



निविदा पूछताछ
TENDER ENQUIRY

[वेब निविदा]
[WEB TENDER]

माझगांव डॉक शिपबिल्डर्स लिमिटेड
(भारत सरकार का उपक्रम)
MAZAGON DOCK SHIPBUILDERS LIMITED
(Formerly known as Mazagon Dock Limited)
(A Govt. of India Undertaking)
CIN: L35100MH1934GOI002079
Dockyard Road, Mumbai 400 010
Website- www.mazagondock.in
Certified - ISO 9001: 2008 for Shipbuilding Division
GST ID : 27AAACM8029J1ZA

निविदा सं./Tender No	1300001534	विभाग/Department	EY COMMERCIAL
क्रय अधिकारी/Purchase Exec.	Shikha Pardhi	क्रय अधिकारी/Purchase Exec.	Shikha Pardhi
सेवा में/To		दूरभाष सं./Telephone No	23762630
		फैक्स सं./Fax No	23741386
		ई-मेल/E-Mail	spardhi@mazdock.com
दूरभाष सं./Telephone		निविदा सं./Tender No	1300001534
फैक्स सं./Fax		निविदा तिथि/ Tender Date	09.02.2024
ई-मेल/E-Mail		निविदा बंद की तिथि/Tender Closing Date	13.02.2024
		निविदा बंद होने का समय/Tender Closing Time	12:00:00
		आरएफक्यू सं./RFQ No	2130000439

निविदा शुल्क/Tender Fee	रु/Rs	0.00
बयाना राशि/EMD Amount	रु/Rs	0.00
पुर्व बिड बैठक तिथि और समय/Pre Bid Meeting Date & Time		,00:00:00
निविदा खोलने की तिथि और समय/Tender Opening Date & Time		13.02.2024,15:00:00
प्रस्ताव वैधता तिथि है/Offer should be valid up to		
सुरक्षा जमा/Security Deposit		10.00 %आदेश मूल्य का/PO value
वरीय बैंक जमानत /Perf. Bank Guarantee		10.00 %आदेश मूल्य का/PO value

(आगे के विवरण हेतु कृपया सम्बंधित नियम शर्तों को पढ़ें। सुनिश्चित करें कि कोटेशन और संबंधित पत्राचार के लिए विभाग का नाम, क्रय अधिकारी का नाम, निविदा संख्या, बंद होने का समय एवं तिथि एवं आरएफक्यू सं. अपने कोटेशनमें लिखें।
Kindly read and refer relevant terms & conditions for further details. Do ensure to Quote Department Name, Purchase Executive & Name, Tender Number, closing date & time and RFQ Number in your Quotation & related correspondence)

प्रिय महोदय/महोदया
Dear Sir / Madam ,

विषय /SUB:- PROCUREMENT OF PIPELINE REPAIR CONNECTOR-SPRU FOR PART REPLACEMENT PIPELINE PROJECT(PRPP)

माझगाँव डॉक शिपबिल्डर्स लिमिटेड प्रतिष्ठित/संभावित आपूर्तिकर्ताओं से निम्न हेतु, प्रतियोगितात्मक दो बोली प्रणाली में (भाग -I तकनीकी - वाणिज्य बोली एवं भाग II मूल्य बोली) बोली आमंत्रित करती है।
Mazagon Dock Shipbuilders Limited (MDL) invites Competitive – Bid from reputed Supplier for the following in TWO BID system (Part - I Techno - Commercial Bid & Part - II Price Bid) .

क्र सं. SL.No.	सामग्री / सेवा विवरण Material / Service Details	मात्रा / इकाई Quantity / unit	आपूर्ति तिथि Delivery Date
00100	सामग्री सं./ Material Number :- 350000000000080410 SPRU segment-1	2 Number	20.02.2024
	सामग्री वर्णन/Material Description :Diameter (inch)- 14	Diameter (mm)- 355.6	Wall

क्र सं. SL.No.	सामग्री / सेवा विवरण Material / Service Details	मात्रा / इकाई Quantity / unit	आपूर्ति तिथि Delivery Date
	Thickness (mm)- 15.9 Design Pressure (Kg/cm2)- 141 Typp- CS NACE Grade- API 5L x 60 SPRU Qty- 02 #1500		Design Temperature- 93 SPRU Class-
00200	सामग्री सं./ Material Number :- 350000000000080413 SPRU Segment 2 सामग्री वर्णन/Material Description :Diameter (inch)- 16 Diameter (mm)- 406.4 Wall Thickness (mm)- 15.9 Design Pressure (Kg/cm2)- 141 Design Temperature- 93 Typp- CS NACE Grade- API 5L x 60 SPRU Qty- 02 SPRU Class-	2 Number	20.02.2024
00300	सामग्री सं./ Material Number :- 350000000000080414 SPRU Segment 3 सामग्री वर्णन/Material Description :Diameter (inch)- 12.75 Diameter (mm)- 323.9 Wall Thickness (mm)- 14.3 Design Pressure (Kg/cm2)- 140 Design Temperature- 93.3 Typp- CS NACE Grade- API 5L x 60 SPRU Qty- 02 SPRU Class- #1500	2 Number	20.02.2024
00400	सामग्री सं./ Material Number :- 350000000000080415 SPRU Segment 4 सामग्री वर्णन/Material Description :Diameter (inch)- 12.75 Diameter (mm)- 323.9 Wall Thickness (mm)- 14.3 Design Pressure (Kg/cm2)- 93.7 Design Temperature- 93 Typp- CS NACE Grade- API 5L x 60 SPRU Qty- 02 SPRU Class- #900	2 Number	20.02.2024
00500	सामग्री सं./ Material Number :- 350000000000080416 SPRU segment 5 सामग्री वर्णन/Material Description :Diameter (inch)- 12.75 Diameter (mm)- 323.9 Wall Thickness (mm)- 14.3 Design Pressure (Kg/cm2)- 93.7 Design Temperature- 93 Typp- CS NACE Grade- API 5L x 60 SPRU Qty- 02 SPRU Class- #900	2 Number	20.02.2024
00600	सामग्री सं./ Material Number :- 350000000000080417 SPRU Segment 6 सामग्री वर्णन/Material Description :Diameter (inch)- 12.75 Diameter (mm)- 323.9 Wall Thickness (mm)- 14.3 Design Pressure (Kg/cm2)- 143.07 Design Temperature- 93 Typp- CS NACE Grade- API 5L x 60 SPRU Qty- 02 SPRU Class- #1500	2 Number	20.02.2024
00700	सामग्री सं./ Material Number :- 350000000000080418 SPRU Segment 7 सामग्री वर्णन/Material Description :Diameter (inch)- 12.75 Diameter (mm)- 323.9 Wall Thickness (mm)- 14.3 Design Pressure (Kg/cm2)- 93.7 Design Temperature- 93 Typp- CS NACE Grade- API 5L x 60 SPRU Qty- 02 SPRU Class- #900	2 Number	20.02.2024
00800	सामग्री सं./ Material Number :- 350000000000080419 SPRU Segment 8 सामग्री वर्णन/Material Description :Diameter (inch)- 12.75 Diameter (mm)- 323.9 Wall	2 Number	20.02.2024

क्र सं. SL.No.	सामग्री / सेवा विवरण Material / Service Details	मात्रा / इकाई Quantity / unit	आपूर्ति तिथि Delivery Date
	Thickness (mm)- 14.3 Design Pressure (Kg/cm2)- 142 Typp- CS NACE Grade- API 5L x 60 SPRU Qty- 02		Design Temperature- 93.3 SPRU Class- #1500
00900	सामग्री सं./ Material Number :- 350000000000080420 SPRU Segment 9 सामग्री वर्णन/Material Description :Diameter (inch)- 10.75 Diameter (mm)- 273.1 Wall Thickness (mm)- 14.3 Design Pressure (Kg/cm2)- 95.6 Design Temperature- 93 Typp- CS NACE Grade- API 5L x 60 SPRU Qty- 02 SPRU Class- #900	2 Number	20.02.2024
01000	सामग्री सं./ Material Number :- 350000000000080421 SPRU Segment 10 सामग्री वर्णन/Material Description :Diameter (inch)- 10.75 Diameter (mm)- 273.1 Wall Thickness (mm)- 14.3 Design Pressure (Kg/cm2)- 93.7 Design Temperature- 93 Typp- CS NACE Grade- API 5L x 60 SPRU Qty- 02 SPRU Class- #900	2 Number	20.02.2024
01100	सामग्री सं./ Material Number :- 350000000000080422 SPRU Segment 11 सामग्री वर्णन/Material Description :Diameter (inch)- 16 Diameter (mm)- 406.4 Wall Thickness (mm)- 15.9 Design Pressure (Kg/cm2)- 93.7 Design Temperature- 93 Typp- CS NACE Grade- API 5L x 60 SPRU Qty- 02 SPRU Class- #900	2 Number	20.02.2024
01200	सामग्री सं./ Material Number :- 350000000000080423 SPRU Segment 12 सामग्री वर्णन/Material Description :Diameter (inch)- 12.75 Diameter (mm)- 323.9 Wall Thickness (mm)- 14.3 Design Pressure (Kg/cm2)- 93.7 Design Temperature- 93 Typp- CS NACE Grade- API 5L x 60 SPRU Qty- 02 SPRU Class- #900	2 Number	20.02.2024
01300	सामग्री सं./ Material Number :- 350000000000080424 SPRU Segment 13 सामग्री वर्णन/Material Description :Diameter (inch)- 12.75 Diameter (mm)- 323.9 Wall Thickness (mm)- 17.5 Design Pressure (Kg/cm2)- 151.6 Design Temperature- 55 Typp- CS Grade- API 5L x 52 SPRU Qty- 02 SPRU Class- #1500	2 Number	20.02.2024
01400	सामग्री सं./ Material Number :- 350000000000080425 SPRU Segment 14 सामग्री वर्णन/Material Description :Diameter (inch)- 8.625 Diameter (mm)- 219.1 Wall Thickness (mm)- 14.3 Design Pressure (Kg/cm2)- 151.6 Design Temperature- 55 Typp- CS Grade- API 5L x 52 SPRU Qty- 02 SPRU Class- #1500	2 Number	20.02.2024
01500	सामग्री सं./ Material Number :- 350000000000080426 SPRU Segment 15 सामग्री वर्णन/Material Description :Diameter (inch)- 16 Diameter (mm)-406.4 Wall Thickness (mm)- 15.9 Design Pressure (Kg/cm2)- 93.8 Design Temperature- 93 Typp- CS NACE Grade- API 5L x 60 SPRU Qty- 02 SPRU Class- #900	2 Number	20.02.2024

