

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

**ANNEXURE-I**

**Tender No. : DFS2129L17/01**  
**Tender Date : 10.08.2016**

Item No./ Mat. Code	Material Description	Quantity	UOM
<b>10</b> 01112595	CASING NIPPLE - STRAIGHT Casing Nipple, Short (2.00 Mtr.long), Grade P-110, Size : 139.70 mm (5.1/2") x 29.79 Kg/mtr.(20 PPF) with Buttress Box-up x Buttress pin down connection, conforming to API Std. 5CT.	80	NO

**Note description for item no./nos. : 10**

**NOTE** : Third Party Inspection would be required.

All terms & conditions applicable for casings would also be applicable for Nipples

**Special Notes : DELIVERY: Bidders to quote best delivery period.**

1.0 The items covered by this tender shall be used by OIL INDIA LIMITED in the PEL/ML areas which are issued/renewed after 01/04/99 and hence NIL customs duty during import will be applicable. However, deemed export benefit for domestic bidders is not applicable against this tender. Domestic bidders to quote their prices without considering the deemed export benefit. Domestic bidders to also quote the applicable rate of excise duty in their price bid. If a domestic bidder emerges L1 after loading of applicable rate of excise duty, order shall be placed upon the bidder inclusive of the excise duty amount.

2.0 Bidders are required to quote with minimum validity of 90 days from the Bid Closing Date as per NIT requirement. BIDS with lesser validity shall be rejected.

3.0 Bidders have to indicate the minimum FOB/FCA charges in case of partial order for reduced quantity/items. In case this is not indicated specifically, the charges quoted would be prorated calculated and the same will be binding on the bidder.

4.0 Bidders are required to mention the weight of each item individually. QUOTATION must be submitted in TRIPLICATE with original company catalogues as well as necessary certificates.

5.0 Please mention clearly in your quotation the Net. Weight, Gross Weight & Volume, Indian Agent's Name and its Commission, Payment Terms, Ocean Freight/Air Freight Charges, Port of Loading, Delivery period, Country of origin with manufacturer's name, etc.

6.0 Bidders to take note of clause no.10.1.3 which has been added in Section-C, special terms & conditions for Indian bidders of General Terms and Conditions for Global Tender (MM/GLOBAL/E-01/2005-July2012) regarding transportation of materials.

7.0 Bidders to note that Govt. of India under Micro, Small and Medium Enterprises Development (MSMED) Act 2006, has proclaimed the Public Procurement Policy, 2012 with effect from 1st April, 2012 in respect of procurement of goods and services, produced and provided by micro and small enterprises, by its Ministries, Departments and Public Sector Undertakings for promotion and development of Micro and Small Enterprises. A new Clause on applicability of Public Procurement Policy for procurement of goods from Micro and Small Enterprises(MSE) in the tender is furnished vide Amendment to General Terms and Conditions for Global Tender (MM/GLOBAL/E-01/2005). Bidders are requested to take note of the same

**ANNEXURE-I****Tender No. : DFS2129L17/01****Tender Date : 10.08.2016**

and to submit their offers accordingly wherever applicable.

8.0 The General Terms & Conditions for Global Tenders (MM/GLOBAL/01/2005)" has been amended and the Amendment dated 25.04.2016 has been issued in this regard which is uploaded in OIL Website. Bidders to note the changes made to "The General Terms & Conditions for Global Tenders (MM/GLOBAL/01/2005)" and to submit their offers complying with the same.

9.0 Performance Security clause (Clause No. 10.0 of Section-A) of "General Terms & Conditions for Global Tenders (MM/GLOBAL/01/2005)" has been amended and the new clause is detailed in the Amendment dated 25.04.2016 issued to MM/GLOBAL/01/2005. Bidders to note the same and to confirm its acceptance in their offers.

**GENERAL NOTES FOR CASING (Applicable For Casing Nipple Also)****1.0 SPECIFICATION :**

1.1 Casings must be manufactured as per API Spec. 5CT, latest edition and must bear API monogram. A copy of valid API Spec. 5CT certificate from the manufacturer shall be submitted along with the offer.

1.2 The Casings shall be brand new, unused, and of prime quality.

1.3 Casings shall be seamless , threaded and fitted with power tightened couplings as per API Spec. 5CT (latest edition).

1.4 Range : All casings shall be supplied in range III length. However, length of each joint should be restricted to 12.19 mtrs (40 ft.) max.

1.5 Coupling : Couplings shall be as specified in API Spec. 5CT (latest edition) and must be manufactured by API approved mills.

