



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

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

FORWARDING LETTER

M/s _____

Sub: IFB No. CDG2754L20 for 'Hiring of Mud engineering services along with Chemicals and Centrifuge Services (On Call basis only if the centrifuge is not available at the selected rig) of Hydraglyde/Performax mud system for drilling 02 (two) nos. of high depth, high angle directional Eocene wells (for drilling of 8 1/2" oil string sections only) as a pilot project in Assam'.

Dear Sirs,

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

2.0 In connection with its operations, OIL invites Competitive Bids from you through OIL's e-procurement site for **'Hiring of Mud engineering services along with Chemicals and Centrifuge Services (On Call basis only if the centrifuge is not available at the selected rig) of Hydraglyde/Performax mud system for drilling 02 (two) nos. of high depth, high angle directional Eocene wells (for drilling of 8 1/2" oil string sections only) as a pilot project in Assam'.** One complete set of Bid Document covering OIL's IFB for hiring of above services is uploaded in OIL's e-procurement portal. You are invited to submit your most competitive bid on or before the scheduled bid closing date and time through OIL's e-procurement portal. For your ready reference, few salient points of the IFB (covered in detail in the Bid Document) are highlighted below:

(i)	IFB No. /E-Tender No.	:	CDG2754L20
(ii)	Type of Bidding	:	Online - Composite Bid System
(iii)	Tender Fee	:	Not Applicable
(iv)	Bid Closing Date &	:	As mentioned in Online E-tender portal

	Time		
(v)	Bid Opening Date & Time	:	As mentioned in Online E-tender portal
(vi)	Bid Submission Mode	:	Bids must be uploaded online in OIL's E-procurement portal
(vii)	Bid Opening Place	:	Office of CGM-Contracts Contract Department, Oil India Limited, Duliajan -786602, Assam, India.
(viii)	Bid Validity	:	90 days from date of Bid Closing
(ix)	Mobilization Time	:	As defined in the tender
(x)	Bid Security Amount	:	Rs. 6,00,000.00 [US\$ 8,600.00]
(xi)	Bid Security Validity	:	As mentioned in Online E-tender portal
(xii)	Original Bid Security to be submitted	:	Office of CGM-Contracts, Contracts Department, Oil India Limited, Duliajan -786602, Assam, India.
(xiii)	Amount of Performance Security	:	10% of total contract value
(xiv)	Validity of Performance Security	:	Up to 03 (Three) months from date of completion of contract
(xv)	Duration of the Contract	:	01 (One) year from the date of mobilization of materials & personnel at site with a provision for 01 (One) year extension at OIL's option.
(xvi)	Quantum of Liquidated Damage for Default in Timely Mobilization	:	Refer clause No. 18.0 of General Conditions of Contract
(xvii)	Integrity Pact	:	Must be digitally signed & uploaded along with the Techno-commercial Bid.
(xviii)	Bids to be addressed to	:	CGM-Contracts, Contract Department, Oil India Limited, Duliajan-786602, Assam, India.

3.0 Integrity Pact: The Integrity Pact must be uploaded in OIL's E-procurement portal along with the Technical Bid digitally signed by the same signatory who signed the Bid i.e. who is duly authorized to sign the Bid. If any bidder refuses to sign Integrity Pact or declines to submit the Integrity Pact, their bid shall be rejected straightway. Uploading the Integrity Pact with digital signature will be construed that all pages of the Integrity Pact has been signed by the bidder's authorized signatory who signs the Bid.

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

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

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

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

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

4.4.1 Bidders without having E-Tender Login ID and password should complete their online registration at least 07 (Seven) days prior to the scheduled Bid Closing Date and time of the tender. For online registration, bidder may visit OIL's E-Tender site - <https://etender.srm.oilindia.in/iri/portal> .

4.4.2 Necessary Login ID & Password will be issued by OIL only after submitting the complete online registration by the Bidder. In the event of late registration/incomplete registration by Bidder, OIL INDIA LIMITED shall not be responsible for late allotment of User ID & Password and request for bid closing date extension on that plea shall not be entertained by Company.

4.5 Parties, who do not have a User ID, can click on Guest login button in the e-Tender portal to view and download the tender. The detailed guidelines are given in User Manual available in OIL's E-Procurement site. For any clarification in this regard, bidders may contact E-Tender Support Cell at Duliajan at esupport@oilindia.in, Ph.: 0374-2807171/7192.

5.0 **IMPORTANT NOTES:**

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

- i) **BACKING OUT BY BIDDER:** In case any bidder withdraws their bid within the bid validity period, Bid Security will be forfeited and the party will be put on Holiday as per the Banning Policy (available in OIL's website) of Company.
- ii) **BACKING OUT BY L-1 BIDDER AFTER ISSUE OF LOA:** In case LOA issued is not accepted by the L1 bidder or the Performance Security is not submitted as per the terms of the contract within the time specified in the Bid Document, the Bid Security shall be forfeited and the bidder shall be dealt as per the Banning Policy (available in OIL's website) of Company.
- iii) **FURNISHING FRAUDULENT INFORMATION/DOCUMENT:** The information and documents furnished by the bidder/contractor in respect of the subject tender/contract are accepted to be true and genuine. However, if it is detected during technical scrutiny or after award of the contract or after expiry of the contract, that the bidder had submitted any fake/fraudulent document or furnished false statement, the offer/contract shall be rejected/cancelled, as the case may be and the bidder (if fake document/false statement pertains to such bidder) shall be dealt as per the Banning Policy (available in OIL's website) of Company. Undertaking of authenticity of information/documents submitted as per **Annexure-E** should be submitted along with the technical bids.
- iv) **ERRING/DEFAULTING AGENCIES:** Erring and defaulting agencies like bidder, contractor, supplier, vendor, service provider will be dealt as per OIL's Banning Policy dated 6th January, 2017 available in OIL's website: www.oil-india.com.
- v) Bid should be submitted online in OIL's E-procurement site up to 11.00 AM (IST) (Server Time) on the date as mentioned and will be opened on the same day at 2.00 PM(IST) at the office of the CGM-Contracts in presence of the authorized representatives of the bidders.
- vi) If the digital signature used for signing is not of "Class-3" with Organizations name, the bid will be rejected.
- vii) The tender is invited under **COMPOSITE BID SYSTEM**. The bidders shall submit both the "**TECHNICAL**" and "**PRICED**" bids together through electronic form in the OIL's e-Procurement portal within the Bid Closing Date and Time stipulated in the e-Tender. The Technical Bid should be submitted as per Scope of Work & Technical Specifications along with all technical documents related to the tender and uploaded in "**Technical Attachments**" **Tab only. Details of prices as per Price Bid format/Priced bid can be uploaded under "Notes & Attachments" tab. A screen shot in this regard is shown below.**

RFx Response Number 60037504 RFx Number TESTARUP Status In Process Submission Deadline 15.04.2017 11:00:00 INDIA Opening Date 15.04.2019 00:00:00 INDIA

RFx Response Version Number Active Version RFx Version Number 1

RFx Information Items Notes and Attachments Conditions Summary Tracking

Basic Data Questions Technical Attachments

▼ Notes

Clear

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

▼ Attachments

▼ cFolder Attachments

Add Attachment Delete Verify Signature

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

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

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

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

Note:

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

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

The “Total Bid Value” as entered by the Bidder in the on-line response shall be displayed in the E-tender portal amongst the techno-commercially qualified bidders

and Company will not take any responsibility whatsoever towards incorrect information furnished by the bidders on the “Total Bid Value” field.

It is to be noted that Amount mentioned in the “Total Bid Value” field will not be considered for bid evaluation and evaluation will be purely based on the Price bid submitted as per the “Price Bid Format: Proforma-B” under “Notes & Attachments” tab page.

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

Thanking you,

Yours faithfully,
OIL INDIA LIMITED

Sd/-
(A J Sarmah)
Dy. General Manager – Contracts
For Chief General Manager – Contracts
FOR RESIDENT CHIEF EXECUTIVE

PART – 1

INSTRUCTIONS TO BIDDERS (ITB)

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

A. BID DOCUMENTS

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

- (a) A Forwarding Letter highlighting the following points:
 - (i) Company's IFB No. & Type and Tender Fee
 - (ii) Bid closing date and time
 - (iii) Bid opening date and time
 - (iv) Bid submission Mode
 - (v) Bid opening place
 - (vi) Bid validity, Mobilisation time & Duration of contract
 - (vii) The amount of Bid Security with validity
 - (viii) The amount of Performance Guarantee with validity
 - (ix) Quantum of liquidated damages for default in timely mobilization
- (b) Instructions to Bidders, (Part-1)
- (c) Bid Evaluation Criteria, (Part-2)
- (d) General Conditions of Contract, (Part-3, Section-I)
- (e) Terms of Reference/Technical Specification, (Part-3, Section-II)
- (f) Special Conditions of Contract, (Part-3, Section-III)
- (g) Schedule of Rates, (Part-3, Section-IV)
- (h) Estimated CIF value of items at the time of import, (Proforma-A)
- (i) Price Schedule Format, (Proforma-B)
- (j) Bid Form, (Proforma-C)
- (k) Statement of Non-Compliance, (Proforma-D)
- (l) Bid Security Form, (Proforma-E)
- (m) Performance Security Form, (Proforma-F)
- (n) Agreement Form, (Proforma-G)
- (o) Proforma of Letter of Authority, (Proforma-H)
- (p) Authorisation for Attending Bid Opening, (Proforma-I)
- (q) Integrity Pact, (Annexure-A)
- (r) ~~Annual Turnover & Net worth of Bidder (Annexure-B)~~
- (s) ~~Proforma of Bank Guarantee towards PP-LC (Annexure-C)~~
- (t) Safety Measures (Annexure-D)
- (u) Undertaking of authenticity of information/documents submitted (Annexure-E)

- 2.1 The bidder is expected to examine all instructions, forms, terms and specifications in the Bid Documents. Failure to furnish all information required in the Bid Documents or submission of a bid not substantially responsive to the Bid Documents in every respect will be at the Bidder's risk & responsibility and may result in the rejection of its bid.

3.0 TRANSFERABILITY OF BID DOCUMENTS:

- 3.1 Bid Documents are non-transferable. Bid can be submitted only in the name of the bidder in whose name the Bid Document has been issued.
- 3.2 Unsolicited bids will not be considered and will be rejected straightway.

4.0 AMENDMENT OF BID DOCUMENTS:

- 4.1 At any time prior to the deadline for submission of bids, the Company may, for any reason, whether at its own initiative or in response to a clarification requested by a prospective Bidder, modify the Bid Documents through issuance of an Addendum.
- 4.2 The Addendum will be uploaded in OIL's E-Tender Portal in the Tab **"Technical Rfx"** and under External Area - "Amendments" folder. The Company may, at its discretion, extend the deadline for bid submission. Bidders are expected to take the Addendum into account in preparation and submission of their bid. **Bidders are to check from time to time the E-Tender portal ["Technical RFX" Tab and under the folder "Amendments"] for any amendments to the bid documents before submission of their bids. No separate intimation shall be sent to the Bidders.**

B. PREPARATION OF BIDS

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

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

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

6.0 DOCUMENTS COMPRISING THE BID:

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

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

- (i) Complete technical details of the services and equipment specifications with catalogue, etc.
- (ii) Documentary evidence established in accordance with Clause 10.0 hereunder.
- (iii) Bid Security (scanned) in accordance with Clause 11.0 hereunder. Original Bid Security should be sent as per Clause No 11.11 below.
- (iv) Copy of Bid-Form without indicating prices in Proforma-C
- (v) Statement of Non-compliance as per Proforma-D
- (vi) Proforma-A: List of items to be imported without the CIF values.
- (vii) Copy of Priced Bid ***without indicating prices*** (Proforma-B)
- (viii) Integrity Pact digitally signed by OIL's competent personnel as Annexure-A, attached with the bid document to be digitally signed by the bidder.

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

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

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

- (i) Price-Bid Format as per Proforma-B
- (ii) Bid Form as per Proforma-C
- (iii) Proforma-A showing the items to be imported with the CIF values.
- ~~(iv) Proforma-BB(PP-LC), if applicable~~

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

7.0 BID FORM:

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

8.0 BID PRICE:

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

- 8.2 Prices quoted by the successful bidder must remain firm during its performance of the Contract and is not subject to variation on any account.
- 8.3 All duties (except customs duty which will be borne by the Company) and taxes (excluding GST) including Corporate Income Tax, Personal Tax, Assam Entry Tax etc. and other Cess/levies payable by the successful bidder under the Contract for which this Bid Document is being issued, shall be included in the rates, prices and total Bid Price submitted by the bidder, and the evaluation and comparison of bids shall be made accordingly. For example, personal taxes and/or any corporate taxes arising out of the profits on the contract as per rules of the country shall be borne by the bidder.

9.0 CURRENCIES OF BID AND PAYMENT:

- 9.1 A bidder expecting to incur its expenditures in the performance of the Contract in more than one currency, and wishing to be paid accordingly, shall so indicate in the bid. In such a case, the bid shall be expressed in different currencies and the respective amounts in each currency shall together make up the total price.
- 9.2 Indian bidders too can submit their bids in any currency (including Indian Rupees) and receive payment in such currencies on par with foreign bidders. However, currency once quoted will not be allowed to be changed.

10.0 DOCUMENTS ESTABLISHING BIDDER'S ELIGIBILITY AND QUALIFICATIONS:

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

11.0 BID SECURITY:

- 11.1 The Bid Security is required to protect the Company against the risk of Bidder's conduct, which would warrant forfeiture of the Bid Security, pursuant to sub-clause 11.9 hereunder.
- 11.2 All the bids must be accompanied by Bid Security in Original for the amount as mentioned in the "Forwarding Letter" or an equivalent amount in other freely convertible currency and shall be in the OIL's prescribed format as Bank Guarantee (BG) enclosed with the NIT vide **Proforma-E** or a Bank Draft/Bankers' cheque in favour of OIL and payable at Duliajan, Assam or an irrevocable Letter of Credit (L/C) from any of the following Banks –
- a) Any schedule Indian Bank or Any Branch of an International bank situated in India and registered with Reserve Bank of India as scheduled foreign bank in case of domestic bidder, or

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

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

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

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

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

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

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

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

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

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

11.9 The Bid Security may be forfeited:

- i) If the bidder withdraws the bid within its original/extended validity.
- ii) If the bidder modifies/revise their bid suo-moto.
- iii) If the bidder does not accept the order/contract.
- iv) If the bidder does not furnish Performance Security Deposit within the stipulated time as per tender/order/contract.
- v) If it is established that the bidder has submitted fraudulent documents or has indulged into corrupt and fraudulent practice, the bid security

shall be forfeited after due process in addition to other action against the bidder

11.10 In case any bidder withdraws their bid during the period of bid validity, Bid Security will be forfeited and the party shall be debarred for a period of 02 (Two) years.

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

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

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

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

- i) “MT 760 / MT 760 COV” for issuance of Bank Guarantee.
- ii) “MT 760 / MT 767 COV” for amendment of Bank Guarantee.

The above message/intimation shall be sent through SFMS by the BG issuing bank branch indicating the Tender No. CDG1170P20 to HDFC Bank Limited, Duliajan Branch, Utopia Complex, BOC Gate, Jayanagar, Duliajan, Dibrugarh, PIN – 786602. The Bank details are as under:

	Bank Details of Beneficiary	
a	Bank Name	HDFC BANK LIMITED
b	Branch Name	Duliajan
c	Branch Address	Utopia Complex, BOC Gate, Jayanagar, Duliajan, Dibrugarh, PIN – 786602
d	Bank Account No.	21182320000016
e	Type of Account	Current Account
f	IFSC Code	HDFC0002118
g	MICR Code	786240302
h	SWIFT Code	HDFCINBBCAL

12.0 EXEMPTION FROM SUBMISSION OF BID SECURITY:

- 12.1 Central Govt. offices and Central Public Sector undertakings are exempted from submitting Bid Security.
- 12.2 MSEs Units (manufacturers/Service Providers only and not their dealers/distributors) who are already registered with District Industry Centres or Khadi & Village Industries Commission or Khadi & Village Industries Board or Coir Board or National Small Industries Corporation or Directorate of Handicrafts & Handloom or any other body specified by Ministry of MSME are exempted from payment of Bid Security (EMD) irrespective of monetary limit mentioned in their registration, provided they are registered for the item they intend to quote/participate.

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

- 12.2.1 For availing benefits under Public Procurement Policy (Purchase preference & EMD exemption), the interested MSE Bidders must ensure that they are the manufacturer/service provider of tendered item(s) and registered with the appropriate authority for the said item(s). Bids without EMD shall be rejected, if the technical offer does not include a valid copy of relevant MSE Certificate issued by appropriate authority specifying the item as per tender. Therefore, it is in the interest of such MSE Vendors to furnish a copy of complete certificate to the concerned tender handling officer of OIL at least 07 (Seven) days prior to the scheduled Bid Closing Date of the tender; seeking clarification/confirmation as to whether their registered item is eligible for EMD exemption or not. Late communication in this regards and request for bid closing date extension on that plea shall not be entertained by Company.

13.0 PERIOD OF VALIDITY OF BIDS:

- 13.1 Bids shall remain **valid for 90** days from the date of closing of bid prescribed by the Company. **Bids of shorter validity will be rejected as being non-responsive.** If nothing is mentioned by the bidder in their bid about the bid validity, it will be presumed that the bid is valid for 90 days from Bid Closing Date.
- 13.2 In exceptional circumstances, the Company may solicit the Bidder's consent to an extension of the period of validity. The request and the response thereto shall be made in writing through Fax or e-mail. The Bid Security provided under Para 11.0 above shall also be suitably extended. A Bidder may refuse the request without forfeiting its Bid Security. A Bidder granting the request will neither be required nor permitted to modify their Bid.

C. SIGNING & SUBMISSION OF BIDS:

14.0 SIGNING OF BID:

- 14.1 Bids are to be submitted online through OIL's E-procurement portal with digital signature. The bid and all attached documents should be digitally signed by the bidder using "Class 3" digital certificates with Organization's Name [e-commerce application (Certificate with personal verification and Organisation Name)] as per Indian IT Act 2000 obtained from the licensed Certifying Authorities operating under the Root Certifying Authority of India (RCAI), Controller of Certifying Authorities (CCA) of India before bid is uploaded. Digital Signature Certificates having "Organization Name" field other than Bidder's Name are not acceptable. Digital Signature Certificates having Bidder's Name in the "Organization Name" field are only acceptable.

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

If any modifications are to be made to a document after uploading, the same may be deleted and such revised document is to be Digitally Signed again before uploading. It is advised to delete the unwanted documents before submission of the response. The Power of Attorney shall be submitted by bidder as mentioned in Para 15.1 below.

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

- 14.2 The original and all copies of the bid shall be typed or written in indelible inks. Since bids are to be submitted ONLINE with digital signature, manual signature is NOT relevant. The letter of authorisation (as per **Proforma-H**) shall be indicated by written Power of Attorney accompanying the Bid.
- 14.3 Any person signing the Bid or any other document in respect of this Bidding Document or other relevant documents on behalf of the Bidder without disclosing his authority to do so shall be deemed to have the authority to bind the Bidder. If it is discovered at any time that the person so signing has no authority to do so, the Company (OIL) may, without prejudice to any other right or remedy, cancel his Bid or Contract and hold the Bidder liable to the Company (OIL) for all costs and damages arising from the cancellation of the Bid or Contract including any loss which the Company (OIL) may sustain on account thereof.
- 14.4 Any physical documents submitted by bidders shall contain no interlineations, white fluid erasures or overwriting except as necessary to correct errors made

by the Bidder, in which case such correction shall be initialled by the person or persons who has/have digitally signed the Bid.

- 14.5 Any Bid, which is incomplete, ambiguous, or not in compliance with the Bidding process will be rejected.

15.0 SUBMISSION OF BIDS

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

- i) The Original Bid Security along with 1(one) copy
- ii) Power of Attorney for signing of the bid digitally
- iii) Any other document required to be submitted in original as per bid document requirement.
- iv) Printed catalogue and literature if called for in the bid document.

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

- 15.2 All the conditions of the contract to be made with the successful bidder are given in various Sections of the Bid Document. Bidders are requested to state their non-compliance to each clause as per Proforma-D of the bid document and the same should be uploaded along with the Technical Bid.
- 15.3 Timely delivery of the documents in physical form as stated in Para 15.1 above is the responsibility of the bidder. Bidders should send the same through Registered Post or by Courier Services or by hand delivery to the Officer in

Charge of the particular tender before the Bid Closing Date and Time. Company shall not be responsible for any postal delay/transit loss.