क्र सं. SL.No.	सामग्री / सेवा विवरण Material / Service Details	मात्रा / इकाई Quantity / unit	आपूर्ति तिथि Delivery Date
01600	सामग्री सं./ Material Number :- 350000000000080427 SPRU Segment 16 सामग्री वर्णन/Material Description :Diameter (inch)- 16 Diameter (mm)-406.4 Wall Thickness (mm)- 15.9 Design Pressure (Kg/cm2)- 94.9 Design Temperature- 83 Typp- CS NACE Grade- API 5L x 60 SPRU Qty- 02 SPRU Class- #900	2 Number	20.02.2024
01700	सामग्री सं./ Material Number :- 350000000000080428 SPRU Segment 17 सामग्री वर्णन/Material Description :Diameter (inch)- 12.75 Diameter (mm)- 323.9 Wall Thickness (mm)- 14.3 Design Pressure (Kg/cm2)- 93.7 Design Temperature- 93 Typp- CS Grade- API 5L x 60 SPRU Qty- 02 SPRU Class- #1500	2 Number	20.02.2024
01800	सामग्री सं./ Material Number :- 350000000000080429 SPRU Segment 18 सामग्री वर्णन/Material Description :Diameter (inch)- 14 Diameter (mm)- 355.6 Wall Thickness (mm)- 15.9 Design Pressure (Kg/cm2)- 93.7 Design Temperature- 93 Typp- CS NACE Grade- API 5L x 60 SPRU Qty- 02 SPRU Class- #1500	2 Number	20.02.2024
01900	सामग्री सं./ Material Number :- 350000000000080430 SPRU Segment 19 सामग्री वर्णन/Material Description :Diameter (inch)- 6.625 Diameter (mm)- 168.3 Wall Thickness (mm)- 12.7 Design Pressure (Kg/cm2)- 151.6 Design Temperature- 55 Typp- CS Grade- API 5L x 52 SPRU Qty- 02 SPRU Class- #1500	2 Number	20.02.2024

नियम और शर्तें : भाग ए मे लिखी हुई और इतर संलग्नपत्रे इस निविदा एक अभिन्न अंग हैं। हमें आशा हैं की, हमें प्रतियोगित्मिक और उचित प्रस्ताव इस निविदा के लिए प्राप्त होगा।
Terms & Conditions as indicated in Part A of this tender and other enclosures / annexures form an integral part of this tender document. We look forward to receive your most competitive and reasonable offer against this Tender.

माझगाँव डॉक शिपबिल्डर्स लिमिटेड के लिए /For Mazagon Dock Shipbuilders Ltd

Mazagon Dock Shipbuilders Limited

Open tender

ADDITIONAL TERMS AND CONDITIONS

TENDER ENQUIRY FORM (TEF)

MAZAGON DOCK SHIPBUILDERS LIMITED (MDL), Mumbai India, a premier Warship building, Ship repair, Submarine Construction & Refits and Heavy Engineering Company owned by Government of India under Ministry of Defence.

MAZAGON DOCK SHIPBUILDERS LIMITED (MDL), INVITES COMPETITIVE BIDS from Indigenous vendors . in TWO – BID SYSTEM (Part-I Techno Commercial Bid and Part-II Price Bid) for the following Work / Supplies mentioned below.

Issue of E - Tender Enquiry Document: This e-tender enquiry can be downloaded from our E-procurement website <http://eprocuremdl.nic.in>. To login and quote against this e-tender on E-procurement portal, bidders should have Digital Signature Certificate (DSC). The details of DSC are available on the MDL website.

Tender opening: Technical bid (PART-I) will be opened immediately after the tender closing date and time through e-procurement portal. Bidders can view details of quotation received against tender after tender opening on e-procurement website.

Price bid opening: Similarly after completion of Technical scrutiny/evaluation, price bid (PART-II) opening will be done and intimation will be forwarded to Techno-Commercially accepted bidders. Bidders can view the details of price bid opening against the tender on e-procurement web site.

Subject: -Procurement of Pipeline repair connector-SPRU for part replacement pipeline Project of ONGC.

1. Description:

Procurement of Pipeline repair connector-SPRU for part replacement pipeline Project of ONGC.

PIPELINE REPAIR CONNECTOR-SPRU SCOPE OF SUPPLY

Line Item	Material /service details								Qty in Nos
	Diameter (inch)	Diameter (mm)	Wall thickness (mm)	Design Pressure (Kg/cm2)	Design Temperature Degree C	Type	Grade	SPRU Class	
20	14	355.6	15.9	141	93	CS NACE	API 5L X 60	#1500	2
30	16	406.4	15.9	148	93	CS NACE	API 5L X 60	#1500	2
40	12.75	323.9	14.3	140	93.3	CS NACE	API 5L X 60	#1500	2
50	12.75	323.9	14.3	93.7	93	CS NACE	API 5L X 60	#900	2

60	12.75	323.9	14.3	93.7	93	CS NACE	API 5L X 60	#900	2
70	12.75	323.9	14.3	143.07	93	CS NACE	API 5L X 60	#1500	2
80	12.75	323.9	14.3	93.7	93	CS NACE	API 5L X 60	#900	2
90	12.75	323.9	14.3	142	93.3	CS NACE	API 5L X 60	#1500	2
100	10.75	273.1	14.3	95.6	93	CS NACE	API 5L X 60	#900	2
110	10.75	273.1	14.3	93.7	93	CS NACE	API 5L X 60	#900	2
120	16	406.4	15.9	93.7	93	CS NACE	API 5L X 60	#900	2
130	12.75	323.9	14.3	93.7	93	CS NACE	API 5L X 60	#900	2
140	12.75	323.9	17.5	151.6	55	CS	API 5L X 52	#1500	2
150	8.625	219.1	14.3	151.6	55	CS	API 5L X 52	#1500	2
160	16	406.4	15.9	94.9	93	CS NACE	API 5L X 60	#900	2
170	16	406.4	15.9	93.8	83	CS NACE	API 5L X 60	#900	2
180	12.75	323.9	14.3	93.7	93	CA NACE	API 5L X 60	#1500	2
190	14	355.6	15.9	93.7	93	CA NACE	API 5L X 60	#1500	2
200	6.625	168.3	12.7	151.6	55	CS	API 5L X 52	#1500	2

Detailed Scope of Supply in ONGC SOW documents. Bidders shall confirm that the Scope of Supply at **Enclosure** is fully understood by them on their letterhead.

Note: - Any technical query related to SOW shall be forwarded to following:

Mr. Shivraj Maher, Chief Manager (PLG-EY).

E-mail: shivrajmaher@mazdock.com

Or

Mr Hemantkumar Rathod, DGM (PLG-EY)

E-mail: hrathod@mazdock.com

Phone - 022-2376 3622

2. Instructions to the bidder:

- Bidders should submit all documents strictly through e-portal. Physical copy of the bid will not be accepted except for the physical copies of documents requested in the tender.
- In case of supply/services of duplicate / spurious / substandard items by the firm, MDL will resort to prosecution of the firm by legal action with all the stringent measures against the firm for supplying such items which had led to delay of the project of national importance and has endangered the national security. The firm will also be blacklisted in MDL & will be debarred from quoting in future MDL tenders and the same will be intimated to all other public sector undertakings and other Government organization.

