contractor does not complete the work within the contractual period he may apply in writing to the COMPANY before one month of the period of expiry of the contract stating therein in detail, the reasons on which he desires to have extension and the period of extension, the contractor so desires. The COMPANY on his part shall consider the request of the contractor for such extension of time and shall take a decision after discussion with the contractor and communicate the same to the contractor before expiry of the contract. The decision of the Company(OIL) in this regard shall be final and binding.

**36.0 SUSPENSION OF WORKS**

36.1 Subject to the provision of this contact, the contractor shall, if ordered in writing by Company's representative/s, for reasons recorded suspend the works or any part thereof for such period and such time so ordered and shall not proceed with the work, after receiving such order to suspend the work, until he receive a written order from Company to re-start the work. The Contractor shall be entitled to claim extension of time for that period of time the work was ordered to be suspended. Neither the Company(OIL) nor the Contractor shall be entitled to claim compensation or damages on account of such an extension of time.

**37.0 DAMAGE TO PROPERTY :**

37.1 Contractor shall be responsible for making good to the satisfaction of the Company any loss or and any damage to structures and properties belonging to the Company or being executed or procured by the Company or of other agencies within the premises of the work of the Company, if such loss or damage is due to fault and / or the negligence or willful acts or omission of the Contractor, his employees, agents, representatives or sub-contractor.

37.2 The Contractors shall indemnify and keep the Company harmless of all claims for damage to Company ( OIL)'s property arising under or by reason of this contract.

\*\*\*\*\*End of Section-III\*\*\*\*\*

## PART 3 / SECTION- IV

### SCHEDULE OF RATES & PAYMENT

#### 1.0 SCHEDULE OF RATES

Sr.	Item Description	Unit	Quantity	Unit Rate (In Rs)	Total Amount (In Rs)
1	<b><u>Pre Project Preparatory Activities</u></b> Clearing / removal / disposal of tea bushes, farm corps, undergrowths, trees, any other items on the ROW segment, Grading / Leveling / Bulldozing of existing ROW segment for entire width of <b>8.0 meters</b> to make a leveled contour. as per drawings, specifications, instructions of COMPANY's representative/s in Charge and other provisions of Special Terms and Conditions of the tender document. All labour, equipment, consumables etc. shall be arranged and supplied by the Contractor	METER	3000		
2	<b><u>Transportation</u></b> Transportation of pipes, valves , Flanges, bends, elbows, wrapping materials, coaltar,etc from Duliajan to Makum / Habeda area including loading and unloading at both ends.	TKM	13000		
3	<b><u>Laying of Pipeline</u></b> Stringing of pipes along the ROW including providing straw bags, soft padding / sand padding; aligning, bending, cutting / beveling of pipes for field adjustment, welding of pipes along the ROW; trenching to all depths and to a width to accommodate the pipeline as per relevant specifications by	METER	7500		

Sr.	Item Description	Unit	Quantity	Unit Rate (In Rs)	Total Amount (In Rs)
	<p>excavation in all types of soil; carrying out repair of pipes and coating defects not attributable to the Company; coating of field joints as per relevant specifications and Company approved coating materials; thorough internal cleaning of all pipes by suitable method to remove all debris, shots, grills etc.; pigging of the pipeline sections through compressed air; carrying out radiography of all weld joints (100%) including providing all requisite equipment, labour, supervision, materials, radiography films, consumables, all facilities and personnel to process, develop, examine and interpret radiographs; carrying out repairs of weld joints found defective, carrying out re radiography; holiday testing of the pipeline including providing all requisite equipment, labour, supervision, materials, consumables, all facilities and personnel etc.; repairing of damaged coating not attributable to the Company with Company approved materials; lowering of the pipeline in trench including backfilling with available excavated material; installation of all fittings such as Tees, Insulating joints as required; coating of all buried fittings; carrying out hydro testing including flushing, filling, gauging, pressurization to the</p>				

Sr.	Item Description	Unit	Quantity	Unit Rate (In Rs)	Total Amount (In Rs)
	<p>specified test pressure, providing all equipment, pumps, fittings, instruments, all types of pigs, services, supervision,, labour, consumables, water, corrosion inhibitors, proper disposal of water after testing etc.; locating of leaks and rectification of defects attributable to the Contractor, retesting after repair etc.; welding of all tie in joints including tie ins with pipelines installed by others; final clean up and restoration of ROW, disposal of debris; providing assistance during commissioning of the pipelines by way of supplying manpower / equipment as necessary etc.; returning all surplus materials to designated yard of the Company, restoration of all land, facilities, boundary wall etc. dismantled / damaged by the Contractor during construction etc.providing security along the entire ROW etc.; as per drawings, specifications, instructions of COMPANY's representative/s in Charge and other provisions of Special Terms and Conditions of the tender document. Cold Bends supplied by OIL has to be coated with heat shrinkable sleeves for 2 pipelines as two of the pipelines will be 3-LPE coated pipes. Also includes preparation and submission of "As Built Drawing" of the</p>				