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

16.0 INDIAN AGENT/REPRESENTATIVE/RETAINER/ASSOCIATE:

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

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

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

17.0 DEADLINE FOR SUBMISSION OF BIDS:

- 17.1 Bids should be submitted online as per the online tender submission deadline. Bidders will not be permitted by System to make any changes in their bid/quote after the bid submission deadline is reached. Bidders are requested to take note of this and arrange to submit their bids within the submission deadline to avoid last minute rush/network problems.
- 17.2 No bid can be submitted after the submission dead line is reached. The system time displayed on the e-procurement web page shall decide the submission dead line.

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

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

19.0 MODIFICATION AND WITHDRAWAL OF BIDS:

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

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

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

20.0 EXTENSION OF BID SUBMISSION DATE:

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

21.0 BID OPENING AND EVALUATION:

21.1 Company will open the Technical and Price Bids, including submission made pursuant to clause 19.0, in presence of Bidder's representatives who choose to attend at the date, time and place mentioned in the Forwarding Letter. However, an authorisation letter (as per **Proforma-I**) from the Bidder must be produced by the Bidder's representative at the time of Bid Opening. Unless this Letter is presented, the representative will not be allowed to attend the Bid Opening. The Bidder's representatives who are allowed to attend the Bid Opening shall sign a register evidencing their attendance. Only one representative against each Bid will be allowed to attend.

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

22.0 OPENING OF PRICED BIDS:

- 22.1 Company will open the Priced Bids on the same date as technical bids. In case of any unscheduled holiday or Bandh on the Priced Bid Opening Date, the Bids will be opened on the next working day.
- 22.2 The Company will examine the Price quoted by Bidders to determine whether they are complete, any computational errors have been made, the documents have been properly signed, and the bids are generally in order.
- 22.3 Arithmetical errors will be rectified on the following basis. If there is a discrepancy between the unit price and the total price (that is obtained by multiplying the unit price and quantity) the unit price shall prevail and the total price shall be corrected accordingly. If there is a discrepancy between words, and figures, the amount in words will prevail. If any Bidder does not accept the correction of the errors, their Bid will be rejected.

23.0 CONVERSION TO SINGLE CURRENCY:

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

24.0 EVALUATION AND COMPARISON OF BIDS:

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

24.1 DISCOUNTS/REBATES:

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

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

24.3 LOADING OF FOREIGN EXCHANGE:

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

24.4 **EXCHANGE RATE RISK:**

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

24.5 **REPATRIATION OF RUPEE COST:**

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

25.0 **CONTACTING THE COMPANY:**

25.1 Except as otherwise provided in **Clause 21.0** above, no Bidder shall contact Company on any matter relating to its bid, from the time of the bid opening to the time the Contract is awarded except as required by Company vide **sub-clause 21.5**.

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

D. AWARD OF CONTRACT

26.0 **AWARD CRITERIA:**

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

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

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

28.0 **NOTIFICATION OF AWARD:**

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

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

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

29.0 PERFORMANCE SECURITY:

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

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

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

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

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

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

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

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

30.0 SIGNING OF CONTRACT:

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

31.0 FURNISHING FRAUDULENT INFORMATION/DOCUMENTS:

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

32.0 CREDIT FACILITY:

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

33.0 MOBILISATION ADVANCE PAYMENT:

- 33.1 Request for advance payment shall not be normally considered. However, depending on the merit and at the discretion of the Company, advance against mobilisation charge may be given at an interest rate of 1% above the prevailing Bank rate (CC rate) of SBI from the date of payment of the advance till recovery/refund.
- 33.2 Advance payment agreed to by the Company shall be paid only against submission of an acceptable bank guarantee whose value should be equivalent to the amount of advance plus the amount of interest covering the period of advance. Bank guarantee shall be valid for 02 months beyond completion of mobilisation and the same may be invoked in the event of Contractor's failure to mobilise as per agreement.
- 33.3 In the event of any extension to the mobilisation period, Contractor shall have to enhance the value of the bank guarantee to cover the interest for the extended period and also to extend the validity of bank guarantee accordingly.

34.0 INTEGRITY PACT:

- 34.1 OIL shall be entering into an Integrity Pact with the Bidders as per format enclosed vide **Annexure-A** of the Bid Document. The Integrity Pact has been duly signed digitally by OIL's competent signatory and uploaded in the OIL's e-portal. The Integrity Pact shall be returned by the bidder (along with the technical Bid) duly signed by the same signatory who signed the Bid i.e. who is duly authorized to sign the Bid. Uploading the Integrity Pact in the OIL's E-portal with digital signature will be construed that all pages of the Integrity Pact has been signed by the bidder's authorized signatory who has signed the bid. **If any bidder refuses to sign Integrity Pact or declines to submit the Integrity Pact, their bid shall be rejected straightway.**
- 34.2 The names of the OIL's Independent External Monitors at present are as under:
- a. Shri Rajiv Mathur, IPS(Retd), Former Director, IB, Govt. of India;
E-mail: rajivmathur23@gmail.com
 - b. Shri Jagmohan Garg, Ex-Vigilance Commissioner, CVC;
E-Mail id: jagmohan.garg@gmail.com
 - c. Shri Rudhra Gangadharan, IAS(Retd.), Ex-Secretary, Ministry of Agriculture; E-Mail: rudhra.gangadharan@gmail.com

35.0 LOCAL CONDITIONS:

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

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

36.0 SPECIFICATIONS:

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

37.0 PURCHASE PREFERENCE POLICY LINKED WITH LOCAL CONTENT (PP LC)

Purchase preference policy-linked with Local Content (PP – LC) notified vide letter no. O-27011/44/2015 ONG II/FP dated 25.04.2017 of MoP&NG shall be applicable in this tender. The details clauses applicable for this tender are as under:

37.1 In case a bidder is eligible to seek benefits under PP LC policy as well as Public Procurement Policy for MSEs Order 2012, then the bidders should categorically seek benefits against only one of the two policies i.e. either PP LC or MSE Policy. If a bidder seeks free of cost tender document under the MSE Policy, then it shall be considered that the bidder has sought benefit against the MSE Policy and this option once exercised cannot be modified subsequently.

37.2 Bidders seeking Purchase preference (linked with local content) (PP LC) shall be required to meet/exceed the target of Local Content (LC) of 35%.

37.2.1 Such bidders shall furnish following undertaking on its letter head along with their techno-commercial bid. The undertaking shall become a part of the contract.

“We _____ (Name of the bidder) undertake that we meet the mandatory minimum Local Content (LC) requirement i.e. _____ (to be filled as notified at Enclosure I of the policy) for claiming purchase preference linked with Local Contents under the Govt. policy against under tender no. _____.”

37.2.2 Above undertaking shall be supported by the following certificate from Statutory Auditor engaged by the bidder, on the letter head of such Statutory Auditor.

“We _____ the statutory auditor of M/s _____ (name of the bidder) hereby certify that M/s _____ (name of the bidder) meet the mandatory Local Content requirements of the Services i.e. _____ (to be filled by the work center as notified at Enclosure I of the policy) quoted vide offer No. _____ dated _____ against OIL tender No. _____ by M/s _____ (Name of the bidder).”

Note: In case of bidder(s) for whom Statutory Auditor is not required as per law required certificates shall be provided by a practicing Chartered Accountant.

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

37.3 Eligible (techno-commercially qualified) LC bidder shall be granted a purchase preference to 10% i.e. where the evaluated price is with 10% of the evaluated lowest price of Non-Local Content (NLC) bidder, other things being equal. Accordingly, purchase preference shall be granted to the eligible (techno-commercially qualified) LC bidder concerned, at the lowest valid i.e. NLC price bid.

37.3.1 Only those LC bidders whose bids are within 10% of the NLC L1 bid would be allowed an opportunity to match L1 bid. All the eligible LC bidders shall be asked to submit their confirmation to match their price in sealed envelopes. Envelopes of the bidders shall be opened and award for the prescribed quantity shall be made to the lowest evaluated TA/CA bidder among the eligible LC bidders. In case the lowest eligible LC bidder fails to match L1 price, the next eligible LC bidder will be awarded the prescribed quantity and so on. In case none of the eligible LC bidders matches the L1 bid, the actual bidder holding L1 price will secure the order.

37.4 Order for supply of 50% of the tendered quantity would be awarded to the lowest techno-commercially qualified LC bidder, subject to matching with valid NLC L1 price. The remaining will be awarded to L1 (i.e. NLC bidder).

Prescribed 50% tendered quantity for LC bidders shall not be further subdivided among eligible LC bidders.

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

37.4.2 When the tendered goods/services cannot be divided in the exact ratio of 50%/50% then OIL reserve the right to award on lowest eligible PP LC bidder for quantity not less than 50%, as may be dividable.

For example:

In case tendered quantity is 3 (not divisible in the ratio of 50:50), PP LC bidder shall get order for 2 nos. only and the rest will go to L-1 (NLC bidder).

OR

(Alternate clause applicable for cases where tendered quantity cannot be divided).

37.5 The tendered quantity is not splittable/non dividable/cannot be procured from multiple sources. Hence, the entire procurement value shall be awarded to the lowest techno-commercially qualified LC bidder subject to matching with valid NLC L1 rates.

37.6 For the purpose of this policy, all terms used vide aforesaid policy shall be governed by the definitions specified at para 2 of the policy document notified by MoPNG vide letter No. O-27011/44/2015-ONG/II/FP dated 25.04.2017.

37.7 The successful bidder shall be obliged to fulfill the requirements of quality and delivery time in accordance with the provisions of the Purchase order/contract.

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

37.8 Determination of LC

37.8.1 LC of Services shall be calculated on the basis of the ratio of service cost of domestic component in service to the total cost of services.

37.8.2 The total cost of service shall be constituted of the cost spent for rendering of service, covering:

- a) Cost of component (material), which is used.
- b) Manpower and consultant cost, cost of working equipment/facility, and
- c) General service cost, excluding profit, company overhead cost, taxes and duties.

37.8.3 The criteria for determination of cost of local content in the service shall be as under:

- a) In the case of material being used to help the provision of service, based on country of origin.
- b) In the case of manpower and consultant based on INR component of the services contract.
- c) In the case of working equipment/facility, based on country of origin and
- d) In the case of general service cost, based on the criteria as mentioned in clauses a, b and c above.
- e) Indian flag vessels in operation as on date.

37.8.4 Determination of Local Content: The determination of local content of the working equipment/facility shall be based on the following provision.

Working equipment produced in the country is valued as 100% (one hundred percent) local content, working equipment produced abroad is valued as much as nil (0% percent) local content.

37.9 Calculation of LC and Reporting

37.9.1 LC shall be calculated on the basis of verifiable data. In the case of data used in the calculation of LC verifiable, the value of LC of the said component shall be treated as nil.

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

37.10 Certification and Verification

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

37.10.1.1 At bidding stage:

a) Price Break up

(i) The bidder shall provide break up of "Local Component" and "Imported Component" along with the price bid as per provisions under clause **37.2.3**.

(ii) Bidder must have LC in excess of the specified requirement.

b) Undertaking by the bidder

i. The bidder shall submit undertaking along with the techno-commercial bid as per clause no. **37.2.1**, such undertaking shall become a part of the contract.

ii. Bidder shall also submit the list of items/services to be procured from Indian manufacturers/service providers.

c) Statutory Auditor's Certificate

The Undertaking submitted by the bidder shall be supported by a certificate from Statutory Auditor as per clause **37.2.2**.

37.10.1.2 After Contract Award

a) In the case of procurement cases with the value less than Rs. 5 crore (Rupees Five Crore), the LC content may be calculated (self-assessment) by the contractor and certified by the Director/Authorized Representative of the Company.

b) The verification of the procurement cases with the value Rupees Five Crore and above shall be carried out by a Statutory Auditor engaged by the bidder.

37.10.2 Each supplier shall provide the necessary local content documentation to the statutory auditor, which shall review and determine the local content requirements have been met and issue of local content certificate to that effect on behalf of OIL, stating the percentage of local content in the good or service measured. The Auditor shall keep all necessary information obtained from suppliers for measurement of Local Content confidential.

37.10.3 The Local Content certificate shall be submitted along with each invoice raised. However, the % of local content may vary with invoice while maintaining the overall % of Local Content for the total work/purchase of the pro rata Local Content requirement. In case, it is not satisfied cumulatively in the invoices raised up to that stage, the supplier shall indicate how the local content requirement would be met in the subsequent stages.

37.10.4 Where currency quoted by the bidder is other than Indian Rupee then the bidder claiming benefits under PP LC shall consider exchange rate prevailing on the date of notice inviting tender (NIT) for the calculation of Local Content.

37.10.5 OIL shall have the authority to audit as well as witness production processes to certify the achievement of the requisite local content.

37.11 Sanctions

37.11.1 OIL shall impose sanction on bidder not fulfilling LC of goods/services in accordance with the value mentioned in certificate of LC.

37.11.2 The sanctions may be in the form of written warning, financial penalty and blacklisting.

37.11.3 If the bidder does not fulfill his obligation after the expiration of the period specified in such warning, OIL shall initiate action for blacklisting such bidder/ successful bidder.

37.11.4 A bidder who has been awarded the contract after availing Purchase Preference is found to have violated the LC provision, in the execution of the procurement contract of goods and/or services shall be subject to financial penalty over and above the PBG value prescribed in the contract and shall not be more than an amount equal to 10% of the Contract Price.

37.11.5 In pursuance of the clause above, towards fulfillment of conditions pertaining to Local Contents in accordance with the value mentioned in the certificate of LC, the bidder shall have to submit additional Bank Guarantee (**Annexure C**) equivalent to the amount of PBG.

END OF PART - 1

&&&&

PART – 2

BID EVALUATION CRITERIA (BEC)

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

A) COMMERCIAL EVALUATION CRITERIA:

- 1.0 Bids shall be submitted under Composite Bid system i.e. Technical Bid and Priced Bid together in the OIL's e-Tender portal. The Technical Bid is to be uploaded as per Scope of Work & Technical Specification of the tender in "Technical RFx Response" Tab and Priced Bid as per Proforma-B uploaded in the "Notes & Attachments" Tab.
- 2.0 Bid Security in Original shall be furnished as a part of the Technical Bid and shall reach OIL's CGM-Contract's office at Duliajan on or before **12.45 Hrs (IST)** on the bid closing date. A scanned copy of the bid security shall however be uploaded in OIL's E-Procurement portal along with the Technical Bid. The amount of Bid Security shall be as specified in the Forwarding Letter of the Bid Document. Bid without proper & valid Bid Security will be rejected.
- 3.0 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.
- 4.0 Bids should be valid for **90 days**. Bids with shorter validity will be rejected as being non-responsive.
- 5.0 The Integrity Pact must be uploaded in OIL's E-Procurement portal along with the Technical Bid digitally signed by the same signatory who digitally signed the Bid i.e. who is duly authorized to sign the Bid. If any bidder refuses to sign Integrity Pact or declines to submit the Integrity Pact, their bid shall be rejected straightway.
- 6.0 Physical Bids, if any received from the bidders, shall not be considered and will be rejected.
- 7.0 Bids received through the e-procurement portal shall only be accepted. Bids received in any other form shall not be accepted.
- 8.0 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.

- 9.0 Bids shall be typed or written in indelible ink and shall be digitally signed by the bidder or his authorised representative.
- 10.0 Any physical documents wherever called for, submitted by bidders shall contain no interlineations, white fluid erasures or overwriting except as necessary to correct errors made by the Bidder, in which case such correction shall be initialled by the person or persons who has/have digitally signed the Bid.
- 11.0 Any Bid containing false statement will be rejected.
- 12.0 Bidders must quote clearly and strictly in accordance with the price schedule outlined in “Price Bid Format” of Bid Document, otherwise the Bid will be summarily rejected.
- 13.0 Bidders shall quote directly and not through their Agent/ Representative/Retainer/Associate in India. Bids submitted by Indian Agent/Representative/Retainer/Associate on behalf of their foreign principals will not be considered and will be rejected straightway. One Indian Agent/Representative/Retainer/Associate cannot represent more than one foreign principal.
- 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
 - (iv) Acceptance of Jurisdiction and Applicable Law
 - (v) Liquidated damage and penalty clause
 - (vi) Safety & Labour Law
 - (vii) Termination Clause
 - (viii) Integrity Pact
- 15.0 The Bids and all uploaded documents must be digitally signed using “Class 3” digital certificate [e-commerce application (Certificate with personal verification and Organization name)] as per Indian IT Act obtained from the licensed Certifying Authorities operating under the Root Certifying Authority of India (RCAI), Controller of Certifying Authorities (CCA) of India.

B) 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 For conversion of foreign currency into Indian currency for evaluation of Bids, B.C. selling (Market) rate declared by State Bank of India, CAG Branch, Kolkata one day prior to the date of priced bid opening shall be considered. However, if the time lag between the opening of the bids and final decision exceeds 3(three) months, then B.C. Selling (Market) rate of exchange declared by SBI on the date prior to the date of final decision shall be adopted for conversion and evaluation.
- 3.0 The quantities shown against each item in the "Price Bid Format (i.e. in Proforma-B)" shall be considered for the purpose of Bid Evaluation. It is, however, to be clearly understood that the assumptions made in respect of the number of days/parameters for various operations are only for the purpose of evaluation of the bid and the Contractor will be paid on the basis of the actual number of days/parameter, as the case may be for which the crew and equipment are utilized/engaged during the currency of contract and for calculating hourly/day rates, the monthly rates will be pro-rated.
- 4.0 The bidders must quote their charges/rates in the manner as called for vide "Schedule of Rates" under Section-IV and the Price Bid Format vide enclosed Proforma-B & B1.
- 5.0 To ascertain the inter-se-ranking, the comparison of the responsive bids will be made subject to loading for any deviation. Commercial Bids shall be evaluated taking into account the rates quoted in the PRICE BID FORMAT as per Proforma-B.

C) GENERAL

- 1.0 In case bidder takes exception to any clause of bid document not covered under BEC, then the Company has the discretion to load or reject the offer on account of such exception if the bidder does not withdraw/modify the deviation when/as advised by Company. The loading so done by the Company will be final and binding on the reserves the right to ask the bidder for clarification in respect of bidders.

- 2.0 To ascertain the substantial responsiveness of the Bid the Company reserves the right to ask the bidder for clarifications in respect of clauses covered under BEC also and such clarifications fulfilling the BEC clauses in toto must be received on or before the deadline given by the Company, failing which the offer will be summarily rejected.
- 3.0 If any of the clauses in the BEC contradict with other clauses of the Bid Document elsewhere, then the clauses in the BEC shall prevail.

END OF PART-2

Part-3

SECTION-I

GENERAL CONDITIONS OF CONTRACT

1.0 DEFINITIONS:

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

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

2.0 EFFECTIVE DATE, MOBILISATION TIME, DATE OF COMMENCEMENT OF THE CONTRACT AND DURATION OF CONTRACT:

- 2.1 **EFFECTIVE DATE OF CONTRACT:** The contract shall become effective as of the date Company notifies the Contractor in writing that it has been awarded the contract. This date of issuance of Letter of Award (LOA) by the Company will be the Effective Date of Contract.
- 2.2 **MOBILISATION TIME:** The mobilization of equipment, personnel etc. should be completed by Contractor within 120 days from the effective date of the contract. Mobilization shall be deemed to be completed when Contractor's equipment and manpower are placed at the nominated location in readiness to commence Work as envisaged under the Contract duly certified by the Company's authorized representative.
- 2.3 **DATE OF COMMENCEMENT OF CONTRACT:** The date on which the mobilization is completed in all respects will be treated as the date of Commencement of Contract.
- 2.4 **DURATION OF CONTRACT:** 01 (One) year from the date of completion of mobilisation of materials & personnel at site with a provision to extend the contract period for another 01 (One) year at the discretion of Company at mutually agreed rates, terms and conditions but with rates not higher than the originally quoted rates.
- 3.0 GENERAL OBLIGATIONS OF CONTRACTOR:** Contractor shall, in accordance with and subject to the terms and conditions of this Contract:
- 3.1 Perform the work described in the Terms of Reference (Section-II) in most economic and cost effective way.
- 3.2 Except as otherwise provided in the Terms of Reference and the special Conditions of the contract, provide all labour as required to perform the work.
- 3.3 Perform all other obligations, work and services which are required by the terms of this contract or which reasonably can be implied from such terms as being necessary for the successful and timely completion of the work.
- 3.4 Contractor shall be deemed to have satisfied himself before submitting their bid as to the correctness and sufficiency of its bid for the services required and of the rates and prices quoted, which rates and prices shall, except insofar as otherwise provided, cover all its obligations under the contract.
- 3.5 Contractor shall give or provide all necessary supervision during the performance of the services and as long thereafter within the warranty period as Company may consider necessary for the proper fulfilling of contractor's obligations under the contract.
- 4.0 GENERAL OBLIGATIONS OF THE COMPANY:** Company shall, in accordance with and subject to the terms and conditions of this contract:

- 4.1 Pay Contractor in accordance with terms and conditions of the contract. The period of time for which each rate shall be applicable shall be computed from and to the nearest hour. The rates contained in the Contract shall be based on Contractor's operation being conducted on a seven (7) days week and a twenty-four (24) hours work day. Under the Contract, Contractor will be entitled to the applicable rate defined in Section-IV. These rates are payable when the required condition has existed for a full 24 hours period. If the required condition existed for less than 24 hours, then payments shall be made on pro-rata basis.
- 4.2 Allow 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 required of Company by the terms of this contract.