- c. Bidders are requested to ensure that only relevant documents complete in all respect as indicated in the tender should be attached with their offer. The first page of every uploaded set of scanned document shall be an index of its contents. In case the offers received against this tender are more than 20, no opportunity will be extended for submission of deficient documents after opening of bids. The evaluation of the offers will be carried out and bidders will be qualified based on the documents received along with their offer.
- d. Delivery date mentioned in the RFQ/Tender is tentative. However, bidders have to follow delivery schedule as per purchase order. Non-compliance of the same beyond the contractual terms may lead to imposition of liquidated damages or cancellation of contract/ Purchase order.
- e. Where requests are made by bidders with reasons for extension of the tender closing date provided such an extension will not adversely affect the project schedule and bidders are instructed for submission of such request in the concerned commercial department at least 2 days in advance excluding the day of tender closing date, amendment to the tender enquiry may be issued.
- f. Any participating firm which has been debarred/blacklisted by Central/State Governments or by any entity controlled by Central/State Governments from participating in any of their project, as on date of submission of Tender, shall not be eligible to submit the Tender.

3. Pre-Qualification Criteria(PQC):

Prequalification criteria:

- a) Technical PQC
 - i) Bidder can be Manufacturer or authorized distributor of the manufacturer.

Experience Criteria:

- i. The bidder should have for the last 05 years of the previous financial year, manufactured and supplied Pipeline Repair Connector- SPRU with the same or higher specification as per the current requirement in this tender.
- ii. Documentary evidence to be provided in the form of PO copies, successful installation and also successful operation report, WCC or any other report from customer for at least 01 year from the date of installation for ONGC Projects.
- iii. The bidder should be either OEM or authorised supplier of OEM, further OEM must be listed in ONGC's nominated vendor list.

b) Commercial PQC:

- i. The average annual financial turnover of 'The bidder' during the last three years, ending 31st March (or any other year ending followed in relevant country) of the previous financial year excluding the calendar year of tendering should be at **INR 4,05,00,000/-** as per the annual report (audited balance sheet and profit and loss account) of the relevant period, duly authenticated by a Chartered Accountant/Cost Accountant in India or equivalent in relevant countries.
- ii. Bidders Shop and establishment registration certificate or registration certificate from registrar of firms or certificate of incorporation from Registrar of Companies (Not required for permanent registered vendors with MDL).

c) Applicability to 'Make in India':

Bidders (manufacturer or principal manufactures of authorised representative) who have a valid/approved on going 'Make in India' agreement/program and who while meeting all other

criteria above, except for any or more of sub-criteria in Experience and Past Performance above, would also be considered to be qualified provided:

(i) their foreign 'Make-in-India' associates meet all the criteria above without exemption, and
(ii) the Bidder submits appropriate documentary proof for a valid/approved on going 'Make in India' agreement/program.

(iii) the bidder (manufacturer or principal of authorised representative) furnishes along with the bid a legally enforceable undertaking jointly executed by himself and such foreign Manufacturer for satisfactory manufacture, Supply (and erection, commissioning if applicable) and performance of 'The Product' offered including all warranty obligations as per the general and special conditions of contract.

d) Authorized Representatives:

Bids of bidders quoting as authorised representative of a principal manufacturer would also be considered to be qualified, provided:

- i) their principal manufacturer meets all the criteria above without exemption, and
- ii) the principal manufacturer furnishes a legally enforceable tender-specific authorisation in the prescribed form (Deed of Agreement) assuring full guarantee and warranty obligations and all contractual obligation as per the tender terms and conditions; and
- iii) the bidder himself should have been associated, as authorised representative of the same or other Principal Manufacturer for same set of services as in present bid (supply, installation, satisfactorily commissioning, after sales service as the case may be) for same or similar 'Product' for past three years.

e) Joint Ventures and Holding Companies:

Credentials of the partners of Joint ventures cannot (repeat cannot) be clubbed for the purpose of compliance of PQC in supply of Goods/Equipment, and each partner must comply with all the PQC criteria independently. However, for the purpose of qualifying the Financial Standing Criteria, the Financial Standing credentials of a Holding Company can be clubbed with only one of the fully owned subsidiary bidding company, with appropriate legal documents proving such ownership.

f) The condition of prior turnover and prior experience is relaxed only for all Start-ups recognised by Department for Promotion of Industry and Internal Trade (DPIIT) subject to meeting of quality & technical specifications. Start-ups may be MSMEs or otherwise. Start-ups shall be given relaxation in prior turnover and prior experience as specified under:

i) Start-ups shall be given 100% relaxation in prior turnover and prior experience subject to meeting of quality & technical specifications.

ii) If L-1 bidder is Start-up, then Start-up firms are eligible for ordering of 100% of tendered quantity.

Note: The above provisions are subject to meeting purchase preference policies which will prevail over above provision.

g) MSEs shall be given 100% relaxation of prior turnover and prior experience subject to meeting of quality and technical specifications.

Note: Bidders need to upload / submit supporting documentary evidence in support of the Pre-Qualification Criteria Viz. Work / Purchase Order, Work Completion Certificate/ Proof of payment with Tax Invoice / Store Receipt and Acceptance Report or any other evidence that confirms that the work is completed which is issued by the party for whom the work is done. HOD-C (East Yard) or TNC has a right to verify / cause verification of authenticity of the said documents whenever felt necessary.

4. Earnest Money Deposit (EMD) / Bid Security: INR 10,00,000/-

EMD shall be obtained by way of NEFT/ Demand Draft / Pay order / Bank Guarantee / Insurance Security Bond / e-Bank Guarantee in favour of Mazagon Dock Shipbuilders Limited, Mumbai from the list of Banks approved by SBI / Canara Bank published on MDL website. Crossed DD / Pay Order issued by Co-operative banks however may be considered to be accepted and the bid would be considered accordingly.

Bids / Offers without EMD/Bid Bond along with Part-I bid will not be considered. EMD of unsuccessful bidders will be returned after finalization of the tender and shall be interest free.

Firm should submit the original EMD in closed envelope (Sealed), Super scribed as EMD/BID Bond for Bid No....., due date, time, and addressed to, HOD (EY-Commercial Dept.), Alcock Yard, MAZAGON DOCK SHIPBUILDERS LIMITED, Dock Yard Road, Mumbai, 400010, INDIA, and should be Submitted at below address within 7 working days from the Bid closing date.

HOD (Commercial – EY), 4th floor, North Block, SSA Work Shop, Office building, Alcock Yard, MAZAGON DOCK SHIPBUILDERS LIMITED, Dockyard Road, Mumbai-400010, India.

Timely submission of the original EMD is the responsibility of the bidders and no reasons / excuses in this regard will be entertained by MDL. Original EMD reached after 7 working days from tender closing date & time will render the e-bid (submitted by bidder) liable for rejection.

Exemption from submission of EMD / BID Bond: Following bidders shall be exempted from submission of EMD/Bid Bond:

- i) State & Central Government of India Departments & Public Sector Undertakings.
- ii) Firms registered with MDL. To qualify for EMD exemption, firms should necessarily submit valid copy of the Registration Certificate issued by MDL, for the items for which the offer is being submitted. Firms in the process of obtaining MDL registration will not be considered for EMD exemption.
- iii) Micro and Small Enterprises who are manufacturer or Service Provider and give specific confirmation to this effect at the time of bid submission and whose credentials are validated online through Udyam Registration (as validated by Government from time to time) and through uploaded supporting documents.
- iv) Firms registered with NSIC under its "Single Point Registration Scheme". (Exemption will apply only to items/services for which they are registered. To qualify for EMD exemption, firms should necessarily submit valid copy of the Registration Certificate along with the list of items / services for which they are registered, as issued by NSIC, in Part-I offer / bid. Firms in the process of obtaining NSIC registration will not be considered for EMD exemption)
- v) Start-ups as recognized by Department of Industrial Policy and Promotion (DIPP).
- vi) The recognised institutes such as VJTI/IIT.
- vii) Common/Deemed DPSU registered vendors qualify for EMD exemption. Such firms shall submit valid copy of the registration certificate issued by DPSUs (other than MDL) for the items / services for which the offer is being submitted in Part-I offer/bid. Firms in process of obtaining registration in other DPSUs will not be considered for EMD exemption.
- viii) Green Channel Status vendors qualify for EMD exemption. Such firms shall submit valid copy of the Green channel certificate issued by MoD for the items for which the offer is being submitted in Part-I offer/bid. Firms in process of obtaining this certificate will not be considered for EMD exemption

5. Forfeiture of EMD:

EMD shall be forfeited in the following cases:

- i) Bidder withdraws, amends, impairs or derogates from the tender, agreed conditions of TNC /PNC in any respect within the period of validity of his offer.
- ii) Non-acceptance of order.

6. Validity Period of Bid:

Bid shall remain valid for a period of not less than **120 days** after the deadline date for bid submission. Technically accepted bidder shall be given opportunity to accept validity as per the tender in case of shorter validity quoted by him. Non-acceptance there after shall be rejected by MDL as nonresponsive.

7. Delivery Schedule/period:

Six weeks from date of PO.