Sr.	Item Description	Unit	Quantity	Unit Rate (In Rs)	Total Amount (In Rs)
	<p>pipelines showing all constructional features, landmarks, dimensions etc.; Each of TWO sets with proper binding &amp; cover page</p> <p>Pipeline size – 8” NB</p>				
4	<p><b><u>Boring of Road.</u></b>            Installation of 12”/14” NB, 6.4 mm W/T casing pipe by Boring for road, embankment etc. wherever required in all types of soils and terrain; supply and installation of all other materials viz casing insulators, casing end seals, materials for casing vents and drains as per applicable / relevant drawings; installation of 16” NB carrier pipe; transportation of all supplied materials; supply of all labour, equipment, consumables etc; backfilling and restoration etc. for complete installation of the item as per drawings, specifications, instructions of COMPANY’s representative/s in Charge and other provisions of Special Terms and Conditions of the tender document.</p> <p>Size – 8” NB carrier pipe  <b>Casings will be provided by OIL</b></p>	METER	150		
5	<p><b><u>Open cut of gravel road / canal etc.</u></b>            installation of 12”/ 14” NB, 6.4 mm W/T casing pipe by open cut for road, canal etc. wherever required in all types of soils and terrain; supply and installation of all other materials viz casing insulators, casing end seals, materials for casing vents and drains as per applicable /</p>	METER	120		

Sr.	Item Description	Unit	Quantity	Unit Rate (In Rs)	Total Amount (In Rs)
	<p>relevant drawings; installation of 8" NB carrier pipe; transportation of all supplied materials; supply of all labour, equipment, consumables etc; backfilling and restoration etc. for complete installation of the item as per drawings, specifications, instructions of COMPANY's representative/s in Charge and other provisions of Special Terms and Conditions of the tender document.</p> <p>Size – 8" NB carrier pipe <b>Casings will be provided by OIL</b></p>				
6	<p><b><u>Installation of valves</u></b> Installation by welding of welded type or Flange type gate / ball / plug valves on the pipeline at specified places as directed by the COMPANY's representative/s in Charge along the ROW or within the Installation with proper RCC support.</p> <p>Size - 8" / 6" NB</p>	NOS	12		
7	<p><b><u>Fabrication of Pig Barrels</u></b> Fabrication of 2 Nos. of Pig barrels, (One receiver &amp; one launcher) for 8" COD line (12"/14" X 8"). Valves , pipes and elbows shall be provided by OIL.</p>	NOS	02		
8	<p><b><u>Erection of Pig Trap</u></b> Erection of Pig Trap as per relevant drawings, specifications, instructions of COMPANY's representative/s in Charge and other provisions of Special Terms and Conditions of</p>	JOB	02		

Sr.	Item Description	Unit	Quantity	Unit Rate (In Rs)	Total Amount (In Rs)
	<p>the tender document including installation of all item / accessories like valves, fittings, pressure gauges etc., erection of pig handling facility, testing, treating, painting, making valve foundations, supports, tie-in joints, supply of labour, manpower, equipment, consumables etc. This also includes construction of Oil-Water Trap and connection of drain ines to Oil-Water trap with proper anhorng/support.</p> <p>Size – For 8” NB pipeline</p>				
9	<p><b><u>Fabrication of Cold bends</u></b> Fabrication of Cold bends upto 30 Degrees as per relevant standards ANSI B31.4 / ANSI B 31.8. The fabricated fittings shall be subjected to radiography. Any repair if necessary shall be done by the Contractor at his own cost.</p>	NOS	20		
10	<p><b><u>Coating wrapping of pipes (200 mm)</u></b> Cleaning of exterior surface by sand blasting and priming of cleaned surface. Coating &amp; wrapping of 8” line pipes shall be done in conformity to the Code AWWAC-203 of 1973. Coated pipes shall be subjected to holiday detection test. Defective section shall be repaired at contractor`s cost. Coating material will be provided by OIL. Approx. 3000 METERS pipe</p>	SQ METER	1900		