1.6 Coating : Coating shall be done as per API Spec. 5CT (latest edition) and adequately oiled to withstand sea voyage.

1.7 Pipe ends : Ends must be prepared as per relevant API specifications including clear triangle mark in case of Buttress thread. Suitable pressed steel / Elastomer-cum-metallic (Composite) thread protectors at both ends as specified in API 5CT (latest edition) shall be used to protect the ends.

Note : Elastomer-cum-Metallic (Composite) thread protectors for pin and box end of the casing should be extra strong, closed end & of Drilltech make or it's suitable equivalent. The protector should be designed in such a way that it covers the full length of casing threads as well as casing coupling threads. It should have steel shell and elastomer to reduce impact design, to stop corrosion, to eliminate stripping and to keep thread compound active.

1.8 The offer must contain detailed description of the materials giving details of size, weight / wall thickness, grade, length range, type of end, API Std., end protectors etc. Insufficient description will lead to rejection of the offer.

1.9 THE OFFER MUST CONTAIN THE VARIOUS PERFORMANCE PROPERTIES OF THE OFFERED PRODUCT VIZ. COLLAPSE RESISTANCE, INTERNAL YIELD PRESSURE, PIPE BODY YIELD STRENGTH & JOINT STRENGTH (THESE PROPERTIES SHOULD NOT BE LESS THAN THOSE STIPULATED BY API, BUL 5C2, LATEST EDITION IN ANY CASE).

**ANNEXURE-I****Tender No. : DFS2129L17/01****Tender Date : 10.08.2016**

FAILURE TO COMPLY WITH THE ABOVE MAY LEAD TO REJECTION OF THE OFFER.

**2.0 MILL INSPECTION, TESTING & CERTIFICATION:**

2.1 The following tests and inspections shall be carried out as per API spec. 5CT (latest edition) and results thereof furnished to OIL along with the supply. Mill Test certificates are to be submitted to OIL in Original.

- i) Testing of Chemical Composition.
- ii) Testing of Mechanical Properties.
- iii) Hydrostatic Tests.
- iv) Dimensional testing ( wall thickness, drift test, length, weight, determination and straightness).
- v) Visual Inspection.
- vi) Non-Destructive Inspection.

The manufacturer shall furnish a certificate of compliance stating that the material has been manufactured, sampled, tested and inspected in accordance with API Spec. 5CT (SR-15), latest edition. The above certificate should be submitted to OIL in Original.

2.2 End threading, gauging, thread inspection and certification shall be carried out as per API Std. 5B (latest edition).

**3.0 IDENTIFICATION MARKING :**

3.1 Marking is to be done on each joint strictly as per Appendix D of API Spec. 5CT.

3.2 Additionally, 'OIL' logo/mark and the purchase order number shall be die stamped or paint stenciled on each joint.

3.3 Colour coding: The colour coding shall be done as per API Spec. 5CT (latest edition). The colour band shall be 50.8 mm (2") wide and shall be encircling the pipe at a distance not greater than 2 ft. from the coupling or box with entire paint on the outside surface of coupling.

3.4 For Buttress threaded casings a 1" wide by 24" long longitudinal white paint stripe shall be placed adjacent to the triangle mark on the field end; additionally, a 1" wide by 4" long longitudinal white paint stripe shall be placed adjacent to the triangle mark on the mill end.

**4.0 THIRD PARTY INSPECTION :**

4.1 Inspection by an independent third party to cover the following shall be required against all casings.

- (i) Material Identification.
- (ii) Stage inspection at random visit basis during manufacturing.
- (iii) Audit and endorsement of all chemical analysis and physical test reports.
- (iv) Witness dimensional checks.
- (v) Witness mechanical tests.
- (vi) Witness NDT.
- (vii) Witness hydrostatic tests
- (viii) Visual inspection for imperfections.
- (ix) Longitudinal defect identification.
- (x) Transverse defect identification.
- (xi) Wall thickness measurement.

**ANNEXURE-I**

**Tender No. : DFS2129L17/01**  
**Tender Date : 10.08.2016**

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

Note : Proper Tally sheet (in Original) indicating length of each joint of Casing with heat number of the joint should be furnished to OIL. The Tally sheet should be duly signed & stamped by the Manufacturing Mill and will be endorsed (certified) by the third party inspection agency.

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

- (i) Name of the Inspecting Agency (OIL's clearance has to be obtained prior to engagement except M/s. Lloyds, M/s Bureau Veritas, M/s. RITES, M/s. I.R.S., M/s. Tuboscope Vetco and M/s DNV.)
- (ii) All inclusive charges for Third Party Inspection per metre (to be indicated separately).