8. Submission of offer in Two Bid System:

Offer must be submitted in two parts viz PART-I & PART-II as stated below:

a. PART I: Technical Bid

Soft Copies/Scanned Copies of below mentioned documents/details are to be attached on E procurement,

Part-I:

- i. Bidder's Statement on their Company Letterhead indicating Tender No, Tender Date, confirming compliance and acceptance on the Scope of Supplies and other Terms and Conditions as included in this tender enquiry, duly signed, stamped and dated by bidder's authorized person(s).
- ii. Technical Bid clearly indicating item wise descriptions & other details such as specifications, make/model, drawings etc as relevant to the offered materials.
- iii. Extract of official secret Act 1923' as per enclosure must be signed, stamped with company seal and submitted along with Part-I of the offer as a token of acceptance of the terms & conditions by the bidders.
- iv. Price schedule BLANKING the PRICES but clearly indicating 'QUOTED / NOT QUOTED' as applicable against each of the listed item/services in the prescribed format
- v. Bidder to submit acceptance on clauses of Tender Enquiry Form (TEF), and GENERAL CONDITIONS OF CONTRACT (GCC) as 'ACC OR DEV' as applicable for each of the clause of tender
- vi. Bidder to submit Deviation sheet at Enclosure in case of any deviation from TEF & GCC.
- vii. Bidder to submit their complete Bank details for payment by NEFT
- viii. Product data sheets / Catalogue / Technical Specification of the offered material.
- ix. GST registration details / GST acknowledgement or Tax Authority Letter.
- x. Bidder to submit undertaking for Conflict of Interest among Bidders/ Agents along as per Enclosure
- xi. Bidder to submit Declaration certificate for local content as per Enclosure

b. PART II: Price Bid

This should contain only the PRICES for the listed item strictly in the prescribed format provided with the e – tender at Enclosure. Prices mentioned/specified in any other format will not be considered for evaluation.

8. Submission of Revised Bids:

The bidders if so desire may modify their bids prior to the closing date and time of the tender enquiry. However, it shall be the responsibility of the bidder to ensure that they have submitted the revised bid.

9. Bid Rejection Criteria:

i) Categorical Rejection Criteria

The following conditions / deviations are non-negotiable and therefore, any bid falling under these conditions / deviations shall be summarily rejected. Bidders to note that they shall not be provided any opportunity to rectify these conditions / deviations post bid opening:

- a) Bidders who are debarred under PPP MII order 2017, CPPP including Tender holiday issued by MDL.
- b) Bids received without **Integrity Pact duly signed by the bidder on each page.**
- c) Bids received without EMD (other than those who are exempted from payment of EMD).

ii) Liable for Rejection Criteria:

Clause mentioned under loading criteria. Non-compliance/non-acceptance to any of the terms and conditions of the tender shall render the bid liable for rejection. Equal time and opportunity for submission of deficient techno commercial documents and clarification shall be given to the bidders. Bidders are required to submit such documents / clarifications within the duration / date stipulated by MDL failing which their bids will be rejected.

10. OEM/Authorised Dealer/Agents of Supplier:

Except in case of Commercially-Off-The-Shelf (COTS) items, when a firm sends quotation for an item manufactured by some different company, the firm is also required to attach, in its quotation, the manufacturer's authorisation certificate and also manufacturer's confirmation of extending the required warranty for that product. This is necessary to ensure quotation from a responsible party offering genuine product, also backed by a warranty obligation from the concerned manufacturer. In the tender, either the manufacturer or its authorised dealer can be considered as valid bidders. In case of large contracts, especially capital equipment, the manufacturer's authorisation must be insisted upon on a tender specific basis, not general authorisation/dealership, by so declaring in the bid documents clearly. In cases where the manufacturer has submitted the bid, the bids of its authorised dealer will not be considered and EMD will be returned. And in case of violations, both infringing bids will be rejected.

There can be only one bid from the following:

- i) The principal manufacturer directly or through one Indian agent on his behalf; and
- ii) Indian/foreign agent on behalf of only one principal.

11. Guarantee & warranty:

Warranty period shall be 12 months from date of supply. Valid warranty certificate must be submitted. During this period, all defect arising out of defective material and faulty workmanship will be rectified by repairing or replacing part or whole material as necessary free of charge on delivery basis. Any consequential damage/defect or loss of item due to poor workmanship/poor material quality/ negligence etc. attribute to the bidder to be rectified / replaced by the bidder free of cost.

Note:

Any material, equipment, infrastructure facility, required directly or indirectly for completing the subject work, as per the scope of work & drawing given, if not mentioned in MDL's scope, has to be arranged by the subcontractor without any extra cost to MDL.

In case of the performance of the contractor is not satisfactory MDL reserves the right to cancel the order and lift the material from contractor.

12. Performance Security (Performance Bank Guarantee cum Security Deposit):

As per ONGC GCC 3.3. Format of PBG of MDL to be used.

13. Non submission of Performance Security:

- i. In case of failure to submit performance security by the supplier within 25 days of transmission / notification of order by any mode, EMD (if available) will be forfeited and MDL reserves the right to cancel the order and invoke the risk purchase clause. If it is established that the contractor has failed to comply with the Guarantee/warranty obligations, the PSBG will be encashed by MDL. MDL's decision in this regard shall be final and binding on the supplier / contractor.
- ii. In cases where the supplier / contractor has not submitted the PS and already commenced supply / services, Performance security will be retained from the bills, if any. In such case, interest will be recovered for the period starting from 26th day of transmission / notification of order/contract by any mode and amount involved at the relevant rate of interest for that quarter. For Indian suppliers, it will be SBI BPLR plus 2%.

14. Forfeiture of Performance Security:

Forfeiture of Performance Security shall be done in case of non-performance of agreed terms and or default/breach by bidder / supplier with application of risk purchase provisions or tender holiday where applicable.

15. Pricing:

- i. Bidder shall quote the prices in the Rate Sheet Format provided in e-tender.
- ii. The quoted prices shall remain firm and fixed during the currency of the order / contract unless agreed otherwise by MDL.
- iii. Bidder shall quote the prices for services indicated / listed in the e-tender Bid enquiry for execution of the services complying with the terms and conditions indicated at the Scope of Work.
- iv. The reference price, if any, indicated anywhere in the tender document against each line item is only notional and has no commercial relevance. Therefore, such reference price should not be considered as guidance price and the bidders shall quote their price based on their costing and pricing policies.

16. Tie Breaker

When multiple vendors quote same price for particular item(s)/services under such situation, following action in given sequence shall be done:

- (a) In case of divisible, 50-50 qty to be given to each.
- (b) In case of non-divisible, supplementary bid asking for discount to be obtained.
- (c) In case of both divisible or non-divisible, lottery option to be exercised after above options are not conclusive.

17. Firm Price / Price Variation:

Prices quoted by bidder shall remain firm and fixed during the period of the contract and not subject to variation on any account.

18. Payment Terms:

No Advance in any manner will be paid to the Supplier / Bidder / Vendor / Contractor.

100% payment will be made against complete (100%) supply of items of the order and as reduced by any deductibles and/or the amount liveable towards liquidated damages, if any and after including statutory taxes, duties and levies as applicable may be payable through RTGS/NEFT within 15 days for actual quantities of work executed and on submission of relevant documents as mentioned below:

-

- i) Set of Original + 2 Copies of signed Tax Invoice showing item / activity wise prices as per the Contract / Order to be submitted to Commercial Department, East Yard.
- ii) Set of Original+2 copies of Warranty Certificate as per Enclosure.
- iii) Set of Original+2 copies of PSBG as per the Enclosure.
- iv) Signed copy of Material acceptance (GRN) by MDL-QA-EY.

Note:

Wherever GST is applicable, payment will be released against e-Invoice, or Invoice accompanied with vendor's self-declaration that

"We do not fall under the category of registered persons notified under Rule 48(4) of the Central GST Rules, 2017 and we are not required to comply with e-Invoicing provisions under GST Act, as our aggregate turnover in any preceding financial year from 2017-18 onwards has not exceeded Rs. 5 Cr. as per GST Act."

19. Trade Receivable Discounting System (TReDS) for MSEs:

- a) TReDS is a digital platform to help MSMEs to address their financial needs for facilitating the financing of trade receivables from buyers, through multiple financiers. TReDS is governed by the Reserve Bank of India under the Payment and Settlement Systems Act, 2017 and the Factoring Regulations Act, 2011. Under the TReDS initiative, at present, RBI has given licenses to three participants (A. TREDIS Ltd, RXIL, M1 Xchange). MDL is registered for TReDS online platform with

A. TReDS Ltd, and M1Xchange to facilitate payments to MSMEs through TReDS. At TReDS, auctioning of invoices at competitive and transparent environment is done by financiers based on Buyer's credit profile.

- b) MSE bidders desirous to receive payments through TReDS platform may avail the facility if they are already registered on TReDS platform or by registering on any one of the service provider. Contact details of TReDS platform service providers are to be indicated. MSE bidders upon successful delivery shall submit their invoices along with the mandated enclosures at MDL, central receipt section. MSE vendors, desirous to receive payments through a particular TReDS platform must submit their TReDS details along with the invoice at MDL, central receipt section. Upon receipt and acceptance of the supplied material and receipt of invoices with the mandated enclosures, MDL shall process the invoice for payment on that particular TReDS platform. Any unfinanced invoices / invoices of MSE bidders seeking payment from MDL directly shall be processed as per the standard payment terms agreed in PO / contract.