Sr.	Item Description	Unit	Quantity	Unit Rate (In Rs)	Total Amount (In Rs)
11	<p><b><u>Submerged water body crossing</u></b>  Submerged crossings river / water body to a depth of minimum 3.0 m below the lowest permanent bed level of the rivers / water bodies at the position of crossing. All jobs associated with the item viz. handling, aligning, making of sag and over bends, tie-in joints, 50 mm thick cement mortar coating, supply of all equipment / labour / consumables for excavation and crossing will be carried out and arranged by the contractor and will be completed as per relevant drawings, specifications, instructions of COMPANY's representative/s in Charge and other provisions of Special Terms and Conditions of the tender document. Measurement of this item will be done from the over bend of one side to the over bend of the other side along the profile of the line.</p> <p>Size – For 8” NB pipeline</p>	METER	150		
12	<p><b><u>Erection of Permanent Marker Posts</u></b>  Installation of RCC boundary Pillars with OIL logo inscribed on it (Sketch has to be approved by company representatives) including all associated civil jobs.</p>	NOS	50		
<b>TOTAL ESTIMATED CONTRACT COST INCLUSIVE OF ALL TAXES AND DUTIES EXCLUDING SERVICE TAX WHICH IS PAYABLE EXTRA AT ACTUALS</b>					

## **2.0 PAYMENT TERMS**

2.1 Payment shall be made to the contractor monthly against the work done during the preceding period on the basis of accepted rates of the contract in the following manner.

<b>Sr No.</b>	<b>Activities</b>	<b>Progressive Payments</b>
<b>A</b>	<b><u>LAYING OF PIPELINE</u></b> (ONLY FOR ITEM NO 3.0 OF THE S.O.R)	(%age of contract rate of particular activity)
1	Stringing of pipes along the ROW including providing straw bags, soft padding / sand padding etc.	5 %
2	Aligning, bending, cutting / bevelling of pipes for field adjustment, welding of pre-coated / coated pipes along the ROW, carrying out radiography (100%)	30 %
3	Trenching to all depths and width as per relevant specifications by excavation in all types of soil	10 %
4	Carrying out repair of coating defects; coating of field joints as per relevant specifications; holiday testing	10 %
5	Thorough internal cleaning of all pipes by suitable method to remove all debris, shots, grills etc.; pigging of the pipeline sections through compressed air	5 %
6	Lowering of the pipeline in trench including backfilling	5 %
7	Carrying out hydro testing including flushing, filling, gauging, pressurization to the specified test pressure and dewatering	10 %
8	Final clean up and restoration of ROW, disposal of debris, returning all surplus materials to designated yard of the Company, restoration of all land, facilities, boundary wall etc. dismantled / damaged by the Contractor during construction etc.;	5 %
9	On finalization of material reconciliation	2 %
10	Submission of "As Built Drawing" of the pipelines and other drawing / documents as per contract	3 %

Sr No.	Activities	Progressive Payments
11	On completion of pre commissioning, integration and acceptance of the pipeline system in all respect	15%

**C. ALL OTHER WORKS**

1. 95 % progressively on completion of individual items of work
2. 5 % on completion of all works in all respect and acceptance by Company thereof.

\*\*\*\*\*END OF SECTION-IV \*\*\*\*\*

\*\*\*\*\*END OF PART -3 \*\*\*\*\*

**PART-4**

**PROFORMA - I**

**STATEMENT OF NON-COMPLIANCE**

<b>SECTION NO.</b>	<b>CLAUSE NO./ SUB-CLAUSE NO.</b>	<b>NON COMPLIANCE</b>	<b>REMARKS</b>

-----  
Signature of the bidder

**PART-4**

**PROFORMA - II A**

**BID FORM**

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

Sub: Tender No. : CPI2947L14

Gentlemen,

Having examined the General and Special Conditions of Contract and the Statement of Work & 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 award of Contract.

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 180 days from the date fixed for Bid opening 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 \_\_\_\_\_ 2014.

-----  
Signature  
\_\_\_\_\_

(In the capacity of)

**PART-4**

**PROFORMA - II B**

**FORM OF PERFORMANCE BANK GUARANTEE**

To:  
M/s. OIL INDIA LIMITED,  
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 date \_\_\_\_\_

SIGNATURE AND SEAL OF THE GUARANTORS \_\_\_\_\_  
Designation \_\_\_\_\_  
Name of Bank \_\_\_\_\_  
Address \_\_\_\_\_

Date ..... Place \_\_\_\_\_

**PART-4**

**PROFORMA II-C**

**CONTRACT FORM**

This Contract 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.

WHEREAS, Company issued a firm Letter of Award No. \_\_\_\_\_ based on Offer no. \_\_\_\_\_ submitted by the Contractor against Company's Tender no. \_\_\_\_\_.