5.0 PERSONNEL TO BE DEPLOYED BY CONTRACTOR

- 5.1 Contractor warrants that it shall provide competent, qualified and sufficiently experienced personnel to perform the work correctly and efficiently.
- 5.2 The Contractor should ensure that their personnel observe applicable company and statutory safety requirement. Upon Company's written request, contractor, entirely at its own expense, shall remove immediately any personnel of the Contractor determined by the Company to be unsuitable and shall promptly replace such personnel with personnel acceptable to the Company. Replacement personnel should be mobilized within 15 days from the date of issuance of notice without affecting the operation of the company.
- 5.3 The Contractor shall be solely responsible throughout the period of the contract for providing all requirements of their personnel including but not limited to, their transportation to & fro from Duliajan/ field site, enroute/ local boarding, lodging & medical attention etc. Company shall have no responsibility or liability in this regard. However, Company shall provide available medical assistance/facilities to Contractor's Personnel in case of emergency at its own establishment on chargeable basis.
- 5.4 Contractor's key personnel shall be fluent in English language (both writing and speaking).

6.0 WARRANTY AND REMEDY OF DEFECTS:

- 6.1 Contractor warrants that they shall perform the work in a first class, workmanlike, and professional manner and in accordance with their highest degree of quality, efficiency and current state of the art technology/oil field practices and in conformity with all specifications, standards and drawings

set forth or referred to in the Terms of Reference and with instructions and guidance which Company may, from time to time, furnish to the Contractor.

- 6.2 Should Company discover at any time during the tenure of the Contract or till the Unit/equipment/tools are demobilised from site or base camp (if applicable) that the work does not conform to the foregoing warranty, Contractor shall after receipt of notice from Company, promptly perform any and all corrective work required to make the services conform to the Warranty. Such corrective Work shall be performed entirely at Contractor's own expenses. If such corrective Work is not performed within a reasonable time, the Company, at its option may have such remedial Work performed by others and charge the cost thereof to Contractor subject to a maximum of the contract value payable for the defective work which needs corrective action which the Contractor must pay promptly. In case Contractor fails to perform remedial work, or pay promptly in respect thereof, the performance security shall be forfeited.

7.0 CONFIDENTIALITY, USE OF CONTRACT DOCUMENTS AND INFORMATION:

- 7.1 Contractor shall not, without Company's prior written consent, disclose the contract, or any provision thereof, or any specification, plan, drawing pattern, sample or information furnished by or on behalf of Company in connection therewith, to any person other than a person employed by Contractor in the performance of the contract. Disclosure to any such employed person shall be made in confidence and shall extend only so far, as may be necessary for purposes of such performance with prior permission from Company. However, nothing hereinabove contained shall deprive the Contractor of the right to use or disclose any information:
- (a) which is possessed by the Contractor, as evidenced by the Contractor's written records, before receipt thereof from the Company which however the Contractor shall immediately inform to Company ; or
 - (b) which is required to be disclosed by the Contractor pursuant to an order of a court of competent jurisdiction or other governmental agency having the power to order such disclosure, provided the Contractor uses its best efforts to provide timely notice to Company of such order to permit Company an opportunity to contest such order subject to prior permission from Company.
- 7.2 Contractor shall not, without Company's prior written consent, make use of any document or information except for purposes of performing the contract.
- 7.3 Any document supplied to the Contractor in relation to the contract other than the Contract itself remain the property of Company and shall be returned (in

all copies) to Company on completion of Contractor's performance under the Contract if so required by Company.

- 7.4 During this Contract, Company and its employees, agents, other contractors, sub-contractors (of any tier) and their employees etc. may be exposed to certain confidential information and data of the Contractor. Such information and data shall held by the Company, its employees, agents, other contractors, sub-contractors (of any tier) and their employees in the strictest Confidence and shall not be disclosed to any other party except on a need to know basis.
- 7.5 However, the above obligation shall not extend to information which:
- i) is, at the time of disclosure, known to the public which Contractor shall immediately inform Company;
 - ii) is lawfully becomes at a later date known to the public through no fault of Contractor subject to Contractor's undertaking that no information has been divulged by them to the public;
 - iii) is lawfully possessed by Contractor before receipt thereof from Company which should be immediately informed to Company;
 - iv) is developed by Contractor independently of the information disclosed by Company which should be shared with the Company;
 - v) Contractor is required to produce before competent authorities or by court order subject to prior permission from Company;

8.0 TAXES:

- 8.1 Tax levied on Contractor as per the provisions of Indian Income Tax Act and any other enactment/rules on income derived/payments received under the contract will be on Contractor's account.
- 8.2 Contractor shall be responsible for payment of personal taxes, if any, for all the personnel deployed in India by Contractor.
- 8.3 The Contractor shall furnish to the Company, if and when called upon to do so, relevant statement of accounts or any other information pertaining to work done under the contract for submitting the same to the Tax authorities, on specific request from them in accordance with provisions under the law. Other than the information provided by the Contractor, the Contractor shall not be responsible for any inaccurate information provided by the Company to the Tax authorities and the Company shall indemnify the Contractor for all claims, expenses, costs or losses of any nature arising from such inaccuracy. Contractor shall be responsible for preparing and filing the return of income etc. within the prescribed time limit to the appropriate authority.
- 8.4 Prior to start of operations under the contract, the Contractor shall furnish the Company with the necessary documents, as asked for by the Company and/ or any other information pertaining to the contract, which may be required to

be submitted to the Income Tax authorities at the time of obtaining "No Objection Certificate" for releasing payments to the Contractor.

- 8.5 Corporate income tax will be deducted at source from the invoice at the specified rate of income tax as per the provisions of Indian Income Tax Act as may be in force from time to time and Company will issue TDS Certificate to the Contractor as per the provisions of Income Tax Act.
- 8.6 Corporate and personnel taxes on Contractor shall be the liability of the Contractor and the Company shall not assume any responsibility on this account.
- 8.7 All local taxes, levies and duties, sales tax, octroi, etc. on purchases and sales made by Contractor (except customs duty) shall be borne by the Contractor.

9.0 GOODS AND SERVICES TAX

9.1 GENERAL REMARKS ON TAXES & DUTIES:

In view of **GST** Implementation from 1st July 2017, all taxes and duties including Excise Duty, CST/VAT, Service tax, Entry Tax and other indirect taxes and duties have been submerged in **GST**. Accordingly reference of Excise Duty, Service Tax, VAT, Sales Tax, Entry Tax or any other form of indirect tax except of **GST** mentioned in the bidding document shall be ignored.

- 9.2 Bidders are required to submit copy of the GST Registration Certificate while submitting the bids wherever **GST** (CGST & SGST/UTGST or IGST) is applicable.
- 9.3 "**GST**" shall mean Goods and Services Tax charged on the supply of material(s) and services. The term "**GST**" shall be construed to include the Integrated Goods and Services Tax (hereinafter referred to as "IGST") or Central Goods and Services Tax (hereinafter referred to as "CGST") or State Goods and Services Tax (hereinafter referred to as "SGST") or Union Territory Goods and Services Tax (hereinafter referred to as "UTGST") depending upon the import/interstate or intrastate supplies, as the case may be. It shall also mean GST compensation Cess, if applicable.
- 9.4 Quoted price/rate(s) should be inclusive of all taxes and duties, except **GST (i.e. IGST or CGST and SGST/UTGST applicable in case of interstate supply or intra state supply respectively and cess on GST if applicable) on the final service**. However, GST rate (including cess) to be provided in the respective places in the Price Bid. Please note that the responsibility of payment of GST (CGST & SGST or IGST or UTGST) lies with the Supplier of Goods/Services (Service Provider) only. Supplier of Goods/Services (Service Provider) providing taxable service shall issue an Invoice/Bill, as the case may be as per rules/regulation of **GST**. Further, returns and details required to be

filled under GST laws & rules should be timely filed by Supplier of Goods/ Services (Service Provider) with requisite details.

9.5 Bidder should also mention the **Harmonised System of Nomenclature** (HSN) and **Service Accounting Codes (SAC)** at the designated place in SOR.

9.6 **Where the OIL is entitled to avail the input tax credit of GST:**

9.6.1 OIL will reimburse the **GST** to the Supplier of Goods/Services (Service Provider) at actual against submission of Invoices as per format specified in rules/regulation of GST to enable OIL to claim input tax credit of **GST** paid. In case of any variation in the executed quantities, the amount on which the **GST** is applicable shall be modified in same proportion. Returns and details required to be filled under GST laws & rules should be timely filed by supplier with requisite details.

9.6.2 The input tax credit of **GST** quoted shall be considered for evaluation of bids, as per evaluation criteria of tender document.

9.7 **Where the OIL is not entitled to avail/take the full input tax credit of GST:**

9.7.1 OIL will reimburse **GST** to the Supplier of Goods/Services (Service Provider) at actual against submission of Invoices as per format specified in rules/regulation of **GST** subject to the ceiling amount of **GST** as quoted by the bidder. In case of any variation in the executed quantities (If directed and/or certified by the In-Charge) the ceiling amount on which **GST** is applicable will be modified on pro-rata basis.

9.7.2 The bids will be evaluated based on total price including GST.

9.8 Payments to Service Provider for claiming **GST** amount will be made provided the above formalities are fulfilled. Further, OIL may seek copies of challan and certificate from Chartered Accountant for deposit of **GST** collected from OIL.

9.9 Contractor/vendor shall be required to issue tax invoice in accordance with GST Act and/or Rules so that input credit can be availed by OIL. In the event that the contractor/vendor fails to provide the invoice in the form and manner prescribed under the GST Act read with GST Invoicing Rules there under, OIL shall not be liable to make any payment on account of **GST** against such invoice.

9.10 **GST** shall be paid against receipt of tax invoice and proof of payment of **GST** to government. In case of non-receipt of tax invoice or non-payment of **GST** by the contractor/vendor, OIL shall withhold the payment of **GST**.

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

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

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

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

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

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

- 9.22 The contractor will be liable to ensure to have registered with the respective tax authorities, wherever applicable and to submit self-attested copy of such registration certificate(s) and the Contractor will be responsible for procurement of material in its own registration (GSTIN) and also to issue its own Road Permit/E-way Bill, if applicable etc.
- 9.23 In case the bidder is covered under Composition Scheme under GST laws, then bidder should quote the price inclusive of the GST (CGST & SGST/UTGST or IGST). Further, such bidder should mention "Cover under composition system" in column for GST (CGST & SGST/UTGST or IGST) of price schedule.
- 9.24 OIL will prefer to deal with registered supplier of goods/services under GST. Therefore, bidders are requested to get themselves registered under GST, if not registered yet. However, in case any unregistered bidder is submitting their bid, their prices will be loaded with applicable GST while evaluation of bid.

Where OIL is entitled for input credit of GST, the same will be considered for evaluation of bid as per evaluation methodology of tender document.

- 9.25 Procurement of Specific Goods: Earlier, there is no tax incidence in case of import of specified goods (i.e. the goods covered under List-34 of Customs Notification no. 12/2012-Cus dated. 17.03.2012 as amended). Customs duty is not payable as per the policy. However, under GST regime, IGST Plus GST compensation cess (if applicable) would be leviable on such imports. Bidders should quote GST as inclusive considering IGST component for the imported Materials portion while quoting their prices on destination basis. However, GST rate to be specified in the price bid format.

9.26 Documentation requirement for GST:

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

Any invoice issued shall contain the following particulars:

- a) Name, address and GSTIN of the supplier;
- b) Serial number of the invoice;
- c) Date of issue;
- d) Name, address and GSTIN or UIN, if registered of the recipient;
- e) Name and address of the recipient and the address of the delivery, along with the State and its code,
- f) HSN code of goods or Accounting Code of services[SAC];
- g) Description of goods or services;
- h) Quantity in case of goods and unit or Unique Quantity Code thereof;
- i) Total value of supply of goods or services or both;
- j) Taxable value of supply of goods or services or both taking into discount or abatement if any;
- k) Rate of tax (IGST, CGST, SGST/UTGST, cess);
- l) Amount of tax charged in respect of taxable goods or services (IGST, CGST, SGST/UTGST, cess);
- m) Place of supply along with the name of State, in case of supply in the course of interstate trade or commerce;
- n) Address of the delivery where the same is different from the place of supply and
- o) Signature or digital signature of the supplier or his authorised representative.

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

- (i) The original copy being marked as ORIGINAL FOR RECIPIENT;
- (ii) The duplicate copy being marked as DUPLICATE FOR TRANSPORTER and
- (iii) The triplicate copy being marked as TRIPLICATE FOR SUPPLIER.

In case of any advance given against any supplies contract, the supplier of the goods shall issue Receipt Voucher containing the details of details of advance taken along with particulars as mentioned in clause no. (a), (b), (c), (d), (g), (k), (l), (m) & (o) above.

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

9.27.1 In case the GST rating of vendor on the GST portal/Govt. official website is negative/black listed, then the bids may be rejected by OIL. Further, in case rating of bidder is negative/black listed after award of work for supply of goods/services, then OIL shall not be obligated or liable to pay or reimburse GST to such vendor and shall also be entitled to deduct/recover such GST along with all penalties/interest, if any, incurred by OIL.

10.0 INSURANCE:

10.1 The Contractor shall arrange insurance to cover all risks in respect of their personnel, materials and equipment (except when tools/equipment are below Rotary Table or in the well bore) belonging to the Contractor or its subcontractor (if applicable) during the currency of the contract including the third party items/consumables. For materials/equipment belong to the Contractor or its sub-contractor, Contractor may self-insure the same.

10.2 Contractor shall at all time during the currency of the contract provide, pay for and maintain the following insurances amongst others except when tools/equipment are below Rotary Table or in the well bore:

- a) Workmen compensation insurance as required by the laws of the country of origin of the employee.
- b) Employer's Liability Insurance as required by law in the country of origin of employee.
- c) General Public Liability Insurance or Comprehensive General Liability insurance covering liabilities including contractual liability for bodily injury, including death of persons, and liabilities for damage of property. This insurance must cover all operations of Contractor required to fulfil the provisions under this contract.
- d) Contractor's equipment used for execution of the work hereunder shall have an insurance cover with a suitable limit (as per international standards) except when tools/equipment are below Rotary Table or in the well bore or Contractor may self-insure its tools/equipment.

- e) Automobile Public Liability Insurance covering owned, non-owned and hired automobiles used in the performance of the work hereunder, with bodily injury limits and property damage limits as governed by Indian Insurance regulations.
 - f) Public Liability Insurance as required under Public Liability Insurance Act 1991, if applicable.
- 10.3 Any deductible set forth in any of the above insurance shall be borne by Contractor.
- 10.4 Contractor shall furnish to Company prior to commencement date, certificates of all its insurance policies covering the risks mentioned above.
- 10.5 If any of the above policies expire or are cancelled during the term of this contract and Contractor fails for any reason to renew such policies, then the Company will renew/replace same and charge the cost thereof to Contractor. Should there be a lapse in any insurance required to be carried out by the Contractor for any reason whatsoever, loss/damage claims resulting there from shall be to the sole account of Contractor.
- 10.6 Contractor shall require all of his sub-Contractor to provide such of the foregoing insurance coverage as Contractor is obliged to provide under this Contract and inform the Company about the coverage prior to the commencement of agreements with its sub-Contractors.
- 10.7 All insurance taken out by Contractor or their sub-contractor shall be endorsed to provide that the underwriters waive their rights of recourse on the Company and to the extent of the liabilities assumed by Contractor under this Contract.
- 10.8 Contractor shall obtain additional insurance or revise the limits of existing insurance as per Company's request in which case additional cost shall be to Contractor's account.

11.0 CHANGES:

- 11.1 During the performance of the work, Company may make minor change to take care of any supplementary work within the general scope of this Contract including, but not limited to, changes in methodology, and minor additions to or deletions from the work to be performed. Contractor shall perform the work as changed. Changes of this nature will be affected by written order by the Company.
- 11.2 If any change result in an increase in compensation due to Contractor or in a credit due to Company, Contractor shall submit to Company an estimate of the amount of such compensation or credit in a form prescribed by Company.

Such estimates shall be based on the rates shown in the Schedule of Rates (Section-IV). Upon review of Contractor's estimate, Contractor shall establish and set forth in the Change Order the amount of the compensation or credit for the change or a basis for determining a reasonable compensation or credit for the change. If Contractor disagrees with compensation or credit set forth in the Change Order, Contractor shall nevertheless perform the work as changed, and the parties will resolve the dispute in accordance with Clause 14 hereunder. Contractor's performance of the work as changed will not prejudice Contractor's request for additional compensation for work performed under the Change Order.

12.0 FORCE MAJEURE:

- 12.1 In the event of either party being rendered unable by 'Force Majeure' To perform any obligation required to be performed by them under the contract, the relative obligation of the party affected by such 'Force Majeure' will stand suspended for the period during which such cause lasts. The word 'Force Majeure' as employed herein shall mean acts of God, war, revolt, agitation, strikes, riot, fire, flood, sabotage, civil commotion, road barricade (but not due to interference of employment problem of the Contractor) acts of government of the two parties, which makes performance impossible or impracticable and any other cause, whether of kind herein enumerated or otherwise which are not within the control of the party to the contract and which renders performance of the contract by the said party impossible.
- 12.2 Upon occurrence of such cause and upon its termination, the party alleging that it has been rendered unable as aforesaid thereby, shall notify the other party in writing within 72 (Seventy-Two) hours of the alleged beginning and ending thereof, giving full particulars and satisfactory evidence in support of its claim.
- 12.3 Should 'force majeure' condition as stated above occurs and should the same be notified within 72 (seventy-two) hours after its occurrence the 'force majeure' rate shall apply for the first 10(ten) days. Parties will have the right to terminate the Contract if such 'force majeure' conditions continue beyond 10 (ten) days with prior written notice. Should either party decide not to terminate the Contract even under such condition, no payment would apply after expiry of 10(ten) days force majeure period unless otherwise agreed to.

13.0 TERMINATION:

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

- 13.2 **TERMINATION ON ACCOUNT OF FORCE MAJEURE**: Either party shall have the right to terminate this Contract on account of Force Majeure as set forth in Article 12.0 above.
- 13.3 **TERMINATION ON ACCOUNT OF INSOLVENCY**: In the event that the Contractor or its collaborator at any time during the term of the Contract, becomes insolvent or makes a voluntary assignment of its assets for the benefit of creditors or is adjudged bankrupt, then the Company shall, by a notice in writing have the right to terminate the Contract and all the Contractor's rights and privileges hereunder, shall stand terminated forthwith.
- 13.4 **TERMINATION FOR UNSATISFACTORY PERFORMANCE**: If the Company considers that, the performance of the Contractor is unsatisfactory, or not upto the expected standard, the Company shall notify the Contractor in writing and specify in details the cause of the dissatisfaction. The Company shall have the option to terminate the Contract by giving 15 days' notice in writing to the Contractor, if Contractor fails to comply with the requisitions contained in the said written notice issued by the Company.
- 13.5 **TERMINATION DUE TO CHANGE OF OWNERSHIP & ASSIGNMENT**: In case the Contractor's rights and/or obligations under this Contract and/or the Contractor's rights, title and interest to the equipment/material, are transferred or assigned without the Company's consent, the Company may at its absolute discretion, terminate this Contract.
- 13.6 If at any time during the term of this Contract, breakdown of Contractor's equipment results in Contractors being unable to perform their obligations hereunder for a period of 15 successive days, Company at its option, may terminate this Contract in its entirety without any further right or obligation on the part of the Company, except for the payment of money then due. No notice shall be served by the Company under the condition stated above.
- 13.7 Notwithstanding any provisions herein to the contrary, the Contract may be terminated at any time by the company on giving 15 (fifteen) days written notice to the Contractor due to any other reason not covered under the above clause from 12.1 to 12.6 and in the event of such termination the Company shall not be liable to pay any cost or damage to the Contractor except for payment of services as per the Contract upto the date of termination including the De-mob cost, if any.
- 13.8 **CONSEQUENCES OF TERMINATION**: In all cases of termination herein set forth, the relative obligations of the parties to the Contract shall be limited to the period up to the date of termination. Notwithstanding the termination of this Contract, the parties shall continue to be bound by the provisions of this Contract that reasonably require some action or forbearance after such termination.