20. Taxes and Duties:

- i) Bidders must quote the amounts of Taxes and Duties as applicable, separately, duly indicating the base amount(s) and the applicable rate(s), under each of the heads indicated above. Wherever Exemption Certificates are issued, no liability for payment of taxes and duties arises and hence taxes and duties shall not be reimbursed / allowed.
- ii) Supplier / contractor will not be entitled to any increase in rate of taxes occurring during the period of extended delivery completion schedule if there is delay in supplies / completion attributed to him.
- iii) However, if there is a decrease in taxes, the same must be passed on to MDL.
- iv) Wherever all-inclusive prices are quoted by the Tenderer(s) without bifurcation of tax elements, no escalation can be considered in respect of any variations in statutory levies arising subsequently because of the absence of the required base figures in the purchase order / contract.

Note:

- a) GST shall be payable extra as quoted and agreed as per GST Laws.
- b) In case of purchases of goods/services from unregistered dealers under GST Laws, GST will be paid by MDL under reverse charge mechanism.
- c) Benefits from reduction in rate of tax/ITC is required to be passed on to consumer. Where "applicable GST" has been quoted as extra, Goods and service providers (except unregistered dealers under GST Law) have to submit declaration that they have complied with 'Anti profiteering clause' under GST Law. Such declaration be given in technical bid.
- d) If the vendor is registered under GST, vendor shall mention the HSN code for goods and/or services in their tax invoice, etc. These codes must be in accordance with GST Laws and responsibility of specifying correct HSN codes for goods and/or services is that of the vendor. MDL shall not be responsible for any error in HSN code for goods and/or services specified by supplier / contractor. Supplier /Contractor shall pay penalty and/ or interest imposed on MDL or any loss due to delay in availing ITC by MDL or any loss of ITC to MDL due to errors by vendors at any stage. MDL reserves right to recover any such interest, penalty or loss from any amount due to supplier /contractor or otherwise.
- e) In case, MDL is unable to avail ITC, supplier/contractor at their own cost shall rectify the shortcoming in the returns to be filed immediately thereafter. Further, if the ITC is delayed / denied to MDL / reversed subsequently as per GST Laws due to non / delayed receipt of goods and / or services and / or tax invoice or expiry of timelines prescribed in GST Laws for availing ITC, non-payment of taxes or non-filing of returns or any other reason not attributable to MDL, supplier /contractor shall pay any loss of amount along with interest and penalty on MDL under GST Laws for the number of days the ITC was delayed. If the short coming is not rectified by supplier/contractor and MDL ends up in reversal of credits and / or payments, supplier

/contractor is fully liable for making good all the loss incurred by MDL. MDL reserves right to recover any interest, penalty or loss from any amount due to supplier /contractor or otherwise.

- f) If the vendor is registered under GST, the GST registration number (15 digit GSTIN) issued by GoI shall be mandatorily provided by the vendor. Vendor having multiple business verticals within state / at multiple states with separate GST registration numbers shall forward GSTIN of only that vertical which is involved in supply of goods and/or services. MDL GSTIN is 27AAACM8029J1ZA and vendor shall mention the same while invoicing and avoid any data entry error on GST portal.
- g) If the vendor is registered under GST; Vendor shall ensure timely submission of invoice as per the provisions / requirement / timeline promulgated by GOI in relation to GST Law with all required supporting documents to enable MDL to avail input tax credit promptly. The vendors invoice inter alia should contain GSTIN of vendor, GSTIN of MDL (i.e.27AAACM8029J1ZA), GST tax rate separately, HSN code wise goods or services, place of supply, signature of vendor, etc. Original invoice needs to be submitted to Bill Receipt Centre at MDL gate, and a copy of the invoice should be given to the goods receiving section (GRS).
- h) If the vendor is registered under GST, vendor shall file all applicable returns under GST Laws in the stipulated time and any losses of tax credit to MDL arising due to delay in filing will be recovered from their invoice wherever MDL is eligible to avail tax credit. Any default towards payment of tax and / or uploading of monthly returns by supplier/contractor, MDL retains right to withhold payments towards tax portion until the same is corrected and complied by the supplier/contractor with the requirement of GST along with satisfactory evidence.
- i) The rate sheet enclosed with the tender will indicate the rates to be entered under each head wherever applicable. Bidders must clearly mention the applicable taxes and duties. The item-wise rates (Inclusive of packing forwarding, freight & insurance) quoted in the rate sheet should exclude taxes and duties. Bidder should indicate GST rates as applicable separately under each of the head in the same Rate sheet, which will be paid extra based on tax invoice to the extent applicable. The GST will be applicable on total basic rate of each item (Inclusive of packing forwarding, freight & insurance).

21. E-invoice:

The vendors, whose aggregate turnover in any preceding financial year from FY 2017-18 onwards, exceeds INR 5 crore as per GST Act or as applicable from time to time, will have to issue an e-Invoice with a Quick Response (QR) code and Invoice Registration No.(IRN), It is important to note that MDL will not be entitled for Input Tax Credit (ITC)/GST on a vendor Invoice which is not compliant with the above e-Invoice notification. Wherever GST is applicable, payment will be released against e- Invoice, or Invoice accompanied with vendor's self-declaration that "we do not fall under the category of registered persons notified under Rule 48(4) of the Central GST Rules, 2017 and we are not required to comply with e-Invoicing provisions under GST Act, as our aggregate turnover in any preceding financial year from 2017-18 onwards has not exceeded INR 5 crore as per GST Act".

22. Ranking of Bids:

Total items of tender are divided into two groups as follows:

Group 1 (Sr no 40, 50, 60, 70, 80, 90, 100, 110, 130, 140, 150, 180, 200 of rate sheet)

Group 2 (Sr no 20, 30, 120, 160, 170, 190 of rate sheet)

Line items are inseparable group-wise. Any bidder not quoting for any item of a particular group, will not be considered for evaluation for that group.

L1 will be decided group wise. Order will be placed on two different bidders for each group.

In case same bidder is L1 in both the groups, then this bidder will be considered for only one group having higher value among the two groups. For the other group, L2 will be considered if L2 matches the L1 price of that group, if L2 does not match the price of L1

then L3 will be called for the same and so on. If none of the bidders match the L1 price then, L1 bidder may be considered for both the groups or retender the balance group at MDL's discretion.

The comparison of the responsive tenders shall be on total outgo on Least Cost Net of Credit Basis (LCNC), for the procurement to be paid to the supplier or service provider, including all elements of costs, duties, levies, freight, insurance etc. excluding GST (where ITC is available). Therefore, it should normally be on the basis of CIF/ FOR destination basis, duly delivered, commissioned, as the case may be.

23. Loading Criteria:

- i. Varied payment terms quoted by indigenous bidders as compared to the terms stated in the tender document shall be normalized by adopting the Prime Lending Rate of State Bank of India plus 2% thereon on the amount (s) at variation and / or for the period (in no. of days) at variation and LIBOR / EURIBOR rates plus 2 % or 6% whichever is higher in case of foreign bidders.
- ii. Contingency charges, if technically accepted (Guarantee extension charges, delivery extension charges, re-preservation charges, extra man-days charges etc.) as applicable should be added to decide L-1. For the additional delivery period sought by the bidder over the stipulated date of delivery/completion of tender, 0.50% per completed week will be loaded to the quoted price.
- iii. Deviations in respect of the period of Warranty / Guaranty shall be loaded to the quoted price @ 0.25% per month or part thereof. This does not arise if the bidder quotes additional price for the differential period.

24. Purchase Preference to Micro and Small Enterprises(MSEs):

Micro and Small Enterprises (MSEs) registered under Udyam Registration or as directed by government are eligible to avail the benefits under the policy. This Policy is meant for procurement of only goods produced and services rendered by MSEs. Traders/Distributors/Sole Agents/Works Contract are excluded from the purview of the policy. MDL has right to place order on MSE Manufacturer and MSE Service Provider meeting following criteria:

- a) In tender, participating Micro and Small Enterprises (MSE) quoting price within price band of L1+15 (fifteen) per cent shall also be allowed to supply a portion of requirement by bringing down their price to L1 price in a situation where L1 price is from someone other than a MSE and such MSE shall be allowed to supply up to 25(twenty-five) per cent of total tendered value. The 25(twenty-five) per cent quantity is to be distributed proportionately among these bidders, in case there are more than one MSEs within such price band.
- b) Within this 25% (Twenty Five Percent) quantity, a purchase preference of four (4) per cent is reserved for MSEs owned by Scheduled Caste (SC)/ Scheduled Tribe (ST) entrepreneurs and three (3) percent is reserved for MSEs owned by women entrepreneur (if they participate in the tender process and match the L1 price). However, in event of failure of such MSEs to participate in tender process or meet tender requirements and L1 price, four percent sub-target for procurement earmarked for MSEs owned by SC/ST entrepreneurs and three (3) percent earmarked to women entrepreneur will be met from other MSEs. . MSEs would be treated as owned by SC/ ST entrepreneurs:
 - i) In case of proprietary MSE, proprietor(s) shall be SC /ST;
 - ii) In case of partnership MSE, the SC/ ST partners shall be holding at least 51% (fifty-one percent) shares in the unit;
 - iii) In case of Private Limited Companies, at least 51% (fifty-one percent) share shall be held by SC/ ST promoters.
- c) If subcontract is given to MSEs, it will be considered as procurement from MSEs.