WHEREAS Contractor has accepted Company's Letter of Award vide their letter no. \_\_\_\_\_.

All these aforesaid documents shall be deemed to form and be read and construed as part of this 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 Award 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 authorised 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 Contract words and expressions shall have the same meanings as are respectively assigned to them in the General Conditions of Contract referred to.

2. In addition to documents hereinabove, 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 : General Conditions of Contract,
- (b) Section-II : Terms of Reference / Scope of Work,
- (c) Section III : Special Conditions of Contract
- (c) Section-IV : Schedule of Rates and Payment

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  
Contractor  
Company (Oil India Limited)

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

Name:

Name:

Status:

Status:

In presence of

In presence of

1.

1.

2.

2.

**PART-4**

**PROFORMA - II D**

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

To : M/s OIL INDIA LIMITED,  
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 tender 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 \_\_\_\_\_ 2014.

THE CONDITIONS of these obligations are:

- (1) If the Bidder withdraws / modifies their Bid during the period of Bid validity specified by the Bidder; or
- (2) If the Bidder, having been notified of acceptance of their Bid by the Company during the period of Bid validity:
  - (a) Fails or refuses to execute the form of Contract in accordance with the Instructions to Bidders; or
  - (b) Fails or refuses to furnish the Performance Security in accordance with the Instructions to Bidders;

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.

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

Name of Bank & Address \_\_\_\_\_

Date ..... Place \_\_\_\_\_

- \* The Bidder should insert the amount of the guarantee in words and figures.
- \*\* Date of expiry of Bank Guarantee should be minimum 30 days after the end of the validity period of the Bid.

**PART-4**

**PROFORMA - III**

**PROFORMA LETTER OF AUTHORITY**

TO

HEAD (CONTRACTS)  
Oil India Ltd.,  
P.O. Duliajan - 786 602  
Assam, India

Sir,

Sub : OIL's Tender No. CPI2947L14

We \_\_\_\_\_ confirm that Mr. \_\_\_\_\_ (Name and address) as authorised to represent us to Bid, negotiate and conclude the agreement on our behalf with you against Tender Invitation No. CPI2947L14 for hiring of services for ***Construction and Laying of Three Nos of 200MM X 2500 Meter COD Line, 250 psig HP Natural Gas Pipeline and 30 psig LP Natural Gas Pipeline from Hebeda- OCS to Makum- OCS in Tinsukia district, Assam (Approximate linear length 3 lines of 2.5 KM each) and its associated works.***

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

Yours Faithfully,

Signature: \_\_\_\_\_

Name & Designation: \_\_\_\_\_

For & on behalf of: \_\_\_\_\_

**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.

## **PART-4**

## **PROFORMA -IV**

### **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 ***“Construction and Laying of Three Nos of 200MM X 2500 Meter COD Line, 250 psig HP Natural Gas Pipeline and 30 psig LP Natural Gas Pipeline from Hebeda- OCS to Makum- OCS in Tinsukia district, Assam (Approximate linear length 3 lines of 2.5 KM each) and its associated works”***

The Principal values full compliance with all relevant laws and regulations, and the principles of economic use of resources, and of fairness and transparency in its relations with its Bidder/s and Contractor/s.

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

#### **Section 1 - Commitments of the Principal**

(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 substantive suspicion in this regard, the Principal will inform its Vigilance Office and in addition can initiate disciplinary actions.

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

- (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 cartelisation in the bidding process.
  3. The Bidder/Contractor will not commit any offence under the relevant Anticorruption Laws of India; further the Bidder/Contractor will not use improperly, for purposes of competition or personal gain, or pass on to others, any information or document provided by the Principal as part of the business relationship, regarding plans, technical proposals and business details, including information contained or transmitted electronically.
  4. The Bidder/Contractor will, when presenting his bid, disclose any and all payments he has made, is committed to or intends to make to agents, brokers or any other intermediaries in connection with the award of the contract.
- (2) The Bidder/Contractor will not instigate third persons to commit offences outlined above or be an accessory to such offences.