- 13.9 Upon termination of this Contract, Contractor shall return to Company all of Company's items, which are at the time in Contractor's possession.
- 13.10 In the event of termination of contract, Company will issue Notice of termination of the contract with date or event after which the contract will be terminated. The contract shall then stand terminated and the Contractor shall demobilize their personnel & materials.

14.0 SETTLEMENT OF DISPUTES AND ARBITRATION:

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

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

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

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

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

4. Parties agree that there will be no objection if the Arbitrator appointed holds equity shares of OIL and/or is a retired officer of OIL/any PSU. However, neither party shall appoint its serving employees as arbitrator.
5. If any of the Arbitrators so appointed dies, resigns, becomes incapacitated or withdraws for any reason from the proceedings, it shall be lawful for the concerned party/arbitrators to appoint another person in his place in the same manner as aforesaid. Such person shall proceed with the reference from the stage where his predecessor had left if both parties consent for the same; otherwise, he shall proceed de novo.
6. Parties agree that neither shall be entitled for any pre-reference or pendente-lite interest on its claims. Parties agree that any claim for such interest made by any party shall be void.
7. The arbitral tribunal shall make and publish the award within time stipulated as under:

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

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

8. If after commencement of the arbitration proceedings, the parties agree to settle the dispute mutually or refer the dispute to conciliation, the arbitrators shall put the proceedings in abeyance until such period as requested by the parties.
9. Each party shall be responsible to make arrangements for the travel and stay etc. of the arbitrator pointed by it. Claimant shall also be responsible for making arrangements for travel/stay arrangements of the Presiding Arbitrator and the expenses incurred shall be shared equally by the parties.
In case of sole arbitrator, OIL shall make all necessary arrangements for his travel, stay and the expenses incurred shall be shared equally by the parties.
10. The Arbitration shall be held at the place from where the contract has been awarded. However, parties to the contract can agree for a different place for the convenience of all concerned.

11. The Arbitrator(s) shall give reasoned and speaking award and it shall be final and binding on the parties.
12. Subject to aforesaid, provisions of the Arbitration and Conciliation Act, 1996 and any statutory modifications or re-enactment thereof shall apply to the arbitration proceedings under this clause.

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

In the event of any dispute or difference relating to, arising from or connected with the Contract, such dispute or difference shall be referred by either party to the arbitration of one of the Arbitrators in the Department of Public Enterprises, to be nominated by the Secretary to the Government of India, In-Charge of the Bureau of Public Enterprises. The Arbitration and Conciliation Act 1996 shall not be applicable to the Arbitration under this clause. The award of the Arbitrator shall be binding upon the parties to the dispute, provided however, any party aggrieved by such award may make a further reference for setting aside or revision of the award to the Law Secretary, Dept. of Legal Affairs, Ministry of Law and Justice, Government of India. Upon such reference, the dispute shall be decided by the Law Secretary or the Special Secretary/Additional Secretary, whose decision shall bind the parties finally and conclusively. The parties in the dispute will share equally the cost of the arbitration as intimated by the Arbitrator.

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

15.0 NOTICES:

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

Company

a) **For contractual matters**

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

b) **For technical matters**

ED (Drilling Services)
OIL INDIA LIMITED
PO Duliajan - 786602,
Assam, India
Fax No. 91-374-2804254
Email: drilling@oilindia.in

c) **Contractor**

Fax No. :

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

16.0 SUBCONTRACTING/ASSIGNMENT:

- 16.1 Contractor shall not subcontract, transfer or assign the contract, in full or any part under this contract, to any third party(ies). Except for the main services under this contract, Contractor may sub-contract the petty support services subject to Company's prior approval. However, Contractor shall be fully responsible for complete execution and performance of the services under the Contract.
- 16.2 If against an order placed by OIL, successful bidder(s) (other than Micro/ Small Enterprise) is procuring materials/services from their sub-vendor who is a Micro or Small Enterprise registered with District Industry Centers or Khadi and Village Industries Commission or Khadi and Village Industries Board or Coir Board or National Small Industries Corporation or Directorate of Handicrafts and Handloom or any other body specified by Ministry of MSME with prior consent in writing of the purchasing authority/engineer in charge the details like Name, Registration No., Address, Contact No. details of material and value of procurement made, etc. of such enterprises shall be furnished by the Contractor at the time of submission of invoice/bill.”

17.0 MISCELLANEOUS PROVISIONS:

- 17.1 Contractor shall give notices and pay all fees at their own cost required to be given or paid by any National or State Statute, Ordinance, or other Law or any regulation, or bye-law of any local or other duly constituted authority as may be in force from time to time in India, in relation to the performance of the services and by the rules & regulations of all public bodies and companies whose property or rights are affected or may be affected in any way by the services.
- 17.2 Contractor shall conform in all respects with the provisions of any Statute, Ordinance of Law as aforesaid and the regulations or bye-law of any local or other duly constituted authority which may be applicable to the services and with such rules and regulation public bodies and Companies as aforesaid and shall keep Company indemnified against all penalties and liability of every kind for breach of any such Statute, Ordinance or Law, regulation or bye-law.
- 17.3 During the tenure of the Contract, Contractor shall keep the site where the services are being performed reasonably free from all unnecessary obstruction and shall store or dispose of any equipment and surplus materials and clear away and remove from the site any wreckage, rubbish or temporary works no longer required. On the completion of the services, Contractor shall clear away and remove from the site any surplus materials, rubbish or temporary works

of every kind and leave the whole of the site clean and in workmanlike condition to the satisfaction of the Company.

- 17.4 Key personnel cannot be changed during the tenure of the Contract except due to sickness/death/resignation of the personnel in which case the replaced person should have equal experience and qualification, which will be again subject to approval, by the Company.

18.0 LIQUIDATED DAMAGES FOR DEFAULT IN TIMELY MOBILISATION:

- 18.1 Time is the essence of this Contract. In the event of the Contractor's default in timely mobilization for commencement of operations within the stipulated period, the Contractor shall be liable to pay liquidated damages @ 0.5% of each Effluent Treatment (ETP) Unit contract value including mobilization cost, per week or part thereof of delay subject to maximum of 7.5%. Liquidated Damages will be reckoned from the expiry date of the scheduled mobilisation period as defined in Clause No. 2.2 of Section-I. The above LD will be calculated for each ETP separately.

Note: For interim mobilization, LD will be applicable @0.5% of the one year Contract value [each ETP].

- 18.2 If the Contractor fails to mobilise within the stipulated date, then the Company reserves the right to cancel the Contract without any compensation whatsoever.
- 18.4 The parties agree that the sum specified above is not a penalty but a genuine pre-estimate of the loss/damage which will be suffered by OIL on account of delay/breach on the part of the Contractor and the said amount will be payable without proof of actual loss or damage caused by such delay/breach and without any demur and shall not be open for any dispute whatsoever.

- 19.0 PERFORMANCE SECURITY:** The Contractor shall furnish to Company a Bank Guarantee amounted to 10 % of annualized estimated Contract Price with validity of 3(three) months beyond the contract period towards performance security. The performance security shall be payable to Company as compensation for any loss resulting from Contractor's failure to fulfil their obligations under the Contract. In the event of extension of the Contract period, the validity of the bank guarantee shall be suitably extended by the Contractor.

- 20.0 ASSOCIATION OF COMPANY'S PERSONNEL:** Company's engineer/chemist will be associated with the work throughout the operations. The Contractor shall execute the work with professional competence and in an efficient and workman like manner and provide Company with a standard of work customarily provided by reputed IP Survey Contractors to major international oil companies in the petroleum industry.

21.0 LABOUR: The recruitment of the labour shall be met from the areas of operation and wages will be according to the rates prevalent at the time which can be obtained from the District Authorities of the area. The facilities to be given to the labourers should conform to the provisions of labour laws as per contract Labour (Regulation and Abolition) Act, 1970.

22.0 LIABILITY:

- 22.1 Except as otherwise expressly provided, neither Company nor its servants, agents, nominees, Contractors, or sub-contractors shall have any liability or responsibility whatsoever to whomsoever for loss of or damage to the equipment and/or loss of or damage to the property of the Contractor and/or their Contractors or sub-contractors, irrespective of how such loss or damage is caused and even if caused by the negligence of Company and/or its servants, agent, nominees, assignees, contractors and sub-Contractors. The Contractor shall protect, defend, indemnify and hold harmless Company from and against such loss or damage and any suit, claim or expense resulting there from.
- 22.2 Neither Company nor its servants, agents, nominees, assignees, Contractors, sub-contractors shall have any liability or responsibility whatsoever for injury to, illness, or death of any employee of the Contractor and/or of its Contractors or sub-contractor irrespective of how such injury, illness or death is caused and even if caused by the negligence of Company and/or its servants, agents nominees, assignees, Contractors and sub-contractors. Contractor shall protect, defend, indemnify and hold harmless Company from and against such liabilities and any suit, claim or expense resulting there from.
- 22.3 The Contractor hereby agrees to waive its right of recourse and further agrees to cause its underwriters to waive their right of subrogation against Company and/or its underwriters, servants, agents, nominees, assignees, Contractors and sub-contractors for loss or damage to the equipment of the Contractor and/or its sub-contractors and/or their employees when such loss or damage or liabilities arises out of or in connection with the performance of the contract limited to the Contractor's liabilities agreed to under this Contract.
- 22.4 The Contractor hereby further agrees to waive its right of recourse and agrees to cause its underwriters to waive their right of subrogation against Company and/or its underwriters, servants, agents, nominees, assignees, Contractors and sub-contractors for injury to, illness or death of any employee of the Contractor and of its contractors, sub-contractors and/or their employees when such injury, illness or death arises out of or in connection with the performance of the contract limited to the Contractor's liabilities agreed to under this Contract.

- 22.5 Except as otherwise expressly provided, neither Contractor nor its servants, agents, nominees, Contractors or sub-contractors shall have any liability or responsibility whatsoever to whomsoever for loss of or damage to the equipment and/or loss or damage to the property of the Company and/or their Contractors or sub-contractors, irrespective of how such loss or damage is caused and even if caused by the negligence of Contractor and/or its servants, agents, nominees, assignees, Contractors and sub-contractors. The Company shall protect, defend, indemnify and hold harmless Contractor from and against such loss or damage and any suit, claim or expense resulting there from.
- 22.6 Neither Contractor nor its servants, agents, nominees, assignees, Contractors, sub-contractors shall have any liability or responsibility whatsoever to whomsoever for injury or illness, or death of any employee of the Company and/or of its Contractors or sub-contractors irrespective of how such injury, illness or death is caused and even if caused by the negligence of Contractor and/or its servants, agents, nominees, assignees, Contractors and sub-contractors. Company shall protect, defend indemnify and hold harmless Contractor from and against such liabilities and any suit, claim or expense resulting there from.
- 22.7 The Company agrees to waive its right of recourse and further agrees to cause its underwriters to waive their right of subrogation against Contractor and/or its underwriters, servants, agents, nominees, assignees, Contractors and sub-contractors for loss or damage to the equipment of Company and/or its contractors or sub-contractors when such loss or damage or liabilities arises out of or in connection with the performance of the contract.
- 22.8 The Company hereby further agrees to waive its right of recourse and agrees to cause it underwriters to waive their right of subrogation against Contractor and/or its underwriters, servants, agents, nominees, assignees, Contractors and sub-contractors for injury to, illness or death of any employee of the Company and of its Contractors, sub-contractors and/or their employees when such injury, illness or death arises out of or in connection with the performance of the Contract.

23.0 INDEMNITY AGREEMENT:

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

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

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

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

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

- i) For non-completion of jobs assigned as per Section-II.
- ii) Contractor's indebtedness arising out of execution of this Contract.
- iii) Defective work not remedied by Contractor.
- iv) Claims by sub-Contractor of Contractor or others filed or on the basis of reasonable evidence indicating probable filing of such claims against Contractor.
- v) Failure of Contractor to pay or provide for the payment of salaries/wages, contributions, unemployment compensation, taxes or enforced savings with-held from wages etc.
- vi) Failure of Contractor to pay the cost of removal of unnecessary debris, materials, tools, or machinery.
- vii) Damage to another Contractor of Company.
- viii) All claims against Contractor for damages and injuries, and/or for non-payment of bills etc.
- ix) Any failure by Contractor to fully reimburse Company under any of the indemnification provisions of this Contract. If, during the progress of the work Contractor shall allow any indebtedness to accrue for which Company, under any circumstances in the opinion of Company may be primarily or contingently liable or ultimately responsible and Contractor

shall, within five days after demand is made by Company, fail to pay and discharge such indebtedness, then Company may during the period for which such indebtedness shall remain unpaid, with-hold from the amounts due to Contractor, a sum equal to the amount of such unpaid indebtedness.

Withholding will also be effected on account of the following:

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

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

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

27.0 APPLICABLE LAW:

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

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

- a) The Mines Act 1952- as applicable to safety and employment conditions
- b) The Minimum Wages Act, 1948
- c) The Oil Mines Regulations, 1984
- d) The Workmen's Compensation Act, 1923
- e) The Payment of Wages Act, 1963
- f) The Payment of Bonus Act, 1965
- g) The Contract Labour (Regulation & Abolition) Act, 1970 and the rules framed there under
- h) The Employees Pension Scheme, 1995
- i) The Interstate Migrant Workmen Act., 1979 (Regulation of employment and conditions of service)

- j) The Employees Provident Fund and Miscellaneous Provisions Act, 1952
- k) The AGST Act, WB & Bihar Tax Act
- l) Service Tax Act
- m) Customs & Excise Act & Rules
- n) Assam, West Bengal and Bihar Entry Tax Act

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

29.0 SUBSEQUENTLY ENACTED LAWS: Subsequent to the date of bid closing, if there is a change in or enactment of any law or change in application or enforcement or interpretation of existing law by any governmental authority or public body, which results in addition/reduction in cost to Contractor on account of the operation contemplated under the Contract, the Company/Contractor shall reimburse the Contractor/pay Company for such additional/reduced costs actually incurred/saved by Contractor, subject to the submission of documentary evidence by Contractor/Company.

30.0 ROYALTY AND PATENTS: Each party shall hold harmless and indemnify the other from and against all claim and proceedings for or on account of any patent rights, design, trade mark or other protected rights arising from any use of materials, equipment, processes, inventions and methods which have not been imposed on the attending party by the terms of the contract or the specifications or drawings forming part thereof.

31.0 WAIVER: Any delay in exercising and any omission to exercise any right, power or remedy exercisable by the Company under this contract shall not impair such right, power or remedy nor shall any waiver by the Company of any breach by the Contractor of any provision of this contract prevent the subsequent enforcement of that provision by the Company or be deemed a waiver by the Company of any subsequent breach by the Contractor.

32.0 CONSEQUENTIAL DAMAGE: Except as otherwise expressly provided, neither party shall be liable to the other for special, indirect or consequential damages

resulting from or arising out of the contract, including but without limitation, to loss or profit or business interruptions, howsoever caused and regardless of whether such loss or damage was caused by the negligence (either sole or concurrent) of either party, its employees, agents or sub-contractors.

33.0 LIMITATION OF LIABILITY: Notwithstanding any other provisions herein to the contrary, except only in cases of wilful misconduct and/or criminal acts,

- (a) Neither the Contractor nor the Company (OIL) shall be liable to the other, whether in Contract, tort, or otherwise, for any consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs.
- (b) Notwithstanding any other provisions incorporated elsewhere in the contract, the aggregate liability of the Contractor in respect of this contract, whether under Contract, in tort or otherwise, shall not exceed 50% of the Annualized Contract Price, provided however that this limitation shall not apply to the cost of repairing or replacing defective equipment by the Contractor, or to any obligation of the Contractor to indemnify the Company with respect to Intellectual Property Rights.
- (c) Company shall indemnify and keep indemnified Contractor harmless from and against any and all claims, costs, losses and liabilities in excess of the aggregate liability amount in terms of clause (b) above.

END OF SECTION – I

Part-3

SECTION-II

TERMS OF REFERENCE/TECHNICAL SPECIFICATIONS

1.0 INTRODUCTION:

- 1.1 Two wells (8 ½” oil string sections only) are expected to be completed within a period of 01(one) year from the date of mobilization of materials & personnel at site with a provision of 01(one) year extension under the same terms and conditions. The service provider shall be required to deploy mud engineering service with requisite equipment, tools, accessories, consumables, supply quality chemicals in adequate quantity and engage competent personnel as envisaged herein and required for successful & uninterrupted execution of the intended drilling operations at site.

2.0 BROAD SCOPE OF WORK – MUD ENGINEERING SERVICES:

2.1 PROJECT INFORMATION:

OIL is in a process to identify 02 (two) wells in Assam of India for drilling to a measured depth of around 4000+m. The proposed mud systems will be utilized for drilling 8½” hole section which will be in the range of 800m-1000m, comprising mainly of Splintery Shale, Clay/Clay stone, Sand stone, Limestone & Siltstone including traces of Pyrites & Coal (possible formation lithology as per present well data) etc. This mud system is expected to solve down-hole problems, improvement in drilling progress and delivering gauged stable bore hole. This mud system shall be used in two wells in Assam of India falling in PEL/ML areas only. OIL intends to hire the services of such experienced service provider who shall provide Mud Engineering services and Drilling Fluid Materials for the drilling of the stated hole section in these two wells.

Note: The depths mentioned above are tentative and may change based on actual drilling evidences.

2.1.1 Area of operation: Assam (India)

2.1.2 Number of wells: 02 (Two) wells (8 ½ inch oil string sections only)

2.1.3 Normal mud weight range: around 74pcf – 80pcf (may be higher depending upon actual drilling evidences)

2.1.4 Scope of Work: Providing Mud Engineering services along with Chemicals and Centrifuge* Services (*On Call basis only if the centrifuge is not available at the selected rig) of Hydraglyde/Performax mud system for drilling 02 (two) nos. of high depth, high angle directional Eocene wells (for drilling of 8 ½” oil string sections only).

2.1.5 **Duration of the Services: 01 (one) year from the date of mobilization of materials & personnel at site with a provision of 01 (one) year extension under same terms and conditions.**

2.2 The Contractor is required to provide mud engineering services in totality. The broad scope of work/supply includes but not limited to:

- Design and formulation of Water Based Mud (WBM) for drilling in Environmentally Sensitive Areas. Supply of adequate water for preparation of mud will be met either by Company (OIL) or by any third party engaged by Company (OIL).
- Supply of complete line of drilling mud and wellbore clean-up chemicals/additives at site. However, Basic chemicals viz. Barytes; Contingency chemicals viz. Loss circulation materials; Spotting fluids viz. Diesel, Pipelax; Other chemicals viz. sodium bicarbonate, soda ash and well Completion fluids will be provided by Company(OIL).
- Supply of well site mud testing equipment, tools, accessories and reagents as per the requirement at site to perform detailed testing of mud for the drilling program.
- Deployment of qualified and competent Personnel to carry out Mud Engineering Services round the clock throughout the contract period.