- d) In case of tender item cannot be split or divided, etc. the MSE quoting a price within the band L1+15% may be awarded for full/ complete supply of total tendered value to MSE, considering the spirit of the Policy for enhancing Govt. Procurement from MSEs.
- e) In respect of items reserved for MSE-Manufacturers, extant guidelines shall be followed. Presently Circular No. S.O. 581(E) dated 23.03.2012 is applicable. The latest list may be seen from the website of the MSME Ministry.

25. Purchase Preference to Make in India 2017:

The Government of India has issued revised Public Procurement (Preference to Make in India) order 2017 on 16th Sep 2020 as part of its policy to encourage "Make in India" and promote manufacturing and production of goods and services in India with a view to enhancing income and employment. Subject to the provisions of this order and to any specific instructions issued by Nodal Ministry or in pursuance of this order, Purchase Preference shall be given to local suppliers in all the procurements undertaken by MDL in the manner specified below.

Aspects of 'Preference to Make in India':

- a) "Local content" means the amount of value added in India which shall be the total value of item (goods, services or works or their combination) under procurement (excluding net domestic indirect taxes) minus the value of imported content in the item (including all customs duties) as a proportion of the total value in percent. Different definition of Local Content may be specified by the Nodal Ministry for items assigned to them, which will prevail over above.

Note: The local content can be increased by vendors through partnerships, cooperation with local companies, establishing production units in India or Joint Ventures (JV) with Indian suppliers, increasing the participation of local employees in services and training them.

- b) "Class-I Local Supplier" means a supplier or service provider, whose goods, services or works offered for procurement, meets the minimum local content as prescribed for 'Class-I local supplier' under this Order.
- c) "Class-II Local Supplier" means a supplier or service provider, whose goods, services or works offered for procurement, meets the minimum local content as prescribed for 'Class-II local supplier' but less than that prescribed for 'Class-I local supplier' under this Order.
- d) "Non-Local Supplier" means a supplier or service provider, whose goods, services or works offered for procurement, has local content less than that prescribed for 'Class-II local supplier' under this Order.
- e) "L1" means the lowest tender or lowest bid or lowest quotation received in a tender, bidding process or other procurement solicitation as adjudged in the evaluation process as per the tender or other procurement solicitation.
- f) "Margin of Purchase Preference" means the maximum extent to which the price quoted by a "Class-I Local Supplier" may be above the L1 for the purpose of purchase preference. The margin of purchase preference shall be 20% which is to be indicated in tender.

Note: Price/s of all Class I local supplier/s in a tender is more than 20% of L1's price no purchase preference shall be applicable.

- g) "Nodal Ministry" means the Ministry or Department identified pursuant to the said Order in respect of a particular item of goods or services or works.
- h) "Procuring entity" means a Ministry or department or attached or subordinate office of or autonomous body controlled by, the Government of India and includes Government companies as defined in the Companies Act.

Note: Mazagon Dock Shipbuilders Limited (MDL) shall be a procuring entity.

- i) "Works" means all works as per Rule 130 of GFR-2017 and will also include "turnkey works", Engineering, Procurement and Construction (EPC) contracts.
- j) "Services" includes System Integrator (SI) contracts among other services.
- k) **Eligibility of Suppliers to bid in a tender**
 - i) In procurement of all goods, services or works in respect of which the Nodal Ministry / Department has communicated that there is sufficient local capacity and local competition, only 'Class-I local supplier', as defined under the Order, shall be eligible to bid irrespective of purchase value.
 - ii) Both 'Class-I local supplier' and 'Class-II local supplier' shall be eligible to bid in procurements not covered above para (i) and undertaken by procuring entities, except when Global tender enquiry has been issued. In global tender enquiries (GTE), 'Non-local suppliers' shall also be eligible to bid along with 'Class-I local suppliers' and 'Class-II local suppliers'. In procurement of all goods, services or works, not covered above para (i), and with estimated value of purchases less than INR 200 Crore, in accordance with Rule 161(iv) of GFR, 2017, Global tender enquiry (GTE) shall not be issued except with the approval of competent authority as designated by Department of Expenditure. For the cases pertaining to MoD, Defence Secretary will be the competent authority to approve issue of GTE up to INR 200 Crore based on adequate justification as per MoF DoE PP Division ID Note No F.20/36/2020-PPD dtd 28.10.2020.
- l) **Special Conditions in GTE Procurements: Agency Commission:**
The amount of Agency Commission, (normally not exceeding five percent) payable to the Indian Agent should not be more than what is specified in the Agency agreement (a certified copy should be submitted along with the bid) between the bidder and the Indian Agent. The Indian Agent will be required to submit a certificate along with their Agency Commission bill, confirming that the amount claimed as Agency Commission in the bill has been spent/will be spent, strictly to render services to the foreign Principal, in terms of the Agency Agreement. The Purchaser or their authorized agencies and/or any other authority of the Government of India shall have rights to examine the books of the Indian Agent and defects or misrepresentations in respect of the afore indicated confirmation coming to light during such examinations will make the foreign Principal (i.e. the Contractor) and their Indian Agent liable to be banned/suspended from having business dealings with the Purchaser, following laid down procedures for such banning/suspension of business dealings.
- m) DPIIT vide OM No. P-45021/102/2019-BE-II Part (1) (E-50310) dated 04 Mar 2021 has clarified that bidders offering imported products will fall under the category on Non-local suppliers and they cannot claim themselves as Class-I local suppliers / Class-II local suppliers by claiming the services such as transportation, insurance, installation, commissioning, training and after sales service support like AMC / CMC, etc. as local value addition. Hence, bidders offering imported products will be treated as Non-local suppliers.

26. Purchase preference:

- a) Purchase preference shall be given to only "Class-I Local Supplier" (Class II Local Supplier are not eligible for purchase preference) in procurements undertaken in the manner specified in the succeeding sub-paras:
- b) The Class-I local suppliers, under PPP-MII Order, participating in any government tender, may or may not be MSEs, as defined under the MSME Act. Similarly, MSEs participating in any government tender, may or may not be Class-I local suppliers. Suppliers may be categorised in following four broad categories for consideration or applicability of purchase preference:

Category	Terminology
Supplier is both MSE & Class- I local supplier	MSE Class-I local supplier
Supplier is MSE but not Class- I local supplier	MSE but non-Class-I local supplier

Supplier is not MSE but is Class-I local supplier	Non-MSE but Class-I local supplier
Supplier is neither MSE nor Class-I local	Non-MSE non-Class-I local supplier

- c) In the procurement covered by para 23 (K) (i) above (Para 3(a) of PPP-MII Order, 2017) for which Nodal Ministry has notified sufficient local capacity and competition, only Class-I local suppliers are eligible to bid irrespective of purchase value. Hence, Class-II local suppliers or Non-local suppliers, including MSEs which are Class-II local suppliers/ Non-local suppliers, are not eligible to bid. Purchase preference shall be accorded as under:
- i) L-1 is "MSE Class-I local supplier": 100% of the tendered quantity shall be awarded to L-1.
 - ii) L-1 is "Non-MSE but Class-I local supplier"(Divisible in nature): Purchase preference shall be given to MSEs as per PPP-MSE Order. Balance quantity be awarded to the L-1 bidder.
 - iii) L-1 is "Non-MSE but Class-I local supplier" (Non- Divisible in nature): Purchase preference shall be given to lowest quoting MSE Class-I local supplier as per PPPMSE Order. If lowest quoting MSE Class-I local supplier does not accept the L-1 rates, the next higher eligible MSE Class-I local supplier is to be given purchase preference and so on. 100% of the tendered quantity shall be awarded to MSE Class-I local supplier accepting L-1 rates. If MSE Class-I local suppliers do not accept L- 1 rates, then contract shall be awarded to L-1
- d) In the procurement of goods and services reserved exclusively for procurement from MSEs as per PPP-MSE Order, non- MSEs are not eligible to bid for these items and Purchase preference shall be accorded as under:
- i) L-1 is "MSE Class-I local supplier": 100% of the tendered quantity shall be awarded to L-1
 - ii) L-1 is "MSE non-Class-I local supplier"(Divisible in nature): Purchase preference shall be given to MSE Class-I local supplier as per PPP-MII Order. Balance quantity be awarded to L-1 bidder.
 - iii) L-1 is "MSE non-Class-I local supplier" (Non-Divisible in nature): First opportunity shall be given to lowest quoting "MSE Class-I local supplier" for matching L-1 bidder as per PPP-MII Order for 100% of the tendered quantity and if lowest quoting "MSE Class-I local supplier" does not accept the L-1 rates, the next higher eligible "MSE Class- I local supplier" is to be given purchase preference and so on. If all "MSE Class-I local suppliers" decline to accept the L-1 rates, then contract shall be awarded to L-1 for 100% of the tendered quantity.
- e) In the procurement of goods or service which are covered in para 23 (K) (ii) above which are divisible in nature (Para 3A(b) of PPP-MII Order), both MSEs as well as Class-I local suppliers are eligible for purchase preference and the Purchase preference shall be accorded as under:
- i) L-1 is "MSE Class-I local supplier": 100% of the tendered quantity shall be awarded to L-1.
 - ii) L-1 is "Non-MSE but Class-I local supplier": Purchase preference shall be given to MSEs, if eligible, as per PPP-MSE Order. Balance quantity be awarded to L-1 bidder.
 - iii) L-1 is "MSE but non-Class-I local supplier": Purchase preference shall be given to Class-I local suppliers, if eligible, as per PPP-MII Order. Balance quantity be awarded to L-1 bidder.
 - iv) L-1 is "Non-MSE non-Class-I local supplier": Firstly, Purchase preference shall be given to MSEs as per PPPMSE Order. Thereafter, purchase preference is to be given to Class-I local suppliers for "50% of the tendered quantity minus quantity allotted to MSEs above" as per PPP- MII Order. For the balance quantity, contract be awarded to L-1 bidder. (Kindly refer to the illustrative example in the MoF, DoE OM at Enclosure-II).
- f) In the procurement of goods, services which are covered in para 23 (K) (ii) above and which are not divisible in nature, and in procurement of services where the bid is evaluated on price alone