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

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

1. If the Bidder/Contractor has committed a transgression through a violation of Section 2 such as to put his reliability or credibility into question, the Principal is entitled also to exclude the Bidder/Contractor from future contract award processes. The imposition and duration of the exclusion will be determined by the severity of the transgression. The severity will be determined by the circumstances of the case, in particular the number of transgressions, the position of the transgressions within the company hierarchy of the Bidder and the amount of the damage. The exclusion will be imposed for a minimum of 6 months and maximum of 3 years.
2. The Bidder accepts and undertakes to respect and uphold the Principal's Absolute right to resort to and impose such exclusion and further accepts and undertakes not to challenge or question such exclusion on any ground, including the lack of any hearing before the decision to resort to such exclusion is taken. This undertaking is given freely and after obtaining independent legal advice.
3. If the Bidder/Contractor can prove that he has restored/recouped the Damage caused by him and has installed a suitable corruption prevention system, the Principal may revoke the exclusion prematurely.
4. A transgression is considered to have occurred if in light of available evidence no reasonable doubt is possible.

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

1. If the Principal has disqualified the Bidder from the tender process prior to the award according to Section 3, the Principal is entitled to demand and recover from the Bidder liquidated damages equivalent to 3 % of the value of the offer or the amount equivalent to Earnest Money Deposit/Bid Security, whichever is higher.
2. If the Principal has terminated the contract according to Section 3, or if the Principal is entitled to terminate the contract according to section 3, the Principal shall be entitled to demand and recover from the Contractor liquidated damages equivalent to 5% of the contract value or the amount equivalent to Security Deposit/Performance Bank Guarantee, whichever is higher.
3. The bidder agrees and undertakes to pay the said amounts without protest or demur subject only to condition that if the Bidder/Contractor can prove and establish that the exclusion of the Bidder from the tender process or the termination of the contract after the contract award has caused no damage or less damage than the amount or the liquidated damages, the Bidder/Contractor shall compensate the Principal only to the extent of the damage in the amount proved.

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

1. The Bidder declares that no previous transgression occurred in the last 3 years with any other Company in any country conforming to the TI approach or with any other Public Sector Enterprise in India that could justify his exclusion from the tender process.
2. If the Bidder makes incorrect statement on this subject, he can be disqualified from the tender process or the contract, if already awarded, can be terminated for such reason.

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

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

### **Section7-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**

**(three in number depending on the size of the contract)**

**(to be decided by the Chairperson of the Principal)**

1. The Principal appoints competent and credible external independent Monitor for this Pact. The task of the Monitor is to review independently and objectively, whether and to what extent the parties comply with the obligations under this agreement.
2. The Monitor is not subject to instructions by the representatives of the parties and performs his functions neutrally and independently. He reports to the Chairperson of the Board of the Principal.

3. The Contractor accepts that the Monitor has the right to access without restriction to all Project documentation of the Principal including that provided by the Contractor. The Contractor will also grant the Monitor, upon his request and demonstration of a valid interest, unrestricted and unconditional access to his project documentation. The same is applicable to Subcontractors. The Monitor is under contractual obligation to treat the information and documents of the Bidder/Contractor/Subcontractor with confidentiality.
4. The Principal will provide to the Monitor sufficient information about all meetings among the parties related to the Project provided such meetings could have an impact on the contractual relations between the Principal and the Contractor. The parties offer to the Monitor the option to participate in such meetings.
5. As soon as the Monitor notices, or believes to notice, a violation of this agreement, he will so inform the Management of the Principal and request the Management to discontinue or heal the violation, or to take other relevant action. The monitor can in this regard submit non-binding recommendations. Beyond this, the Monitor has no right to demand from the parties that they act in a specific manner, refrain from action or tolerate action.
6. The Monitor will submit a written report to the Chairperson of the Board of the Principal within 8 to 10 weeks from the date of reference or intimation to him by the 'Principal' and, should the occasion arise, submit proposals for correcting problematic situations.
7. If the Monitor has reported to the Chairperson of the Board a substantiated suspicion of an offence under relevant Anti-Corruption Laws of India, and the Chairperson has not, within reasonable time, taken visible action to proceed against such offence or reported it to the Vigilance Office, the Monitor may also transmit this information directly to the Central Vigilance Commissioner, Government of India.
8. The word 'Monitor' would include both singular and plural.

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

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

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

**Section 10 - Other provisions**

1. This agreement is subject to Indian Law. Place of performance and jurisdiction is the Registered Office of the Principal, i.e. New Delhi.
2. Changes and supplements as well as termination notices need to be made in writing. Side agreements have not been made.
3. If the Contractor is a partnership or a consortium, this agreement must be, signed by all partners or consortium members.
4. Should one or several provisions of this agreement turn out to be invalid, the remainder of this agreement remains valid. In this case, the parties will strive to come to an agreement to their original intentions.

-----

For the Principal

-----

For the Bidder/Contractor

Place. Duliajan.

Witness 1 : .....

Date .....

Witness 2 : .....

\*\*\*\*\*END OF PART -4\*\*\*\*\*