For performance of services under this contract, the following may be referred to broadly understand the responsibilities of Contractor & Company (OIL):

Sl. No.	Details	Responsibility of Contractor	Responsibility of Company (OIL)
1	Mud Laboratory Cabin (Skid mounted)	No	Yes*
2	All mud Chemicals/additives except Basic chemical viz. Barytes; Contingency chemicals viz. Loss circulation materials; Spotting fluids viz. Pipelax; Other chemicals viz. sodium bicarbonate, soda ash and well Completion fluids.	Yes	No
3	All necessary laboratory testing equipment including lubricity tester.	Yes	No
4	Mud Engineers as required	Yes	No
5	Handling/supervision of Mud additives at site	Yes	No
6	Labourer for chemical addition	No	Yes*
7	Transportation of Chemicals, additives, lab. equipment to & fro	Yes	No

	well site.		
8	Mud preparation with rig equipment	Yes	No
9	First aid facilities at site to the Mud Engineers	No	Yes*
10	Boarding/Lodging of Mud Engineers at site	Yes	No
11	Minimum required storage shed for chemicals at site	No	Yes*
12	Shale Shaker, Desander, Desilter, Degasser. However, Centrifuge may be required to be mobilized by the Contractor on call basis (mobilization time as mentioned herein) if it is not available in the selected rig.	No	Yes*
13	Mixing Hopper and tankage system.	No	Yes*

* To be provided either by Company (OIL) or by any third party to be engaged by Company (OIL).

3.0 **PERSONNEL:**

- 3.1 The Contractor shall engage qualified and competent personnel as required for the services under the contract including two (02) on-site Mud Engineers on 12 hour shift basis throughout the contract period. Mud Engineers should be proficient in English (written & verbal). Besides English, fluency in Hindi and/or local language will be an added advantage.
- 3.2 The Mud Engineers should have minimum educational qualification of Bachelor degree in Engineering/Science or equivalent. The Lead on-site Mud Engineer should have minimum five (05) years' experience with at least one well completed with Hydraglyde/Performax mud system. However, the Second on-site Mud Engineer should have minimum five (05) years' experience with at least one well completed with any High Performance Water Based Mud (HPWBM) system.
- 3.3 The Mud Engineers should be in sound health and fit to work in different Environment. The maximum age of the Mud Engineers should not be more than 60 years as on effective date of contract.
- 3.4 The Contractor shall submit personnel resume in respect of Mud Engineers for **OIL's prior approval**. The resume should specifically include but not limited to the followings:
 - Length of experience in as mud engineer.
 - Length of experience in proposed mud system.

- Length of experience in HPWBM system.
- Area/Field where and for whom worked.
- Type of mud system(s) worked with specific reference to High Performance Water Based mud system.
- Experience in solving down hole problems.
- Educational Qualification.
- Date of Birth (Age) and Health Condition.

Note: Above data to be submitted in tabular form with supporting documents as per **Annexure-I**.

3.5 The Mud Engineers shall be responsible including but not limited to the followings:

- Prepare mud as per drilling and mud program.
- Attend down hole problems and take corrective actions in consultation with Company's Chemist-in-charge.
- Run, maintain, and manage the mud system in consultation with Chemist-in-charge.
- Prepare daily mud report, hydraulics report and chemical consumption statement and submit to Chemist-in-charge and senior officials of OIL.
- Maintain a stock of inventory on daily basis at Drilling site and ensure that adequate stock is available at all the time to maintain and run the mud system and to meet eventuality, if any.
- Ensure that adequate spares and consumables for all the mud engineering related equipment, tools are available at site to carry out any repair/maintenance without downtime.

3.6 The Mud Engineers should have adequate knowledge in handling and operating Contractor's materials, equipment and procedures for the intended services. The Mud Engineers should be competent enough/should have sufficient experience in solving down hole complications including but not limited to cement contamination, mud loss, stuck pipe, cavings, high pressure kick etc. The Mud Engineers shall be confident enough to take decision at site so far as job execution against this contract is concerned and shall work throughout in close coordination with Company's Chemist/Company's other

associated Contractors at Rig site. The Mud Engineers are required to discuss /communicate all work plan related to operation to Company's Chemist.

- 3.7 Contractor personnel working on site must be fully conversant with, and adhere to, the environmental and HSE policies of OIL and be responsible for the safe handling of drilling fluid materials at the rig site.
- 3.8 All requirements of Contractor's personnel will be borne by the Contractor including their boarding and lodging including to & fro transportation up to well sites etc.
- 3.9 The Contractor will remove any of their personnel from site if deemed not suitable or considered not desirable by Company to carry-out the work and replace him/her with a person acceptable to Company within one week from the date of notice, at the Contractor's own expenses.
- 3.10 Contractor has to give prior intimation (in writing) to the Company's Chemist before withdrawal of any Contractor's key personnel at any point of time.

4.0 GENERAL:

- 4.1 The mud system Hydraglyde/Performax will be considered as successful if the well drilled with this mud system provides:
 - a) Faster drilling rates
 - b) Low Friction Factors for drilling long laterals
 - c) Stable wellbores while drilling and for running casing/completion
 - d) Good & effective hole cleaning
 - e) Good sealing of porous zones without affecting the reservoir
 - f) Reduced torque and drag
 - g) Reduced bit balling and accretion etc.in comparison to the earlier drilled wells in that area.
- 4.2 The following solid control equipment will be available in rigs:
 - a. LMSS (02nos.): Max. API 140 (As available)
 - b. Mud Cleaner (01no.): Max. API 240-270 (As available)
 - c. Desander: Max. 1000 GPM capacity (Pressure rating 40psi)
 - d. Desilter: Max. 500 GPM capacity (Pressure rating 35psi)
 - e. Centrifuge*: Max. 2400RPM speed (Wherever available)

***However, Contractor may be required to provide Centrifuge unit on Call basis, only if the centrifuge is not available at the selected rig.**

- 4.3 Contractor shall carry out Mud Engineering planning and designing, mud preparation and maintenance as required for drilling 8 ½" section of the wells and in accordance with the detailed drilling operations planned by Company.

- 4.4 The wells are planned to be drilled using the drilling fluid system as furnished herein. However, Company reserves the right to modify its drilling/drilling fluids program at any time during the contract period.
- 4.5 Contractor shall provide all the required mud testing equipment including lubricity tester at the site for testing the Drilling Fluid as per the requirement of the wells.
- 4.6 The Contractor shall provide round the clock mud engineering services by deploying two (2) Mud Engineers at site (one mud engineer per shift) throughout the contract duration on 12 hours shift basis.
- 4.7 The on-site Mud Engineers shall communicate with Company's Chemist on daily basis.
- 4.8 The Contractor shall provide all technical literature, hydraulics etc. and all other drilling fluid related calculations and detailed mud histories and mud programs to Company.
- 4.9 The Contractor shall have their own software and peripherals at site for generating Daily Mud reports, Mud Recaps, hydraulics and hole cleaning optimization.
- 4.10 The on-site Mud Engineers are required to test mud samples for all parameters at least two times a day or as per operational requirement and submit daily operational report including hydraulics, mud parameters etc. to Company's Chemist. The daily report should also include volume of mud prepared and consumed, consumption of chemicals and other additives, status of solid control etc. in standard IADC format.
- 4.11 The on-site mud engineer shall collect all relevant operational data from drilling engineer or any other data gathering system and record it for taking operational decisions as well as for final well completion report (Mud Recap). The Contractor shall submit the well completion report within fifteen (15) days after completion of 8 ½" section of the well as per standard international practice.
- 4.12 The Mud Engineers shall ensure effective utilization of all solid control equipments (SCEs). In case of any breakdown/malfunctioning of SCEs, it should be brought to the notice of concerned Chemist immediately.
- 4.13 The mobilisation of Crew, Chemicals, Mud test equipments & tools etc. should be completed by the Contractor within 120 (One Hundred Twenty) days from the effective date of the contract as stated herein clause 17.1.

- 4.14 The contractor shall indicate their laboratory formulation for **Hydraglyde/Performax mud system** in Tabular form as well as suggestions, if any.

5.0 MUD MANAGEMENT SERVICES:

Fluid Management Services encompass all the functions and requirements contained herein including the following:

- 5.1 Inventory control both at the rig site and at their supply base/warehouse. Contractor shall ensure that sufficient quantity of materials and chemicals are available to allow for a smooth, uninterrupted operation. Contractor shall provide actual delivery papers for verification.
- 5.2 With the help of suitable software package, the Contractor should generate and provide copies of daily progress report inclusive of drilling fluid hydraulics to the Company's Chemist. The report should also incorporate drilling operations, complete mud parameters analyses, chemicals consumed, volume of mud prepared, and loss of mud and operation/performance of solid control equipment as per standard practice. **Cumulative consumption and cost of chemicals must be provided by the Contractor on daily & weekly basis.**
- 5.3 Literature and details of software package for mud hydraulics, hole cleaning and engineering shall also be provided by the Contractor.
- 5.4 Contractor shall submit detailed mud engineering programs, for each well at least two weeks prior to the commencement of the well.
- 5.5 Contractor must plan site jobs diligently to avoid any crisis due to shortage and/or wastage & pilferage etc. of raw materials or prepared mud.

6.0 REPORTING:

- 6.1 The Contractor shall comply with the following minimum reporting requirements under the contract. Contractor shall also provide additional reports to the Chemist in-charge of the well as may reasonably be asked for during the execution.
- 6.2 **Materials Inventory:** At all times, the Mud Engineers must maintain an up to date inventory of all the chemicals/additives held at well site and the same shall be reported on daily basis as part of the daily mud report. Additionally, a daily/weekly report on materials inventory should be provided to the Chemist in-charge of the well.
- 6.3 **Daily Mud Report:** Daily mud report in prescribed format shall be submitted to the Chemist in-charge of the well.

- 6.4 **End of Well Report:** The Contractor shall provide within two weeks of completion of the section of the well, a Well Recap of 8 ½” section, containing but not limited to the following:
- A detailed recap of the hole section;
 - An evaluation of the mud properties, their performance emphasizing the points under clause 4.1 herein;
 - An analysis and recommendation of the optimum parameters required based on experience gained while drilling the well;
 - A detailed list of chemical consumption for the section;
 - A comparison of planned Vs actual mud properties for the hole section.
 - A comparison of planned versus actual mud cost for the hole section;
 - A detailed study on the hole problems encountered and mitigation methods and strategies followed;
 - Suggestion for improvement in future wells.
- 6.5 **Complication Report:** In case of any complication such as stuck pipe, loss circulation, unusual caving, undesirable cutting bed formations, the Contractor shall notify the Chemist in-charge immediately. A detailed draft report shall be submitted by the Contractor, within 24 hours of the incident (operations permitting), with full details and the reasons for the same and remedial measures/recommendations that shall be followed in the present well as well as in future wells to ensure safe and complication free drilling.

7.0 LABORATORY EQUIPMENT & TESTING:

- 7.1 **Minimum Requirements:** The Contractor shall deploy a complete laboratory kit at site equipped with various equipment, tools, accessories and consumables thereof in perfectly working order necessary to carry out the jobs specified in the Scope of Work and described herein as per API standards. All Standard mud testing equipment are required in order to provide a complete API mud testing report. **List of Routine & Special testing parameters to be incorporated along with the offer in a separate sheet.**
- 7.2 **Additional Equipment:** Additional equipment and chemicals, if any proposed by the Contractor, may also be included as an attachment.
- 7.3 **Maintenance:** The Contractor shall deploy its testing equipment as per requirement in excellent condition and perfectly in working order. Maintenance of the same including supply of spares/consumables etc. throughout the contract duration for trouble free uninterrupted operation will be given prime importance. Contractor shall supply all relevant certification as may be requested by Company.
- 7.4 The Contractor shall maintain adequate stock of spares and consumables at site to ensure uninterrupted laboratory services. On-site stock position of spares and critical parts to be reported to Company Chemist from time to time.

8.0 STORAGE OF MUD CHEMICALS/ADDITIVES AT RIG SITE:

- 8.1 The Contractor shall maintain adequate stocks of chemicals and additives at drilling site to ensure uninterrupted operation under the contract. For the purpose of safe storage of these materials at drilling location(s), Company (OIL) will provide **either** a temporary civil go-down **or** Two Skid mounted go-downs at site.
- 8.2 In view of the remoteness of drilling locations and space/logistic constraints, the Contractor must maintain their supply base/main warehouse at a place nearest possible to Duliajan and replenish the requisite chemicals in optimum quantity to Rig site through their own arrangement/expenses by engaging trucks/trailers to ensure un-interrupted drilling. Considering the limited storage facility at Rig site as stated above, Contractor must select their supply base/main warehouse/bulk storage in such a place and make all necessary arrangements for continuous supply of chemicals etc. so that the materials can be delivered to drilling locations within short notice **without fail**.

9.0 MOBILISATION/LOGISTICS:

- 9.1 Mobilisation of complete Laboratory equipment, tools, consumables, spares and the required line of Mud Chemicals & Additives as required for execution of this contract is the sole responsibility of the Contractor including transportation of Contractor's materials to wellsite & from wellsite to their warehouse after completion of the well. However, Company (OIL) will provide the facility for inter-location movements (ILM) of the Contractor's chemicals & additives in case the second well starts immediately after the first well. The Contractor shall also mobilize the Mud Engineers and other personnel (if required) to the work site as per provisions herein and arrange for crew change from time to time to provide statutory "OFF" duty to the personnel **as per Mines Act & other statutes/regulations**.
- 9.2 Continuous supply of drilling fluid being the lifeline of uninterrupted drilling operation, the Contractor will be required to maintain adequate stock of mud chemicals to overcome unforeseen down-hole problems, if any, at the well site. However, in view of space constraints at Rig site, **the Contractor shall have to maintain a bulk storage facility/main warehouse/supply base nearest possible to Duliajan**, from where regular feeding to well site can be established to ensure hassle free operations.
- 9.3 **The Contractor shall be responsible to maintain agreed minimum stock of all required Contractor's chemicals/additives at all the time throughout the contractual duration.**
- 9.4 It is the Contractor's responsibility to confer with their on-site Mud Engineers to ensure that adequate stocks are maintained at the drilling site. The stock levels, both at well site and at supply base/main warehouse, shall be reported

to Company on daily/weekly basis, as may be advised. Company's advice to build up/replenish stock of any item at any time during operation must be treated with due importance without dispute and to be acted upon expeditiously.

- 9.5 Products are to be packaged in accordance with international standards. The Contractor shall choose the packing standards carefully, so that the packing is robust enough to withstand transit rigors, sustainable to the climatic condition of the region and multiple handlings. Company (OIL) will not pay the Contractor for any damaged bags or expiry chemicals delivered at Rig site.
- 9.6 All products must be labelled clearly on the packing/packages with the chemical name and quantity. All chemicals supplied should have supporting MSDS and PD sheets delivered with them.
- 9.7 **Inspection & Certificates:** The Contractor hereby undertakes that Company (OIL) shall have the right to inspect or carry out inspection of lab equipment through a third party inspection agency at its option at any time. The Contractor also undertakes that Company may engage an independent testing laboratory or OIL's own laboratory to conduct random, API qualified testing of any or all chemicals.

10.0 MUD CHEMICALS AND ADDITIVES:

- 10.1 The Contractor shall supply required mud chemicals and additives (for **Hydraglyde/Performax mud system**), conforming to their declared specifications, required for preparation and maintenance of mud **except chemicals mentioned in Clause 16.8 i.e.** Basic chemicals viz. Barytes; Contingency chemicals viz. Loss circulation materials; Spotting fluids viz. Pipelax; Other chemicals viz. sodium bicarbonate, soda ash and well Completion fluids etc. The Contractor shall maintain adequate stock of all Contractor's chemicals and ensure timely supply at Rig site as per operational requirement of the wells for uninterrupted operations. **However, the payment will be made on actual consumption basis duly certified by OIL's Chemist in-charge.**
- 10.2 The Contractor must submit detailed specifications including the Material Safety Data Sheet (MSDS) sheets of all offered/proposed chemicals along with their offer, failing which the offer will not be considered for evaluation. The specifications of each chemical should reflect the relevant parameters of that particular additive and indicate its performance required in the test report.
- 10.3 The Contractor shall provide complete chemical product data sheet for each chemical including but not limited to brand name, manufacturer's name, specifications/test reports of the chemicals, unit of packing, country of origin, specification and MSDS. All such information on the complete list of chemicals for drilling fluids must be submitted along with the offer.

- 10.4 The Contractor shall furnish to Company the test reports as per specifications prior to the delivery of the material. All the test reports must reflect the brand name and manufacturer's name as quoted in the offer. The chemicals to be used in the wells shall be of the same brand and manufacturer and shall be in no way inferior to the quality indicated in the test reports. Joint sampling may be carried out during the course of operation and the samples may be sent to Central Laboratory, Duliajan for testing. Chemicals not conforming to their declared specifications have to be removed from well site by the Contractor at their own expenses immediately.
- 10.5 All the chemicals should be in original packing of the manufacturer. The packing of chemicals shall be preferably in bags of 25 Kgs/50Kgs and in drums of 50 Litres/200 Litres approximately. Contractor shall furnish the test report from a recognized laboratory for quality of chemicals, before supplying at site. However, OIL reserves the right to inspect the chemicals in Contractor's warehouse/OIL's well site and draw samples for testing independently. If any chemical is found to be not conforming to the specifications, Contractor shall immediately replace the defective materials with quality product that conforms to the specification, without any extra cost to Company (OIL). Therefore, it is obligatory on the part of the Contractor to ensure proper testing and supply of quality materials only.
- 10.6 Chemicals susceptible to moisture shall be packed in moisture proof multi – walled paper bags with polythene lining. Each container/pallet shall have clearly legible identification marks including the name of the chemical, name and address of the manufacturer date of manufacture, and address of consignee. The markings shall be stencilled with indelible ink. All chemicals /drums shall be delivered at site in proper pallets/containers.
- 10.7 The Contractor shall maintain adequate stock of vital chemicals (insurance stock) all the time during operation as back up for well/operational safety. Insurance/buffer stock of chemicals to be maintained judiciously by the Contractor **without fail**.
- 10.8 Company (OIL) will provide the facility for inter-location movements of the Contractor's chemicals & additives in case the second well starts immediately after the first well. However, the Contractor's laboratory equipments have to be transferred by the Contractor at their own cost during ILM. Crane services will be provided by Company (OIL) for loading & unloading of chemicals contained in pallets/containers.
- 10.9 **OIL shall not buy any leftover chemicals brought by the Contractor after completion of the project/expiry of the contract under any circumstances.**
- 10.10 Required mud chemicals and additives are to be supplied by the Contractor by paying all applicable taxes & duties. Contractor shall also bear the cost of

shipment, transit insurance, port rent/demurrage & other clearance charges as applicable, inland transportation up to well site, entry tax, service tax and other statutory fees as to be paid to different regulatory authorities.

- 10.11 OIL reserves the right to terminate the contract and take prompt action as may be deemed fit, if the chemicals/additives are not stocked adequately as advised and/or are found to be of sub-standard quality and the Contractor is unable to replace those without disrupting the drilling program within reasonable time.
- 10.12 The Contractor is free to design the mud system/parameters as per the well requirement to achieve true gauged hole and trouble free drilling. In case the Contractor plans to use any other additives or chemicals, the same may be mentioned in their offer along with the technical justifications thereof and the rates to be quoted accordingly in their offer.

11.0 QUALITY CONTROL:

- 11.1 Contractor shall have effective QC procedures to ensure that all chemicals and materials provided meet the design requirements and also comply with their declared specifications as appropriate, and Company reserves the right to audit Contractor's QC operation. All chemicals should be free of any hazardous components. A test certificate (e.g. LC₅₀ report), in this regard, from accredited laboratory must be submitted by the contractor before transferring chemicals to well site.
- 11.2 To ensure quality of material as per specifications, Contractor shall submit the test report of each chemical brought to their warehouse prior to usage at the rig.
- 11.3 Contractor shall also perform the QC tests on mud samples and all mud related products on request at their laboratory facilities. Contractor shall perform laboratory testing of formulations to ascertain the performance of the fluid in OIL's field, with a provision of testing Return Permeability/equivalent testing on Company's provided Core Sample at their laboratory facility at their own cost. The testing procedures may be witnessed and recorded by Company's (OIL) representative at Company's own discretion & cost if considered to be essential during execution of the contract.
- 11.4 After testing, Contractor shall issue the reports summarizing the test and test results for necessary approval by Company's (OIL) Chemist.
- 11.5 If during the operations, any chemical is found to be substandard and or not conforming to the specifications, Contractor shall replace the materials immediately without any extra cost to Company. All expenditure including transportation of rejected materials will be borne by the Contractor.