(Items covered under Para 3A(c) of PPP-MII Order, 2017) and both MSEs as well as Class-I local suppliers are eligible for purchase preference Purchase preference shall be accorded as under:

- i) L-1 is "MSE Class-I local supplier": Contract shall be awarded to L-1.
- ii) L-1 is not "MSE Class-I local supplier" but the "MSE Class-I local supplier" falls within 15% margin of purchase preference. Purchase preference shall be given to lowest quoting "MSE Class-I local supplier". If lowest quoting "MSE Class-I local supplier" does not accept the L-1 rates, the next higher "MSE Class-I local supplier" falling within 15% margin of purchase preference is to be given purchase preference and so on. If all "MSE Class-I local supplier" do not accept L-1 rates, then (f)(iii) shall be followed.
- iii) If conditions mentioned in sub paras (f)(i) and (f)(ii) above are not met i.e. L1 is not "MSE Class-I local supplier" and "MSE Class-I local supplier" is not eligible to take benefit of purchase preference as per PPP-MSE Order or all "MSE Class-I local supplier" do not accept L-1 rates, the contract is to be awarded / purchase preference to be given in different possible scenarios as under:
 - a) L-1 is "MSE but non-Class-I local supplier" or "Non- MSE but Class-I local supplier": Contract be awarded to L-1.
 - b) L-1 is "Non-MSE non-Class-I local supplier": Firstly, purchase preference shall be given to eligible MSE as per PPP-MSE Order. If MSEs not eligible or does not accept then purchase preference to be given to eligible Class- I Local supplier as per PPPMII Order. If Class-I Local supplier is also not eligible or does not accept then contract be awarded to L-1.
- g) Items reserved for both MSEs and Class-I local suppliers: These items are reserved exclusively for purchase from MSEs as well as Class-I local suppliers. Hence, only "MSE Class-I local supplier" are eligible to bid for these items. Non-MSEs / Class-II local suppliers / Non-local suppliers cannot bid for these items. Hence the question of purchase preference does not arise.
- h) Non-local suppliers, including MSEs falling in the category of Non-local suppliers, shall be eligible to bid only against Global Tender Enquiry.

27. Minimum Local Content:

- i) The 'local content' requirement to categorize a supplier as 'Class-I local supplier' is minimum 50%. For 'Class-II local supplier', the 'local content' requirement is minimum 20%. However, Nodal Ministry / Department may prescribe only a higher percentage of minimum local content requirement to categorize a supplier as 'Class-I local supplier' / 'Class-II local supplier'. For the items, for which Nodal Ministry / Department has not prescribed higher minimum local content notification under the Order, it shall be 50% and 20% for 'Class-I local supplier' and 'Class-II local supplier' respectively.
- ii) The Nodal Ministry may keep in view the domestic manufacturing / supply base and assess the available capacity and the extent of local competition while identifying items and prescribing the higher minimum local content or the manner of its calculation, with a view to avoiding cost increase from the operation of this Order.

28. Reciprocity Clause:

- i) Entities of countries which have been identified by the nodal Ministry / Department as not allowing Indian companies to participate in their Government procurement for any item related to that nodal Ministry shall not be allowed to participate in Government procurement in India for all items related to that nodal Ministry / Department, except for the list of items published by the Ministry / Department permitting their participation.
- ii) The term 'entity' of a country shall have the same meaning as under the FDI Policy of DPIIT as amended from time to time.

29. Debarment of bidders / suppliers:

- i) False declaration will be in breach of Code of Integrity under Rule 175(1)(i)(h) of GFR 2017 for which a bidder or its successors can be debarred for up to 2 years as per Rule 151(iii) of GFR 2017 along with such other actions as may be permissible under law.
- ii) A supplier who has been debarred by any procuring entity for violation of said Order shall not be eligible for preference under said Order for procurement by any other procuring entity for the duration of debarment. The debarment for such other procuring entities shall take effect prospectively from the date on which it comes to the notice of other procurement entities, in such a manner that ongoing procurements are not disrupted.

30. Provisions of Official Secrets Act, 1923:

Extract of provisions of the Official Secret Act as per the enclosure should be signed stamped and enclosed in the offer.

31. Public Grievance Cell:

A Public Grievance Cell headed by Shree R R Kumar (ED-Production), President, has been set up in the Company. Members of public having complaints or grievances are advised to contact him on Wednesday between 10.00 hours and 12.30 hours in his office on 3rd floor, west Block, MAZAGON DOCK SHIPBUILDERS LTD, Dock Yard Road, Mumbai 400010, INDIA or send their complaints / grievances to him in writing for redressal. His Telephone No. is 022 2378 2338, 2376 2106.

32. Book Examination Clause (BEC):

In case it is found to the satisfaction of MDL that the Supplier has engaged an Agent or paid commission or influenced any person to obtain the contract as described in clauses relating to Agents/Agency Commission and penalty for use of undue influence, the supplier, on a specific request of MDL shall provide necessary information/inspection of the relevant financial documents/information.

33. Liquidated Damages:

As per ONGC GCC 6.3.2

34. Integrity Pact:

- i) The bidder has to submit Integrity Pact as per the attached format in the enclosure.
- ii) Each page of Integrity pact shall be duly signed by the bidder. Non-submission of Integrity pact by the bidders duly signed on each page along with Part-I bid shall be categorically rejected.
- iii) In case of issues related to Integrity Pact (IP) please contact Independent External Monitor (IEM) whose details are as below:

a) Mr. P V Rao

Email id: pasupuletirao@yahoo.co.in

35. Option Clause:

MDL retains the right to increase/decrease the ordered quantity by up to 50 % at any time, till final delivery date (or the extended delivery date of the contract), by giving reasonable notice even though the quantity ordered initially has been supplied in full before the last date of the delivery period (or the extended delivery period).

36. Common / Deemed DPSU registration and Green Channel Status clause:

- i) Suppliers / Contractors registered in other Defence PSUs for the tendered item / service shall be considered by MDL as Deemed Registered.
- ii) Green Channel Policy is formulated by DDP, MoD and promulgated vide O.M. No. 43(5)/2015/D(QA) dated 24.03.2017. Suppliers holding Green Channel Certificate for the tendered item shall be considered by MDL as Deemed Registered.

37. Land Border Clause:

(Restrictions under Rule 144 (xi) of the General Financial Rules (GFRs), 2017)

- i) MoF DoE vide OMs No 6/18/2019-PPD dated 23 Jul 2020 & 24 Jul 2020 and OM No F.7/10/2021/-PPD (1) dated 23.02.2023 has promulgated restrictions and procedure for buying from a bidder from a country which shares a land border with India under GFR Rule 144 (xi) on the grounds of Defence of India and National Security for information and compliance.
- ii) The Orders stipulate mandatory registration with competent authority and seeking certificate of compliance with this Order from the bidder from a country which shares a land border with India in the tender process. Exclusions from these restrictions have also been enlisted in the Order. The Competent authority for the purpose of registration under this Order shall be the Registration Committee constituted by the Department for Promotion of Industry and Internal Trade (DPIIT).
- iii) A bidder is permitted to procure raw material, components etc. from the vendors from countries which shares a land border with India. Such vendors will not be required to be registered with Competent Authority, as it is not regarded as "sub-contracting". However, if bidder has proposed to supply finished goods procured directly/ indirectly from the vendors from the countries sharing land border with India, such vendor will be required to be registered with the Competent Authority.
- iv) The bidder has to enclose filled signed and stamped certificate for "Declaration of Compliance on Restrictions under Rule 144 (xi) of the General Financial Rules (GFRs), 2017" as per the enclosure.

38. Consignee details:

Firm shall arrange dispatch of good by appropriate transport mode as per the order and consign the same to Onsite at Mundra Port (Onsite at fabricator premises).