#### **5.0 Safeguard Duty:**

Government of India vide Notification No. 02/2014-Customs(SG) dated 13.08.2014 has imposed "Safeguard Duty" on imports of Seamless Pipes and Tubes falling under category as indicated in the above notification, at the conditions and rates indicated therein with effect from 13.08.2014. The Notification is also available on the official website of Central Board of Excise and Customs (CBEC).

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

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

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

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

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

**ANNEXURE-I****Tender No. : DFS2129L17/01****Tender Date : 10.08.2016**

foreign bids are involved and when both foreign and indigenous bidders are involved, would be as under:

a) When only Foreign bids are involved:

Comparison of offers will be done on CIF Kolkata Port basis after loading the bids of the parties with applicable rate of safeguard duty, wherever applicable.

b) When both Foreign and Domestic (Indigenous) bids are involved:

The ex-works price of domestic bidder (inclusive of customs duty on imported raw materials and component etc. and applicable terminal excise duty on the finished products and Sales Tax) excluding inland transportation to destination and CIF landed price of foreign bidders (with customs duty as applicable on the bid closing date) with loading of applicable rate of safeguard duty excluding inland transportation to destination, will be compared.

ii) In case an indigenous/Foreign supplier exempted from Safeguard Duty (i.e. from a developing country other than China) emerges L1 vis-à-vis a foreign bidder for whom Safeguard Duty is applicable due to loading of a particular rate of Safeguard Duty and if supplies from such indigenous/foreign suppliers are so effected that the lower slab of Safeguard Duty becomes applicable wherein price of foreign bidder (for whom Safeguard Duty is applicable) with lower rates of Safeguard Duty is found to be lower than the price of the indigenous/foreign supplier (who are exempted from Safeguard Duty), then OIL shall recover from such supplier, an amount equal to the difference in price between that of the foreign bidder (for whom Safeguard Duty is applicable) with lower applicable rate of Safeguard Duty and the price quoted by such indigenous/foreign supplier. This amount shall be recovered in addition to levy of applicable LD, if applicable.

iii) In case an indigenous supplier/Foreign bidder exempted from Safeguard Duty (i.e. from a developing country other than China) emerges L1 vis-à-vis a foreign bidder for whom Safeguard Duty is applicable due to loading of a particular rate of Safeguard Duty and if supplies from such indigenous/ foreign suppliers are delayed beyond the Stipulated Delivery Period due to reasons attributable to the supplier and the material supplied is in the period of lower slab of Safeguard Duty wherein price of foreign bidder (for whom Safeguard Duty is applicable) with lower rates of Safeguard Duty is found to be lower, then OIL shall recover from such supplier, an amount equal to the difference in price between that of the foreign bidder (for whom Safeguard Duty is applicable) with lower applicable rate of Safeguard Duty and the price quoted by such supplier. This amount shall be recovered in addition to levy of applicable LD.

iv) The item(s) covered under this tender shall be used by Oil India Ltd. in the PEL/ML areas renewed/issued after 01.04.1999 and hence Nil Customs Duty shall be applicable for this import. Safeguard duty, if applicable to any bidder, shall apply even if the goods are to be used in such PEL/ML areas.

v) Indigenous bidders should also note that OIL will not be liable to reimburse any amount on account of imposition of Safeguard Duty by Customs Official at the time of actual import of the items (Seamless Pipes and Tubes) imported by them for execution of the order/contract awarded to them by OIL under Deemed Export.

vi) Bidders shall mention the Country of Origin of the Seamless Pipes and Tubes quoted by them in their bids for the purpose of applicability of the Safeguard Duty. If any bidder does not mention the Country of Origin of the Seamless Pipes and Tubes quoted by them in their bids, OIL shall reserve the right to load the applicable Safeguard Duty against such bids for evaluation of their offer without any further reference / clarification. It shall be binding on the bidders to accept such loading of their bids.

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**Tender Date** : 10.08.2016  
**Bid Closing On** : 14.09.2016 at 13:00 hrs.(IST)  
**Bid Opening On** : 14.09.2016 at 13:00 hrs.(IST)

**Tender issued to following parties only:**

Sln0	V_Code	Vendor Name	City/Country
1	102876	HENGYANG STEEL TUBE GROUP INTERNATI	HENGYANG CITY
2	102946	JIANGSU CHANG BAO STEEL TUBE LTD. C	CHANGZHOU CITY
3	200098	MAHARASHTRA SEAMLESS LIMITED	GURGAON
4	201892	ISMT LIMITED	PUNE
5	204835	JINDAL SAW LIMITED	NEW DELHI