- 11.6 During the mud engineering service, if any foul smell emanate in the mud system or in the effluent pit due to the addition of any of the additives, contractor shall be solely responsible for immediate replacement of the chemicals/additives and additionally necessary corrective measures should be taken by the Contractor to control the smell as per standard practices. Contractor has to ensure that the replaced chemicals supplied are of equivalent/better make or quality and this should be done without any operational interruption.
- 11.7 Contractors shall supply details of their QA/QC procedures as they pertain to the supply of chemicals. Company reserves the right to use any of the services or its part under the scope of work.

12.0 WELL SITE MUD TESTING KIT:

- 12.1 The Contractor shall provide a kit with all regular mud checking equipment including but not limited to pressurized mud balance, MF Viscometer, API Filter press, HP-HT filter press, 6-speed viscometer equivalent to Fann model 35 SA, 50ml retort kit, blender, magnetic stirrer, hot plate, pH meter, lubricity tester etc.
- 12.2 The equipment/tools are required to be in fully operating condition, repair and preventive maintenance with prior permission of the Company and without hampering operational requirements.
- 12.3 The Contractor shall provide all consumables, glass wares, reagents etc. required for mud checking.
- 12.4 In case any of the item/equipment is proposed to be imported for the purpose of execution of this contract, the details thereof must be furnished in the prescribed format as asked for in this document.
- 12.5 The Contractor shall submit the detailed list (Specimen Table below) of lab equipment and consumables, reagents etc. for testing of mud as per API Specifications along with the offer.

SPECIMEN TABLE: Laboratory Equipment & Reagents:

Sl. No.	Items	Qty	Remarks
1			
2			
3			
4	Record as many required		

13.0 TECHNICAL SUPPORT:

For successful execution of the contract, requisite technical supports should be provided by the Contractor as & when required without any extra cost to Company.

13.1 **Requirements:** The following schedule provides an indication of the requirements:

- Provide testing and analysis of chemicals and bulk materials and provide detailed results of tests if required.
- Pilot test/detailed test of mud properties based on suggestions from OIL and the Contractor personnel.
- Test clay, core sample and other formations sample supplied by OIL against the mud type and chemicals for compatibility of drilling fluid to formation type.
- The Contractor shall provide technical support for customer and on-site engineering alongwith software suitable for drilling fluid data management. Contractor shall provide technical backup and support whenever required for operations as needed, by their field and area based personnel.

13.2 **Mud Laboratory Equipment/Laboratory Cabin:** Company (OIL) will provide the laboratory cabin/skid mounted bunk. The Contractor shall provide the necessary equipment, glass wares and reagents to carry out the requisite field standard mud tests.

14.0 CENTRIFUGE:

14.1 The Contractor may be required to provide Centrifuge unit **on Call basis** only if the centrifuge is not available at the selected rig. In such case, Company will issue a formal order and provide adequate time of 120 (One Hundred Twenty) days to mobilize the unit at pre-agreed rates.

14.2 Operating/maintenance manual of Centrifuge shall be provided by the Contractor along with the power requirement and motor HP for running this facility. Company will provide electrical power having specification of 415V, 3phase, 50HZ. The electrical items like Motor, Starter, Remote Switch, Cable glands etc. should be suitable for use in hazardous area of zone-I and gas group IIA & IIB in oil mine and shall conform to IS/IEC/EN:60079-0:2011 & IS/IEC/EN: 60079-1:2007 as per Clause no. 107 of OMR-2017. The Contractor shall submit test reports conforming to the above relevant standards from an Indian Government Laboratory or NABL accredited laboratory or IECEX accredited laboratory or ATEX notified body as per new OMR-2017.

- 14.3 Company will only provide necessary assistance of Crane Services for installation (rig up) of Centrifuge and dismantling (rig down) of same in each location. However, the Contractor will have sole responsibility for operation and maintenance of Centrifuge. The Contractor shall provide necessary Platform for mounting the Centrifuge alongwith all required piping.

15.0 SAFETY, HEALTH AND ENVIRONMENT:

- 15.1 Contractor shall ensure safe conditions and methods of work, and maintain the same throughout the period of Contract. Contractor shall carry out all activities in accordance with the highest international standards of the oil and gas industry, ensure safe conditions and methods of work and maintain the same for the entire period of contract.
- 15.2 Contractor shall comply with the applicable environmental laws, statutory regulations and practices, mines act and is required to perform work so as to minimize the generation of hazardous waste to the extent technically feasible.
- 15.3 The Mud Engineers and other personnel to be deployed at site by the Contractor must wear approved PPE as per international practice and perform duty in accordance with Contractor's HSE policy. In addition, Contractor's personnel at well site must comply with Company's internal HSE policy.

16.0 MUD DESIGN:

16.1 Generic Mud Program:

- 16.1.1 Based on the Geological Data, Depth Data & Drilling Policy, the Contractor shall design a mud proposal for 8 ½ inch section including detailed mud formulation and other important mud parameters, requirement of mud chemicals and anticipated volume usage for the well.
- 16.1.2 The Contractor shall indicate the laboratory formulation for **Hydraglyde/Performax mud system** as stated herein above.
- 16.1.3 The Contractor is required to submit their internal standard operating procedures for operational situations like stuck pipe, loss circulation, high pressure kicks etc. along with the offer.

16.2 Mud Parameters:

The Contractor has to provide a well specific mud program. This shall include but not limited to the followings:

- 16.2.1 Detailed mud system formulation for the 8 ½ inch hole section.

- 16.2.2 Chemicals to be used along with the recommended concentrations proposed for the mud system for the section.
- 16.2.3 Total volume of mud usage for the section.
- 16.2.4 Mitigating methods for curing losses and stuck pipe with detailed procedures.
- 16.3 Chemist in-charge will monitor and take report on the services to be rendered under the contract at well site. However, the on-site Mud Engineers of Contractor shall co-ordinate overall execution of Contract in consistence with the terms and conditions detailed herein and in consultation with Chemist in-charge. The instructions issued by Chemist in-charge shall be binding on Contractor's personnel.
- 16.4 Contractor may submit alternative proposals or specifications of mud system, in addition to that requested by the Company, where the Contractor considers the alternative to be a technical, economic or operational improvement over the Company's original specification. Such alternative proposals may also be accepted by Company provided the proposal and/or operational benefits are duly justified and Company is fully convinced.
- 16.5 **Mud System:** The Contractor should formulate and submit their offer with respect to the following mud system:

Tentative Length of section (m)	Hole size (Inch) to Drill	Estimate Mud Density upto section TD (pcf)*	Mud System	Estimate d maximum BHT (deg C)
800-1000	8 ½	74-80*	Hydraglyde/ Performax HPWBM system	90 – 120

***Note: Mud weight may vary based on actual drilling evidences.**

A. Suggested Mud Policy:

Hole Size (inch)	Mud Type	Planned Mud wt.* (pcf)	Remarks
8 ½	Hydraglyde / Performax HPWBM	74-80*	

***Note: Mud weight may vary based on actual drilling evidences.**

B. Mud Formulation:

(To be suggested by Contractor for the above mud policy)

- C. Mud Properties:** To be indicated by the Contractor as per their formulation for above mud policy.

SL NO	Mud property	Unit	Laboratory Testing		Remark
			Before Hot Roll	After Hot Roll	
1	Mud weight	pcf			
2	Plastic viscosity	cp			
3	Yield point	lb/100sq ft			
4	10 sec Gel	lb/100sq ft			
5	10 min Gel	lb/100sq ft			
6	API filtration loss/ cake thickness	ml/mm			
7	HP-HT filter loss	ml			
8	pH				
9	Choloride	ppm			
10	Solids (LGS)	percentage			
11	Solids (HGS)	percentage			
12	Lubricity Co-efficient				
13	Alkalinity				
14	Carbonate	ppm			
15	Bicarbonate	ppm			
16	Amine concentration	percentage			
17	PHPA concentration	percentage			
18	MBT	ml			
19	Any other properties				

16.6 **Qualifying the System:**

16.6.1 **Base Mud:** Prepare mud as per laboratory established procedures. A specific laboratory procedure can be stipulated in the offer. The results obtained will be considered as initial ones and mud will be referenced as base mud.

16.6.2 **Product Samples:** If requested, the samples shall be sent to Company's designated office to enable to conduct testing to confirm Contractor's test results.

16.7 **List of Chemicals to be supplied by the Contractor:**

Contractor to include the product details of all the chemicals that may be required for drilling as listed below. Alternative chemicals or additional

requirements, if any may also be suggested separately clearly **providing the detailed specifications, data sheets and advantages thereof.**

Sl. No.	Product Name	Brand Name	MSDS Sheet included	Local	Imported
1					
2					
3					
4					
5	Record as many required				

16.8 **List of Chemicals to be supplied by Company (OIL):**

Sl. No.	Product Name	Function/Remark
1	Barite	Weighing agent/Basic Chemical
2	Mica Flakes	Lost Circulation Materials/Contingency
3	Saw Dust	
4	Pipelax	Stuck Pipe Freeing Agent/Spotting Fluids
5	LWC/Diesel	
6	Sodium Bicarbonate	Other Chemicals
7	Soda-Ash	
8	Sodium Format	Well Completion Fluid

17.0 MOBILISATION/INSTALLATION/DISMANTLING/INTER-LOCATION MOVEMENT (ILM)/DEMOBILISATION:

- 17.1 **Mobilisation:** The mobilisation of Crew, Chemicals, Mud test equipment, tools etc. should be completed by the Contractor within 120 (**One Hundred Twenty days**) from the date of issue of mobilization notice after issuance of LOA. The mobilisation shall be deemed to be completed when contractor's equipment, consumables and manpower are placed at the nominated location (1st drilling well) or at Contractor's Supply Base/Warehouse in readiness to commence work as envisaged under the Contract and duly certified by the Company's Chemist. Moreover, location of the supply base/warehouse should be such that continuous supply of Chemicals, mud test equipment, tools etc. can be shifted to the drilling locations within short notice without any fail.
- 17.2 The Contractor may be required to provide Centrifuge unit **on Call basis** only if the centrifuge is not available at the selected rig. In such case, Company will issue formal order and provide adequate time **of 120 (One Hundred Twenty days)** to mobilize the unit at pre-agreed rates.

- 17.3 **Installation/Dismantling:** The Laboratory equipment as well as the Centrifuge unit (if called for) will be installed and made operational by the Contractor for carrying out assigned jobs in each location. At the end of the drilling operation in each location, the equipment set-up as well as the centrifuge unit (if called for) will be dismantled and shifted to the next location by the Contractor only for installation and operation there.
- 17.4 **Inter-location Movement (ILM):** ILM of mud test equipment and manpower etc. shall be the responsibility of the Contractor. However, ILM of the chemicals/consumables will be done by the Company (OIL).
- 17.4.1 Contractor should plan inter-location movement of their Mud testing equipment, tools, accessories and manpower, so that the mud engineering services can be made available at the next drilling location as per Company's plan for timely resuming operations on same day or as stated at the time of execution. The services of Crane at the respective well site/location for loading & unloading of chemicals will be arranged by Company free of charge through other third party on requisition.
- 17.4.2 Allowable time for inter-location movement of Mud testing kit and manpower up to a distance of Fifty (50) Km will be one (1) day. In case the distance between two locations exceeds 50 Km, one (1) extra day will be allowed to complete inter-location movement for each 50 KM or part thereof beyond the initial fifty Km.
- 17.5 In the event of temporary suspension of inter-location movement due to occurrence of Force Majeure situation, the time lost (if any) on account of Force Majeure conditions shall be extended without any liquidated damages/penalty/loss to Contractor.
- 17.6 **Demobilisation:** Demobilisation shall be completed by the Contractor within 30 days of expiry/termination of the contract. After the completion of work, all equipment, accessories, chemicals/additives etc. brought into India on re-export basis shall be re-exported by Contractor except consumables and spares which were consumed during the course of job execution under the contract.
- 18.0 CONTINGENCY PLAN: SLIM HOLE (6") DRILLING PROVISION:**
In the event of downhole complications in 8 ½" hole section, which might lead to the drilling of 6" slim hole, Contractor will have to provide the required mud engineering services alongwith supply of chemicals for slim hole drilling as well.

END OF SECTION-II

Part-3

SECTION – III

SPECIAL TERMS AND CONDITIONS

1.0 ASSOCIATION OF COMPANY'S PERSONNEL:

- 1.1 Company's nominated Chemists will be associated with supervision & guidance of the work to be carried out by the Contractor throughout the operations. The Contractor shall execute the Mud Engineering services in a cost effective way with professional competence and in an efficient workman-like manner.

2.0 PROVISION OF PERSONNEL AND FACILITIES:

- 2.1 The Contractor shall provide the Mud Engineers and other personnel as may be required for job execution at site including testing/handling of Mud laboratory, supplying & storing of Mud Chemicals, formulation, preparation & monitoring of mud system etc. to ensure uninterrupted drilling of wells.
- 2.2 The Mud Engineers to be deployed by the Contractor for job execution at site must have the requisite experience & qualifications as detailed herein and should be fluent in English language. On Company's request, Contractor shall remove and replace at their own expenses any of their personnel whose presence is considered undesirable in the opinion of the Company.
- 2.3 The Contractor shall be responsible for, and shall provide for all requirements of his personnel and of their sub-contractor, if any, including but not limited to their insurance, transportation (both air and land transportation), salaries and all amenities, termination payment and all immigration requirement and taxes, if any, payable in India or outside **at no extra charge to the Company.**
- 2.4 Company will provide only the preliminary first-aid services at well site free of charge. However, Contractor has to bear the Mud Engineers' boarding and lodging expenses at their own cost.
- 2.5 Contractor shall furnish the list of laboratory Equipment with type, make, and year of manufacture with supporting documents along with their offer.

3.0 HEALTH, SAFETY & ENVIRONMENT:

- 3.1 The Contractor shall follow all safety norms as prevalent in the petroleum industry globally and also observe such safety regulations in accordance with acceptable oilfield practice and applicable Indian laws such as Mines safety rules and regulations as per the Mines Act, 1952 and Oil Mines Regulations, 1984 etc. Contractor shall take all measures reasonably necessary to provide

safe working conditions and shall exercise due care & caution in preventing fire, explosion and safe handling of chemicals at all times.

- 3.2 Contractor shall provide the Personal Protective Equipment (PPE) to their mud engineers at site. The Contractor's mud engineers must wear approved PPE as per International practice and perform duty in accordance with Contractor's own HSE policy. In addition to above, the mud engineers and other Contractor personnel at wellsite must comply with OIL's internal HSE policy if needed be.
- 3.3 **PROTECTION OF ENVIORNMENT:** In performance of the Contract, the Contractor shall carry out the services with due regard to concerns with respect to protection of the environment and conservation of natural resources and shall in particular comply with the requirements of applicable laws and the reasonable requirements of the Government from time to time.
- 3.4 **POLLUTION AND CONTAMINATION:** The Contractor shall be liable for all surface pollution to the extent caused by Contractor arising due to spillage or rubbish in any form or dumping of solvents/additive substances or pollutants which the Contractor brings to the site for use in connection with Work to be performed under this Contract. However, in the event of such dumping or spillage or discharge by the Contractor, Contractor shall immediately assume all responsibility at their cost for the removal of items, substances or rubbish so dumped or discharged and for any resulting pollution on surface or contamination in any form, at the wellsite. However, Company (OIL) will dispose Contractor's empty bags and drums from wellsite.
- 3.5 Any compensation arising out of the job carried out by the Contractor if related to pollution, Safety or health will be paid by the Contractor only.
- 3.6 Any compensation arising due to accident of the Contractor's personnel while carrying out the job, will be payable by the Contractor.
- 3.7 The Contractor shall have to report all incidents including near miss to Installation Manager/departmental representative of the concerned department of OIL.
- 3.8 The health check-up of Contractor's personnel has to be done by the Contractor in authorized health centres as per OIL's requirement and proof of such test(s) is to be submitted to OIL.
- 3.9 To arrange daily tool box meeting and regular site safety meetings and maintain records.
- 3.10 A Contractor's employee must, while at work, take reasonable care for the health and safety of people who are at the employee's place of work and who may be affected by the employee's act or omissions at work.

3.11 A Contractor's employee must, while at work, cooperate with his or her employer or other persons so far as it is necessary to enable compliance with any requirement under the act or the regulations that is imposed in the interest of health, safety and welfare of the employee or any other person.

3.12 Contractor's arrangements for health and safety management shall be consistent with those for the Mine Owner.

4.0 CONFIDENTIALITY OF INFORMATION: All information obtained by Contractor in the conduct of operations and the information/maps provided by the Company to the Contractor **shall be considered confidential** and shall not be divulged by Contractor or its employees to anyone other than the Company's personnel. This obligation of Contractor shall be in force even after termination of the Contract.

5.0 MOBILIZATION TIME: The mobilization of Crew, Chemicals, Mud test equipment, tools etc. should be completed by the Contractor within 120 (One Hundred Twenty days from the date of issue of mobilization notice after issuance of LOA. The mobilization shall be deemed to be completed when contractor's equipments, consumables and manpower are placed at the nominated location (1st drilling location) or at Contractor's Supply Base/Warehouse in readiness to commence work as envisaged under the Contract and duly certified by the Company's Chemist. Moreover, location of the supply base/warehouse should be such that continuous supply of Chemicals, mud test equipments, tools etc. can be shifted to the drilling locations within short notice without any fail.

5.1 The Contractor may also be required to provide Centrifuge unit on Call basis only if the centrifuge is not available at the selected rig. In such case, Company will issue formal order and provide adequate time of 120 (One Hundred Twenty days to mobilize the unit at pre-agreed rates.

6.0 INTERIM DEMOBILISATION AND RE-MOBILISATION OF PERSONNEL & TEMPORARY PAUSE OF OPERATION:

In case of lean period, Contractor's personnel including laboratory equipment, tools and accessories shall have to be temporarily demobilized after completion in a particular well on receiving Company's notification within 24 hours. However, no charges will be payable after interim de-mobilization notice has been issued for the particular set mentioned herein. Contractor shall re-mobilize required Contractor's personnel including laboratory equipment, tools and accessories for the next well within 15 days from the date of interim re-mobilization notice. In such situation, Contractor shall be paid Interim De-mobilization/Re-mobilization charges as mentioned in Proforma-B.

7.0 COMPLETION OF DEMOBILIZATION: Demobilization shall be completed by Contractor within 30 days of expiry/termination of the contract. After the completion of work, all equipment, accessories, chemicals/additives etc. brought into India on re-export basis shall be re-exported by Contractor except consumables and spares, which were consumed during the course of job execution under the contract. In case of failure to do so in the allotted time hereof except under circumstances relating to Force Majeure, Company reserves the right to withhold the estimated amount equivalent to the customs duty and/or penalty leviable by customs on such default in re-export from Contractor's final settlement of bills. In the event all/part of the equipment etc. are transferred by Contractor within the country to an area where no nil customs duty is applicable and/or sold to a third party after obtaining permission from Company and other appropriate government clearance in India, then Contractor shall be fully liable for payment of the custom duty.

8.0 CONTINGENCY PLAN: SLIM HOLE (6") DRILLING PROVISION:

In the event of downhole complications in 8 ½" hole section, which might lead to drilling of 6" slim hole, Contractor will have to provide the required mud engineering services alongwith supply of chemicals for slim hole drilling as well.

9.0 OBLIGATION OF THE CONTRACTOR:

- 9.1 Contractor at their cost shall arrange the clearance of all Chemicals, lab. Equipment, spare parts, consumable, etc. from customs and port authorities in India. Company will provide all reasonable assistance but the responsibility for clearance will rest with the Contractor. **Any demurrage in this process will be at Contractor's cost.**
- 9.2 For clearance of imported items on Concessional/Nil rate of customs duty as prevailing now, Company will issue recommendatory letters for Contractor to obtain Essentiality Certificates (EC) from the DGH (India), provided proper commercial invoice(s) & request letter is received by Company in 20 days (min.) advance. Delay in submission of such documents or submission of improper/inadequate documents to Company in this regard will be at sole risk and liability of Contractor.
- 9.3 Contractor shall arrange for inland transportation of all chemicals, equipment, related spares & consumables from the port to the place of work and back at the end of the work at their own expense. Contractor shall carry sufficient stocks of these items for uninterrupted operation throughout the contractual period.
- 9.4 Contractor shall maintain proper account of the consumption of chemicals and shall submit daily, weekly and monthly consumption/stock statements to the Company.

- 9.5 Contractor shall keep their lab. equipment in good working order all throughout.
- 9.6 In case the Contractor imports the equipment etc. on re-export basis, the Contractor shall ensure for re-export of the equipment and all consumables and spares (except those consumed during the Contract period) and complete all documentation required. Company will issue necessary certificates etc. as required.
- 9.7 Any other works required for efficient and successful execution of work shall be carried out by the Contractor except those enumerated under the obligations of the Company defined below.
- 9.8 The Contractor shall furnish the list with Bio-data of key personnel proposed to be deployed prior to the commencement of work. The bio-data shall include the name, nationality, qualification, experience and passport details of the person.
- 9.9 The Contractor's personnel must be sound enough to provide the above services in international standard, failing which Company reserves the right to ask for removal of any Contractor's Personnel within 07 days' notice.
- 9.10 Contractor shall comply with Indian Laws and regulations of Government of India but not limited to laws in respect of inland travel, use of wireless sets, maps and charts, entry regulations, security restrictions, foreign exchange, work permits, import of equipment, employment of Indian nationals etc. Any other work as specified in Section-II, Scope of Work, required for the efficient and successful execution of work shall be carried out by the Contractor except those enumerated under the obligation of the Company defined in para 10.0 below.

10.0 OBLIGATIONS OF COMPANY:

- 10.1 Company shall be responsible for Petroleum Exploration License (PEL) and consent to operate from appropriate authorities for carrying out the drilling operation. Administrative help will be provided by Company towards obtaining permits for the expatriates required for the operations. However, the Contractor shall make available the required details of the expatriates, for their permits, well in time.
- 10.2 Company shall organize all possible help from local Government/ Administration to Contractor's personnel and equipment in case of natural disasters, civil disturbances and epidemics.
- 10.3 **Crane Service:** OIL will provide Crane services for loading/unloading/handling of Contractor's material, equipment at well site free of charge. However, loading/unloading and handling shall be done at

Contractor's supervision and risk. OIL shall not be responsible for any damage during handling of items.

10.4 CUSTOMS DUTY:

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

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

- 10.4.1 Contractor shall provide the list of items to be imported by them under the Contract in the format specified in **Proforma-A** along with their bid for issuance of Recommendatory Letter to DGH. Contractor shall make written request to Company immediately after shipment of the goods indicated by them in **Proforma-A**, along with the Invoices and all shipping documents (with clear 15 working days' notice) requesting Company for issuance of the Recommendatory Letter. OIL shall issue the Recommendatory Letter provided all the documents submitted by the Contractor are found in order as per contract. It shall be however, Contractor's responsibility to obtain EC from DGH and clear the goods through customs. OIL shall not be liable in whatsoever manner for the rejection of their claims for zero customs duty by any of the authorities including DGH arising solely as a result of any default on the part of the Contractor.
- 10.4.2 All imports and import clearances under the contract shall be done by the contractor and OIL shall not provide any assistance in this regard.
- 10.4.3 However, in the event customs duty becomes leviable during the course of contract arising out of a change in the policy of the Government, Company shall be liable for payment of the customs duties leviable in India on Contractor's items as provided in **Proforma-A** or the actual whichever is less (for the first time import) and at actuals (for subsequent imports), provided Contractor furnishes all necessary documents indicating the estimated customs duty at least 10 days in advance. Such payment of Customs Duty shall be arranged by Company and made available to the representatives of Contractor at Kolkata within 3 working days after Contractor submits the undisputed and clear necessary documents/duty assessment papers at Company's office at Kolkata. Contractor would be responsible for passing such payment to customs authorities at the port of entry. Company's obligation for Customs Duty payment shall be limited/restricted to the tariff rates as assessed by the Customs on the day of clearance, or as on the last

day of the stipulated mobilization period. In case of clearance thereafter, on the CIF value of items in **Proforma-A** will be frozen and any increase in Customs Duty on account of increase in value on these will be to the Contractor's account. Furthermore, in case the above CIF value is not acceptable to assessing Customs Officer and as a result if any excess Customs Duty becomes payable, it shall be to Contractor's account. Before filing Bill of lading, Bill of entry, the Contractor must consult the Company to avoid payment of excess Customs Duty.

10.4.3.1 Contractor shall, however, arrange clearance of such items from Customs and port authorities in India and shall pay all requisite demurrages, if any, clearance fees/charges, port fees, clearing and forwarding agent fees/charges, inland transport charges etc. Company shall provide all assistance by issuance of necessary letter of authority or other relevant documents and necessary help.

10.4.3.2 Notwithstanding what is stated above, the Contractor should also consider the position in regard to import of goods against concessional rate of 5% Customs Duty. OIL is not liable in whatsoever manner, for the rejection of their claims for concessional rate of 5% Customs Duty by any of the authorities including the DGH.

10.4.3.3 The bidder while quoting would need to consider the duty drawback as per notification No. 23/2008 dated 01.03.2008 available to them upon re-export of the equipment, if any. The bidder should also note that input tax credit would also be available to them on the IGST paid by them excluding duty drawback and this aspect should also be considered by them while quoting their rates.

10.4.3.4 Similarly, such specified goods required for petroleum operations if procured from domestic sources would attract 5% concessional GST (IGST or CGST & SGST/UTGST) as per notification no. 3/2017 dtd. 28.06.2017 against issuance of EC by DGH for which Company (OIL) shall issue the recommendatory letter.

Note: The recommendatory letter will be given only for those items which are either consumed during the execution of work or for those equipment/tools which are undertaken to be re-exported by the bidder. The recommendatory letter will not be issued when the bidder imports the equipment/tools on acquisition basis and does not undertake to re-export the same after the completion of the contract.

10.5 The Company shall provide, if required, all necessary documents for clearance from Govt. of India or States or their departments or undertakings and will extend all assistance and necessary help to the Contractor. The Contractor will give the Company forty five (45) days advance intimation for providing

Import License, if any, provided all the documents submitted by the Contractor are in order.

11.0 LIABILITY FOR THE WELL OR RESERVOIR: Notwithstanding anything else contained herein to the contrary, the Contractor shall not be liable or responsible for or in respect of:

- i) Any sub-surface damage (including but not limited to damages or loss of a well or reservoir or formation, the loss of any oil or gas there from), or any surface loss or damage or injury or death arising out of a sub-surface damage; and/or
- ii) Blowout, fire, explosion or any other uncontrolled well condition; and/or
- iii) Damage to, or loss of oil or gas from any pipelines, vessels or storage or production facilities; and/or
- iv) any loss or damage or injury or death whatsoever, direct or consequential, including liability arising from pollution originating below the surface and any clean-up costs, whether caused by their personnel or Equipment or otherwise arising from or in any way connected with such sub-surface Operations or in performing or attempting to perform any such Operations;
- v) third party liabilities arising out of the above irrespective of the cause and the Company agrees that it shall absolve the Contractor and protect, defend, indemnify and hold the Contractor and its sub- contractors, its agents and its parents, subsidiaries and affiliates, its other contractors and/or its and their directors, officers, employees, consultants and invitees harmless from and against all claims, suits, demands and causes of actions, liabilities, expenses, costs and judgments of every kind and character (including without limitation for the loss or damage of any property, or the injury or death of any person), without limit, in favour of any person, party or entity, resulting from any of the above, including costs incurred by Company in this respect.

12.0 LIMITATION OF LIABILITY: Notwithstanding any other provisions herein to the contrary, except only in cases of willful misconduct and/or Criminal acts,

- (a) Neither the Contractor nor the Company (OIL) shall be liable to the other, whether in Contract, tort, or otherwise, for any consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided however that this exclusion shall not apply to any obligation of the Contractor to pay Liquidated Damages to the Company and
- (b) Notwithstanding any other provisions incorporated elsewhere in the contract, the aggregate liability of the Contractor in respect of this contract, whether under Contract, in tort or otherwise, shall not exceed 50% of the Annualized

Contract Price, provided however that this limitation shall not apply to the cost of repairing or replacing defective equipment by the Contractor, or to any obligation of the Contractor to indemnify the Company with respect to Intellectual Property Rights.

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

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

14.0 IP INFRINGEMENT: Contractor shall indemnify and hold the Company harmless from any third party claims arising on account of intellectual property infringement with respect to its services or products except where such infringement is caused due to:

- (a) Specific modification or design of Contractor equipments or Services to meet Company's specifications,
- (b) Combination of Contractor's equipments or Services in combination of other equipments and/or services not recommended by Contractor,
- (c) Out of unauthorized additions or modifications of Contractor's equipments or services by Company, or
- (d) Company's use of Contractor's equipments or Services that does not correspond to Contractor's published standards or specifications; in which case, the Company shall indemnify and hold the Contractor harmless.

END OF SECTION-III

PART-3

SECTION-IV

SCHEDULE OF RATES

The Contractor shall quote the rates/prices in their **Price Bid** strictly as per **PROFORMA-B (TABLE-A & TABLE-B)** both). The quantity/parameter/No. of Days etc. shown against each item in the Tables is tentative and valid for Evaluation purpose only. Payment to the Contractor shall be made on the basis of actual utilization/work done/quantity consumed. All “DAY RATE” charges shall be quoted for 24 hours a day basis. But, for part of a day, the same shall be payable on pro-rata up to the nearest hour basis.

A. MOBILIZATION CHARGES: (LUMP SUM)

[For Personnel, Mud Lab. Equipment, Tools, Accessories, Centrifuge etc.]

- a) Mobilization charges shall be payable in **lump sum** which shall cover all local and foreign costs (if any) to be incurred by the Contractor to mobilize Centrifuge unit (if called for). Mobilization charges shall also be payable in **lump sum** towards mobilization of Contractor Personnel along with Mud Lab equipment, tools, accessories and consumables as specified in the Contract, to the first drilling location in Assam, India and shall include all local taxes & levies (including State Entry Tax), port fees, transportation/freight & insurance etc.
- b) Mobilization charges shall be payable when all requisite materials, equipment and crew are mobilized at site and positioned to undertake/commence the assigned work under the Contract at the first drilling location in Assam and duly certified by Company's Chemist.
- c) Company will issue Recommendatory Letters on the basis of requisite documents to be provided by the Contractor for import of items at least 15 days in advance, if envisaged in **PROFORMA-A**, for Contractor to obtain necessary Essentiality Certificates (EC) from the Directorate General of Hydrocarbon (DGH), India to avail concessional Customs Duty. However, securing EC and payment of port rent, demurrage etc. and clearance of goods through Indian Customs will exclusively rest on the Contractor.

B. DEMOBILIZATION CHARGES: (LUMP SUM)

[For Personnel, Mud Lab. Equipment, Tools, Accessories, Centrifuge etc.]

- a) The Demobilization Charges shall be payable on **lump sum** basis which shall cover all expenses of Contractor towards demobilization of Contractor Personnel alongwith Mud Lab equipment, tools, accessories and leftover chemicals/additives/consumables from the last drilling location to Contractor's base or elsewhere at the option of Contractor upon

completion/termination of the Contract. The Demobilization Charges shall also be payable on **lump sum** basis towards demobilization of Centrifuge unit (if called for).

- b) All charges connected with demobilization including all fees, duties and taxes in relation thereto, insurance and freight within India or on export/re-export outside India will be to Contractor's account.
- c) All contractual Day Rates/Charges shall cease to exist with effect from the date and time or event as to be specified by Company in the demobilization notice. No charges whatsoever will be payable thereafter.
- d) Demobilization charges shall be paid to the Contractor after successful completion of all their contractual obligations as per provisions of the contract including re-export formalities.
- e) The Contractor will ensure that demobilization is completed and Company's work-site is cleared-off Contractor's property within 30 (thirty) days of notice from the Company.

C. INTERIM DEMOBILIZATION/RE-MOBILIZATION CHARGES: (LUMP SUM)
[For Personnel, Mud Lab. Equipment, Tools, Accessories etc.]

- a) In case of lean period, Contractor's manpower including laboratory equipment, tools, accessories shall have to be temporarily demobilized after completion in a particular well on receiving Company's notification within 48 hours. However, no charges will be payable after interim de-mobilization notice has been issued for the particular set mentioned herein.
- b) Contractor shall re-mobilize required personnel including laboratory equipment, tools, and accessories for the next well **within 15 days** from the date of interim re-mobilization notice.
- c) In such situation, Contractor shall be paid Interim De-mobilization (one time) and Interim Re-mobilization (one time) charges in **lump sum** as mentioned in Proforma-B.

D. EQUIPMENT HIRING CHARGES: [For Centrifuge unit]

D1. EQUIPMENT OPERATIONAL DAY RATE: (PER DAY)

- a) When Centrifuge is put on operation during drilling and circulation or during active system mud maintenance period in 8 ½ inch section of the well, Operating Charges will be payable during that period only. For part of a day, payment will be calculated on Pro-rata basis to the nearest hour only.

- b) Equipment Operational Day Rate shall include the rental of Centrifuge unit only. Cost of operation & maintenance of all such equipment including supply of spares and tools as may be required from time to time during the Contract period shall also be included. The Contractor must maintain adequate stock of such regularly required items/ spares at the drilling site under their possession to ensure uninterrupted services.
- c) Equipment Operational Day Rate shall not be payable, if the Contractor withdraws the whole or part of the equipment or any manpower affecting operations.
- d) If Contractor's Centrifuge unit fail to perform, for any reason during the operation, no Operational Day Rate shall become payable until the equipment/tool, Centrifuge is put back into operating condition or evidenced by demonstration of operation in actual tests or use to the satisfaction of Company (OIL).

D2. EQUIPMENT STANDBY DAY RATE: (PER DAY)

- a) Standby Day Rate for Contractor's Centrifuge unit shall be payable for the period during which normal drilling operations are suspended due to rig repair/standby/shutdown/inter-location movement etc. leading to suspension of Mud Engineering Services continuously for more than 48 hours. However, for the initial consecutive 48 hours of suspension of Mud Engineering Services under such conditions, the Equipment Operational Day Rate as per **Clause "D1"** above shall be payable. The Centrifuge unit Standby Day Rates shall apply only for the period beyond initial 48 hours till resumption of normal services.
- b) Centrifuge unit Standby Day Rate shall be quoted on per Day of 24 hours basis and for the purpose of payment the same shall be pro-rated to the nearest hour for part of a day, if any.

E. PERSONNEL CHARGES WITH MUD LAB EQUIPMENTS:

E1. OPERATIONAL DAY RATE FOR MUD ENGINEER: (TWO ENGINEERS PER DAY)

- a) Operational Day Rate shall be payable for the Mud Engineers with mud lab equipment to be deployed by the Contractor on Two Engineers per Day of 24 hours basis on twelve (12) hourly shifts at site. The same is also payable on pro-rata to the nearest hour basis for part of a day, if any.
- b) The Contractor may engage additional personnel for maintenance or assistance in the performance of the Work. However, Company will neither be responsible nor pay any charge or day rate for such additional personnel, if deployed any.

- c) Operational Day Rate shall be payable for the Mud Engineers with the mud lab equipment to perform their Work as envisaged under the Contract from the day the Contractor completes Mobilization of Contractor's personnel at the designated Location in conformity with the contractual provisions/mobilization notice.
- d) The Contractor shall provide statutory "OFF" to their well site Mud Engineers and other personnel (if any) as per Mines Act. & other statutes/regulations and arrange for crew change from time to time at their own cost. All such expenditure including en-route expenses of Contractor's personnel shall be borne by the Contractor. No extra payment whatsoever will be due from Company on this account.

E2. STANDBY DAY RATE FOR MUD ENGINEER: (TWO ENGINEERS PER DAY)

- a) Standby Day Rate for Contractor's Mud Engineers with Mud lab equipments shall be payable for the period during which normal drilling operations are suspended due to rig repair/standby/shutdown/inter-location movement etc. leading to suspension of Mud Engineering Services continuously for more than 48 hours. However, for the initial consecutive 48 hours of suspension of Mud Engineering Services under such conditions, the Operational Day Rate as per **Clause "E1"** above shall be payable. The Standby Day Rate shall apply only for the period beyond initial 48 hours till resumption of normal services.
- b) Standby Day Rate shall be payable for the Mud Engineers with Mud lab equipment to be deployed by the Contractor on Two Engineers per Day of 24 hours basis on twelve (12) hourly shifts at site. The same is also payable on pro-rata basis to the nearest hour only for part of a day, if any.
- c) Standby charges shall not be payable once the Interim demobilization or Demobilization notice is issued by the Company (OIL) for any equipment or manpower.

F. ZERO (NIL) RATES:

Notwithstanding any provision in the Contract, no charges shall be payable for the period, the job or activity assigned to the Contractor is halted due to break-down of Contractor's tools, Mud lab equipment, Centrifuge, non-availability of key personnel, non-availability of chemicals & additives of adequate quality & quantity or for any other reason whatsoever attributable to the Contractor.

G. FORCE MAJEURE DAY RATE: (LUMP SUM PER DAY)

- a) Upon occurrence of force majeure situation, only the Force Majeure Day Rate shall be payable by Company, which should be restricted to maximum fifty percent (50%) of the sum total of (i) Equipment Operational Day Rate (Clause

No. "D1") and (ii) Operational Day Rate (Clause No. "E1") for Mud Engineers. No other payment whatsoever will be due to the Contractor from Company under force majeure situation as above.

- b) The Force Majeure Day Rate shall be payable per 24 hours a day or part thereof on pro-rata basis to the nearest hour during the first ten days period of occurrence of force majeure situation only. No payment shall accrue to the Contractor beyond the first ten days period unless mutually agreed upon.

H. COST OF CHEMICALS/ADDITIVES: (ON ACTUAL CONSUMPTION BASIS)

- a) The required line of Mud Chemicals and additives necessary for the Services shall be supplied by the Contractor at site on FOR Destination (Rig site/Drilling location) basis including all applicable taxes & duties for effective & efficient Mud Engineering Services throughout the contract period.
- b) The Contractor shall bear the entire cost of shipment/transportation up to well site, transit insurance, loading/unloading/handling charges (other than at rig site), port rent/fees/demurrage & other clearance charges as applicable, GST and all other statutory taxes & duties payable to statutory authorities.
- c) **Customs Duty:** In terms of Sl. No. 404 of the Customs Notification No.50/2017-Cus dated 30.06.2017, imports of the items specified in List 33 (CONDITION NO.48) of the Notification are subject to levy of concessional rate of customs duty @5% (BCD Nil & IGST@ 5%) subject to conditions specified therein (Condition No.48). However, this is subject to change as per Government guidelines and the provisions ruling at the time of tender/offer closing will be applicable.

Similarly, the domestic supply of such goods would attract 5% GST (i.e. IGST or CGST & SGST/UTSGT) on submission of EC in terms of GST Notification No.03/2017. Any other work required for the efficient and successful execution of work shall be carried out by the Contractor in reference to the detailed **Clause no. 10.4 of Section-III under Special Terms and Conditions.**

- (i) Contractor must ensure that the spares and consumables imported by them for providing the services under Contract are properly used in executing their job under the Contract in the PEL/ML areas of Company for which EC has been obtained. Contractor shall furnish to Company a certificate as and when the spares and consumables are used/consumed certifying that the spares and the consumables imported by them have been consumed in those ML and PEL areas under the contract for which ECs were obtained by them. In order to avoid any misuse of the spares and consumables imported by the Contractor for providing the services under the Contract, Contractor

shall furnish an Undertaking similar to that being furnished by Company to Customs of suitable amount before issue of the Recommendatory Letter.

- d) In view of limited storing space at rig site, the Contractor shall maintain a supply base/warehouse/bulk storage facility nearby Duliajan, Assam at their cost, from where the requirements will be fed regularly to the wells for uninterrupted operation. All related expenditures must be included in the quoted rates.
- e) Cost of Chemicals will be paid by Company against Contractor's monthly bill/invoice **based on actual consumption in the wells** as to be certified by Company's Chemist as per the line items mentioned in Proforma-B.

I. GENERAL NOTES:

- i) Contractor should categorically indicate name and address of their Indian agent and the percentage of commission involved in this contract, if any. Such agency commission should be included in the quoted rates. In case, no category confirmation in this regard is mentioned in the offer, it will be construed that Indian agent commission is not involved and the offer will be evaluated accordingly.
- ii) Contractor should submit the list of items with CIF value to be imported into India in connection with execution of this contract as per **PROFORMA-A**, enclosed. All the columns of this PROFORMA must be duly filled up for the items proposed to be imported (including Chemicals, Additives & Consumables) while submitting along with the offer.
- iii) From the **PROFORMA-A**, Contractor should identify the items of re-exportable in nature (i.e. items which will not be consumed during the execution of the contract and required to be exported outside India after completion of the contract). Total CIF value of such items should be shown in the "PRICE BID FORMAT" as CIF (RE-EX).
- iv) Similarly, from the **PROFORMA-A**, bidder should identify the items of consumable in nature (i.e. items which will be consumed during the execution of the contract). Total CIF value of such items should be shown in the "PRICE BID FORMAT" as CIF (CONSUMABLES).

J. NOTE:

- i) The Cost of Services and Chemicals should not exceed more than 20% of the total projected cost if the drilling of 8 ½" section (≤ 1000m) completes in 30 days' time without any environmental issues and downhole complications.

- ii) The Chemicals quoted in **TABLE-B** of **PROFORMA-B** must resemble to the chemicals of the mud systems viz. Hydraglyde/Performax as showcased in Technothon-1, or else the offer will be summarily rejected.

END OF SECTION - IV

EXPERIENCE STATEMENT OF MUD ENGINEER**Designation:****Name:****Nationality:****Educational Qualification:**

Sl. No.	Course completed	Passed out School/ College/University	Year of Passing	Division/ Rank
01.				
02.				
03.				
04.				
05.				

N.B: Please add more rows if necessary. **Submit documentary evidence.****Experience of the Personnel** (Separate sheet for each Mud Engineer)

Sl. No.	Client Name	Well Name	Well Depth (in meters)	Type of Mud System	Duration of Service (from-to)	Designation
01.						
02.						
03.						
04.						
05.						

N.B: If required, more rows may be added. Also specify other experience of the personnel relating to OIL/other organization/companies, if any. **Submit documentary evidence.**

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

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

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

Authorised Person's Signature: _____**Name:** _____

Seal of the Bidder:

BID FORM

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

Sub: IFB No. CDG2754L20

Gentlemen,

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

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

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

We agree to abide by this Bid for a period of 90 days from the date fixed for Bid closing and it shall remain binding upon us and may be accepted at any time before the expiration of that period.

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

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

Dated this _____ day of _____ 2019.

Authorised Person's Signature: _____

Name: _____

Designation: _____

Seal of the Bidder:

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

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

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

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

Authorised Person's Signature: _____

Name: _____

Designation: _____

Seal of the Bidder:

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

FORM OF BID SECURITY (BANK GUARANTEE)

To:

M/s. OIL INDIA LIMITED,
CONTRACTS DEPARTMENT,
DULIAJAN, ASSAM, INDIA, PIN - 786 602.

WHEREAS, (Name of Bidder) _____ (hereinafter called "the Bidder") has submitted their offer Dated _____ for the provision of certain 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 said Bank this ____ day of _____ 2019.

THE CONDITIONS of these obligations are:

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

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

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

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

- A. Issuing Bank:
BANK FAX NO:

BANK EMAIL ID:
BANK TELEPHONE NO.:
IFSC CODE OF THE BANK:

B. Controlling Office:

Address of the Controlling Office of the BG issuing Bank:

Name of the Contact Person at the Controlling Office with Mobile No. and e-mail address:

SIGNATURE AND SEAL OF THE GUARANTORS _____

Name of Bank & Address _____

Witness _____

Address _____

(Signature, Name and Address)

Date: _____

Place: _____

* The Bidder should insert the amount of the guarantee in words and figures.

** Date of expiry of Bank Guarantee should be as specified in the tender document.

Note:

The Bank Guarantee issuing bank branch must ensure the following:

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

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

The above message/intimation indicating the Tender No. CDG----L20 shall be sent through SFMS by the BG issuing bank branch to HDFC Bank, Duliajan Branch; IFS Code – HDFC0002118; SWIFT Code – HDFCINBBCAL; Branch Address: HDFC Bank Limited, Duliajan Branch, Utopia Complex, BOC Gate, Jayanagar, Duliajan, Dibrugarh, PIN – 786602.

- (b) Bank Guarantee issued by a Scheduled Bank in India at the request of some other Non-Scheduled Bank of India shall not be acceptable.
- (c) Further correspondence against BG towards Bid Security must contain the Tender Number.

FORM OF PERFORMANCE BANK GUARANTEE

To:
M/s. OIL INDIA LIMITED,
CONTRACTS DEPARTMENT
DULIAJAN, ASSAM, INDIA, PIN - 786 602.

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

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

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

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

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

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

A. Issuing Bank:
BANK FAX NO:
BANK EMAIL ID:
BANK TELEPHONE NO.:

IFSC CODE OF THE BANK:

B. Controlling Office:

Address of the Controlling Office of the BG issuing Bank:

Name of the Contact Person at the Controlling Office with Mobile No. and e-mail address:

SIGNATURE AND SEAL OF THE GUARANTORS _____

Designation: _____

Name of Bank: _____

Address: _____

Witness: _____

Address: _____

Date: _____

Place: _____

Note:

The Bank Guarantee issuing bank branch must ensure the following:

- (a) The Bank Guarantee issued by the bank must be routed through SFMS platform as per the following details:
 - i) “MT 760 / MT 760 COV for issuance of bank guarantee.
 - ii) “MT 760 / MT 767 COV for amendment of bank guarantee.

The above message/intimation indicating the Contract No. shall be sent through SFMS by the BG issuing bank branch to HDFC Bank, Duliajan Branch; IFS Code – HDFC0002118; SWIFT Code – HDFCINBBCAL; Branch Address: HDFC Bank Limited, Duliajan Branch, Utopia Complex, BOC Gate, Jayanagar, Duliajan, Dibrugarh, PIN – 786602.

- (b) Bank Guarantee issued by a Scheduled Bank in India at the request of some other Non-Scheduled Bank of India shall not be acceptable.
- (c) Further correspondence against BG towards Performance Security must contain the Contract Number.

AGREEMENT FORM

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

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

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

WHEREAS, Company had issued a firm Letter of Award No. _____ dated _____ based on Offer No. _____ dated _____ submitted by the Contractor against Company's IFB No. **CDG2754L20**.

WHEREAS, Contractor accepted the above Letter of Award vide----- and submitted Performance Bank Guarantee No. ----- Dated----- valid till----- issued by ----- (Bank's name with detailed address) for an amount of -----. All these aforesaid documents shall be deemed to form and be read and construed as part of this agreement/contract. However, should there be any dispute arising out of interpretation of this contract in regard to the terms and conditions with those mentioned in Company's tender document and subsequent letters including the Letter of Intent and Contractor's offer and their subsequent letters, the terms and conditions attached hereto shall prevail. Changes, additions or deletions to the terms of the contract shall be authorized solely by an amendment to the contract executed in the same manner as this contract.

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

1. In this Agreement words and expressions shall have the same meanings as are respectively assigned to them in the Conditions of Contract referred to.

2. In addition to documents herein above, the following Sections and Annexures attached herewith shall be deemed to form and be read and construed as part of this agreement viz.:

- (a) Section-I indicating the General Conditions of this Contract;
- (b) Section-II indicating the Terms of Reference;
- (c) Section-III indicating the Special Terms & Condition;
- (d) Section-IV indicating the Schedule of Rates.

3. In consideration of the payments to be made by the Company to the Contractor as hereinafter mentioned, the Contractor hereby covenants with the Company to provide the Services and to remedy defects therein in conformity in all respect with the provisions of this Contract.

4. The Company hereby covenants to pay the Contractor in consideration of the provision of the Services and the remedying of defects therein, the Contract Price or such other sum as may become payable under the provisions of this Contract at the times and in the manner prescribed by this Contract.

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

Signed, Sealed and Delivered,

For and on behalf of
Company (Oil India Limited)

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

Name:

Name:

Status:

Status:

In presence of

In presence of

1.

1.

2.

2.

PROFORMA LETTER OF AUTHORITY

To:

CGM (CONTRACTS)

Oil India Ltd.,

P.O. Duliajan - 786 602

Assam, India

Sir,

Sub: OIL's IFB No. CDG2754L20

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

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

Yours Faithfully,

Authorised Person's Signature: _____

Name: _____

Designation: _____

Seal of the Bidder:

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

AUTHORISATION FOR ATTENDING BID OPENING

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

Date: _____

Sir,

Sub: OIL's IFB No. CDG2754L20

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

Yours Faithfully,

Authorised Person's Signature: _____

Name: _____

Designation: _____

Seal of the Bidder:

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

&&&&&&&&&&

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 **services under Tender No. CDG2754L20**. The Principal values full compliance with all relevant laws and regulations, and the principles of economic use of resources, and of fairness and transparency in its relations with its Bidder/s and Contractor/s.

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

Section: 1 -Commitments of the Principal

(1) The Principal commits itself to take all measures necessary to prevent corruption and to observe the following principles:

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

(2) If the Principal obtains information on the conduct of any of its employees which is a criminal offence under the relevant Anti-Corruption Laws of India, or if there be a Page 2 of 6 substantive suspicions in this regard, the Principal will inform its Vigilance Office and in addition can initiate disciplinary actions.

Section: 2 -Commitments of the Bidder/Contractor

(1) The Bidder/Contractor commits itself to take all measures necessary to prevent corruption. He commits himself to observe the following principles during his participation in the tender process and during the contract execution.

1. The Bidder/Contractor will not, directly or through any other person or firm, offer, promise or give to any of the Principal's employees involved in the tender process or the execution of the contract or to any third person any material or immaterial benefit which he/she is not legally entitled to, in order to obtain in exchange any advantage of any kind whatsoever during the tender process or during the execution of the contract.

2. The Bidder/Contractor will not enter with other Bidders into any undisclosed agreement or understanding, whether formal or informal. This applies in particular to prices, specifications, certifications, Subsidiary contracts, submission or non-submission of bids or any other actions to restrict competitiveness or to introduce cartelization in the bidding process.

3. The Bidder/Contractor will not commit any offence under the relevant Anticorruption Laws of India; further the Bidder/Contractor will not use improperly, for purposes of competition or personal gain, or pass on to others, any information or document provided by the Principal as part of the business relationship, regarding plans, technical proposals and business details, including information contained or transmitted electronically.

4. The Bidder/Contractor will, when presenting his bid, disclose any and all payments he has made, is committed to or intends to make to agents, brokers or any other intermediaries in connection with the award of the contract.

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

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

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

If the Bidder, before contract award has committed a transgression through a violation of Section 2 or in any other form such as to put his reliability or 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.

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

Section 4 -Compensation for Damages

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

2. If the Principal has terminated the contract according to Section 3, or if the Principal is entitled to terminate the contract according to Section 3, the principal shall be entitled to demand and recover from the Contractor liquidated damages equivalent to Security Deposit/Performance Bank Guarantee.

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

the amount or the liquidated damages, the Bidder/Contractor shall compensate the Principal only to the extent of the damage in the amount proved.

Section 5 -Previous transgression

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

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

Section: 6-Equal treatment of all Bidders/Contractor/Subcontractors

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

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

3. The Principal will disqualify from the tender process all bidders who do not sign this Pact or violate its provisions.

Section: 7-Criminal charges against violating Bidders/Contractors/Subcontractors

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

Section: 8-External Independent Monitor/Monitors

1. The Principal appoints competent and credible external independent Monitor for this Pact. The task of the Monitor is to review independently and objectively, whether and to what extent the parties comply with the obligations under this agreement.

2. The Monitor is not subject to instructions by the representatives of the parties and performs his functions neutrally and independently. He reports to the Chairperson of the Board of the Principal.

3. The Contractor accepts that the Monitor has the right to access without restriction to all Project documentation of the Principal including that provided by the

Contractor. The Contractor will also grant the Monitor, upon his request and demonstration of a valid interest, unrestricted and unconditional access to his project documentation. The same is applicable to Subcontractors. The Monitor is under contractual obligation to treat the information and documents of the Bidder/Contractor/Subcontractor with confidentiality.

4. The Principal will provide to the Monitor sufficient information about all meetings among the parties related to the Project provided such meetings could have an impact on the contractual relations between the Principal and the Contractor. The parties offer to the Monitor the option to participate in such meetings.

5. As soon as the Monitor notices, or believes to notice, a violation of this agreement, he will so inform the Management of the Principal and request the Management to discontinue or heal the violation, or to take other relevant action. The monitor can in this regard submit non-binding recommendations. Beyond this, the Monitor has no right to demand from the parties that they act in a specific manner, refrain from action or tolerate action. However, the Independent External Monitor shall give an opportunity to the bidder/contractor to present its case before making its recommendations to the Principal.

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

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

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

Section: 9 -Pact Duration

This Pact begins when both parties have legally signed it. It expires for the Contractor 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. The Arbitration clause provided

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

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

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

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

For the Principal

Place: Duliajan

Date: __.__.2019

For the Bidder/Contractor

Witness1:

Witness 2:

(Note: Uploading in the OIL's E-portal with digital signature will be construed that the same has been signed by the bidder's authorized signatory who has signed the bid).

&&&&

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

SUB: SAFETY MEASURES FOR TENDER NO. CDG2754L20

DESCRIPTION OF WORK/ SERVICE:

Sir,

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

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

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

- i) _____
- ii) _____
- iii) _____

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

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

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

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

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

(Seal)

Date_____

M/s_____

Yours Faithfully

FOR & ON BEHALF OF CONTRACTOR

ANNEXURE-E

Format of undertaking by Bidders towards submission of authentic
information/documents

(To be typed on the letter head of the bidder)

Ref. No. _____

Date _____

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

Sub: Undertaking of authenticity of information/documents submitted

Ref: Your tender No. _____ Dated _____

Sir,

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

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

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

Yours faithfully,

For (type name of the firm here)

Signature of Authorised Signatory

Name:

Designation:

Phone No.

Place:

Date:

(Affix Seal of the Organization here, if applicable)

PRICE BID FORMAT AGAINST TENDER NO. CDG2754L20
(Hiring of Mud Engineering Services along with chemicals & centrifuge (on call-out basis) for
Hydraglyde/Performax Mud System)

NAME OF THE BIDDER						
			Quoted Currency:			
Sl. No.	Services	Unit of Measureme nt	QTY.	SAC/HSN Code	Unit Rate	Total Amount
A) COST OF SERVICES (MUD ENGINEERING OPERATIONS) :					0	0
1	Charges for Personnel with Mud Lab Equipment:					
1(a)	Mobilization Charges for Mud Engineers.	Lumpsum	1			0.00
1(b)	Demobilization Charges for Mud Engineers.	Lumpsum	1			0.00
1(c)	Interim Demobilization Charges for Mud Engineers.	Lumpsum	1			0.00
1(d)	Interim Re-mobilization Charges for Mud Engineers.	Lumpsum	1			0.00
1(e)	Operational Day Rate for Mud Engineer (Two Engineers per day) with Mud Lab Equipment.	Day	60			0.00
1(f)	Standby Day Rate for Mud Engineer (Two Engineers per day) with Mud Lab Equipment.	Day	5			0.00
2	Charges for Centrifuge Services (Call-out basis):					
2(a)	Mobilization Charges for Centrifuge Equipment.	Lumpsum	1			0.00
2(b)	Demobilization Charges for Centrifuge Equipment.	Lumpsum	1			0.00
2(c)	Rental/Operational Charges per Day for Centrifuge Equipment.	Day	20			0.00
2(d)	Standby Day Rate for Centrifuge Equipment	Day	5			0.00
	Total Cost of Services for One-Year duration including all taxes & duties except GST:					
	Quoted GST Rate for Services in Percentage:		Select From Drop Down List			
	Total Cost of Service for One-Year duration inclusive of all taxes & duties including GST:					
B) COST OF CHEMICALS FOR TWO WELLS (AS PER PROFORMA-B1):						
1	Total Cost of Chemicals for 2(two) wells including all taxes & duties except GST (as per Proforma-B1)					
	Quoted GST Rate for Chemicals in Percentage:		Select From Drop Down List			
	Total Cost of Chemicals for 2(two) wells inclusive of all taxes & duties including GST					
TOTAL ESTIMATED CONTRACT COST INCLUSIVE OF ALL APPLICABLE TAXES & DUTIES INCLUDING GST: (A+B)						

General Note:

- The items referred above are to be read in conjunction with Section-IV (Schedule of Rates) of the tender document.
- All "DAY" charges shall be quoted for 24 hours a day basis (from 00:00 hrs to 24:00 hrs).
- For part of a day, payment will be calculated on Pro-rata basis to the nearest hour only.
- The bidders are to quote above rates inclusive of all liabilities, except the GST
- The number of days and other parameters assumed above are only for the Bid evaluation purpose as assessed by Company. It is, however, to be clearly understood that payment will be made to the Contractor on the basis of actual number of days/parameters for which the equipment and crew are utilised during the currency of the Contract for job execution. The quoted Day Rates shall be paid in full per 24 hours a day, else on pro-rata to the nearest half an hour basis for part thereof.
- Unless stated otherwise in the Bidding Documents, the Contract shall be for the whole works as described in Bidding Documents, based on the rates and prices submitted by the Bidder and accepted by the Employer. The price/rate(s) quoted by the Bidders will be inclusive of all taxes except GST(i.e. IGST or CGST and SGST/UTGST applicable in case of interstate supply or intra state supply respectively and Cess on GST , if applicable) on the final services. However, GST rate (including cess) to be provided in the respective places in the Price Bid format.
- Procurement of Specific Goods: Earlier, there was no tax incidence in case of import of specified goods. However, in terms of Sl. No. 404 of the Customs Notification No.50/2017-Cus dated 30.06.2017, imports of the items specified in List 33 of the Notification are subject to levy of concessional rate of customs duty @5% (BCD Nil & IGST @5%) subject to conditions specified therein (Condition No. 48). Bidders should quote these GST component as inclusive considering IGST component for the imported Materials portion while quoting their prices on destination basis. However, GST rate to be specified in the price bid format.
- Please note that as per Section 171 of the GST act [Anti-Profiteering Provisions Under the GST Law], it is mandatory to pass on the benefit due to any reduction in rate of tax or from input tax credit to the consumer by the way of commensurate reduction in price.
- The Cost of Services and Chemicals should not exceed more than 20% of the total projected cost if the drilling of 8 ½" section (≤ 1000m) completes in 30 days' time without any environmental issues and downhole complications". If in such cases cost exceeds aforesaid limit of 20% then payment for the amount above 20% limit will not be made by OIL.**

COST OF CHEMICALS AGAINST TENDER NO. CDG---L20

NAME OF BIDDER								
					Quoted Currency:			
Sl. No.	Chemicals	Brand/ Chemical Name	Country of Origin	SAC/HSN Code	Unit of Measurement	Qty. Estimated for One Well	Unit Rate Currency	Total Amount Currency
1	CAUSTIC SODA				KG			
2	DUO-VIS/XANPLEX-D				KG			
3	POLYPAC UL/BIOPAQ				KG			
4	HYDRACAP/NEW-DRILL L				KG			
5	HYDRAHIB/MAX-GUARD				LIT			
6	HYDRASPEED/PENETREX				LIT			
7	BIOCIDE				LIT			
8	DE-FOAMER				LIT			
9	MAX-SHIELD/SEALING AGENT				LIT			
10	CALCIUM CARBONATE (SIZED)				KG			
11	ANY OTHER CHEMICAL				LIT			
Contingency Chemicals								
12	OXYGEN SCAVENGER				LIT			
13	TEMPERATURE EXTENDER				LIT			
14	ANY ADDITIONAL CHEMICAL				LIT			
Total Cost of Chemicals for One(01) Well inclusive of all applicable taxes & duties except GST:								
Total Cost of Chemicals for Two (02) Well inclusive of all applicable taxes & duties except GST:								

Notes:

- Unit of measurement of chemicals should preferably be either in KG (for solid) or LIT (for liquid).
- The Chemicals quoted above must resemble to the chemicals of the mud systems viz. Hydraglyde/Performax as showcased in Technothon-1, or else the offer will be summarily rejected.
- The above chemicals are required to be supplied **on FOR Destination (Well Site) basis** for use in Assam under the contract. Quoted rates must include cost of the materials, packing & forwarding Charges, taxes & duties as applicable (**except GST**), shipment & transportation cost upto well sites in Assam, transit insurance and storing, warehousing & handling costs, if any.
- Bidders are required to quote the estimated quantity of each chemical per well. However, payments shall be made against actual consumption.
- The Cost of Services and Chemicals should not exceed more than 20% of the total projected cost if the drilling of 8 ½" section (≤ 1000m) completes in 30 days' time without any environmental issues and downhole complications". If in such cases cost exceeds aforesaid limit of 20% then payment for the amount above 20% limit will not be made by OIL.**