39. Inspection and Testing:

- i) Inspection of the materials will be carried out by TPI as mentioned in the Scope of Work.
- ii) Documentation: COC from supplier and Material inspection certificate (Chemical and Physical) from NABL laboratory or 3.1 Mill test certificate / dimensional reports/ warranty certificate, etc.
- iii) Receipt Inspection- MDL User
- iv) Warranty certificate as per the enclosure.

Note:

GRN will be accepted by MDL QA based on user acceptance report.

40. Breach of Obligation Clause with respect to Bid Submitted:

In case of breach of any obligation mentioned under, the bidder shall be disqualified / debarred from the bidding process for a period of one year from the date of notification,

- i) Bidder has withdrawn / modified / amended / impaired / derogated from the tender during the period of bid validity.
- ii) Bidder fails or refuses to execute the contract upon notification of acceptance of bid by MDL during the period of bid validity.

41. Right to reject any or all bids:

MDL reserves its right to accept or reject any or all bids, abandon / cancel the tender process, and issue another tender for the same or similar Goods/Services at any time before the award of the contract. It would have no liability to the affected Bidder or Bidders or any obligation to inform the affected Bidder or Bidders of the grounds for such action(s).

42. Contacting MDL during the evaluation:

From the time of bid submission to awarding the contract, no bidder shall contact MDL on any matter relating to the submitted bid. If a Bidder needs to contact MDL for any reason relating to this tender and/ or its bid, it should do so only in writing or electronically. Any effort by a Bidder to influence MDL during the processing of bids, evaluation, bid comparison or award decisions shall be construed as a violation of the Code of Integrity, and bid shall be liable to be rejected as nonresponsive in addition to other punitive actions for violation of Code of Integrity as per the Tender Document.

43. Claims by firms:

No claims by the firms will be entertained after 03 years from date of execution/completion of order.

44. Cancellation / Foreclosure / Termination of order:

Action for cancellation / foreclosure / termination of order shall be taken in any of the following conditions / circumstances.

- i) On the basis of Government Order.
- ii) Defaults / Breach on part of the contractor / Supplier / supplier in complying with agreed terms of order / contract.
- iii) Liquidation / Dissolution of the Firm or entity on whom the original order is placed.
- iv) Unreasonable delays in supply of ordered articles or services or documentation.
- v) Supplies made not meeting the ordered specifications.
- vi) Activities of any of the Proprietor / Partner being found to be Antisocial / Anti -National liable for penal action under Indian Penal Code or imposed with penalty of black listing / debarred by MDL, Owners, Govt. of India or any such authorities at any time during validity of the contract / order.
- vii) The Purchase Order not accepted by the vendor within the stipulated period.

When the contractor / Supplier is found to be liable for action under any of the above provisions, MDL may terminate or cancel the contract / order in part or full by written notice of default sent to the contractor / Supplier without prejudice to any other remedy invoking risk purchase clause and execution of work / order through other agencies.

45. Cartel Formation/Pool Rates:

- i) Pool/cartel formation is against the basic principle of competitive bidding and defeats the very purpose of an open and competitive tendering system. Such and similar tactics to avoid/control true competition in a tender leading to "Appreciable Adverse Effect on Competition" (AAEC) have been declared as an offence under the Competition Act, 2002, as amended by the Competition (Amendment) Act, 2007.
- ii) If this is found, suitable administrative actions can be resorted to, such as rejecting the offers, reporting the matter to trade associations, the Competition Commission or NSIC, etc., and requesting them, inter-alia, to take suitable strong actions against such firms. The purchaser may also debar the tenderers indulging in cartel formation/collusive bidding/bid rigging for a period of two years from participation in the tenders of the Purchaser.

46. Common / Deemed DPSU registration and Green Channel Status clause:

Suppliers / Contractors registered in other Defence PSUs for the tendered item / service shall be considered by MDL as Deemed Registered. Green Channel Policy is formulated by DDP, MoD and promulgated vide O.M. No. 43(5)/2015/D(QA) dated 24.03.2017. Suppliers holding Green Channel Certificate for the tendered item shall be considered by MDL as Deemed Registered.

47. Conflict of Interest Among Bidders/ Agents:

A bidder shall not have conflict of interest with other bidders. Such conflict of interest can lead to anti-competitive practices to the detriment of MDL's interests. The bidder found to have a conflict of interest shall be disqualified. A bidder may be considered to have a conflict of interest with one or more parties in this bidding process, if:

- (i) they have controlling partner (s) in common; or
- (ii) they receive or have received any direct or indirect subsidy/ financial stake from any of them; or
- (iii) they have the same legal representative/agent for purposes of this bid; or
- (iv) they have relationship with each other, directly or through common third parties, that puts them in a position to have access to information about or influence on the bid of another Bidder; or

(v) Bidder participates in more than one bid in this bidding process. Participation by a Bidder in more than one Bid will result in the disqualification of all bids in which the parties are involved. However, this does not limit the inclusion of the components/ sub-assembly/ Assemblies from one bidding manufacturer in more than one bid.

(vi) In cases of agents quoting in offshore procurements, on behalf of their principal manufacturers, one agent cannot represent two manufacturers or quote on their behalf in a particular tender enquiry. One manufacturer can also authorise only one agent/dealer. There can be only one bid from the following:

(a) The principal manufacturer directly or through one Indian agent on his behalf; and

(b) Indian/foreign agent on behalf of only one principal.

(vii) Bidder or any of its affiliates participated as a consultant in the preparation of the design or technical specifications of the contract that is the subject of the Bid;

(viii) In case of a holding company having more than one independently manufacturing units, or more than one unit having common business ownership/management, only one unit should quote. Similar restrictions would apply to closely related sister companies. Bidders must proactively declare such sister/ common business/ management units in same/similar line of business.

Note: The undertaking by the bidders for above para (Conflict of Interest among Bidders/ Agents) to be submitted along with the bid.

48. Order Acceptance:

Successful bidder shall acknowledge the receipt and communicate in writing their unconditional acceptance of order within 03 working days from the date of placement of the order. If nothing to the contrary is received within 03 working days from the date of placement of order, it shall be understood that the order has been accepted.

Any other terms and conditions not mentioned above but mentioned in Scope of work at the enclosure will be applicable.

We look forward to receive your most competitive and reasonable offer against this tender.

For MAZAGON DOCK SHIPBUILDERS LIMITED

Shikha Pardhi, DM (C-EY) (Purchase Executive)

Email: spardhi@mazdock.com

Phone: 022 2376 2615

List of enclosures:

1. Enclosure 1: TEF acceptance Format.
2. Enclosure 2: Rate sheet
3. Enclosure 3: General Conditions of Contract (GCCs)
4. Enclosure 4: Acceptance format for General Conditions of Contract (GCCs)
5. Enclosure 5: Declaration of Compliance on Restrictions under Rule 144 (xi) of the General Financial Rules (GFRs), 2017
6. Enclosure 6: Declaration certificate for local content
7. Enclosure 7: Extract of provisions of the official secrets act, 1923
8. Enclosure 8: Performa Performance Bank Guarantee cum Security Deposit
9. Enclosure 9: Format for Integrity Pact
10. Enclosure 10: Format for warranty certificate
11. Enclosure 11: Deed of guarantee
12. Enclosure 12: Undertaking for Conflict of Interest among Bidders/ Agents
13. Enclosure 13: NEFT/RTGS format
14. Enclosure 14: Scope of Work

Note: Bidders have to upload filled and signed enclosures along with the offers on their letterhead except for the bonds and the bank guarantees.

TEF ACCEPTANCE FORMAT

TEF CLAUSE No.	BIDDER'S REMARK	TEF CLAUSE No.	BIDDER'S REMARK	TEF CLAUSE No.	BIDDER'S REMARK
1.	ACC / DEV	2.	ACC / DEV	3.	ACC / DEV
4.	ACC / DEV	5.	ACC / DEV	6.	ACC / DEV
7.	ACC / DEV	8.	ACC / DEV	9.	ACC / DEV
10.	ACC / DEV	11.	ACC / DEV	12.	ACC / DEV
13.	ACC / DEV	14.	ACC / DEV	15.	ACC / DEV
16.	ACC / DEV	17.	ACC / DEV	18.	ACC / DEV
19.	ACC / DEV	20.	ACC / DEV	21.	ACC / DEV
22.	ACC / DEV	23.	ACC / DEV	24.	ACC / DEV
25.	ACC / DEV	26.	ACC / DEV	27.	ACC / DEV
28.	ACC / DEV	29.	ACC / DEV	30.	ACC / DEV
31.	ACC / DEV	32.	ACC / DEV	33.	ACC / DEV
34.	ACC / DEV	35.	ACC / DEV	36.	ACC / DEV
37.	ACC / DEV	38.	ACC / DEV	39.	ACC / DEV
40.	ACC / DEV	41.	ACC / DEV	42.	ACC / DEV
43.	ACC / DEV	44.	ACC / DEV	45.	ACC / DEV

COMPANY'S NAME & ADDRESS:

SIGNATURE:
DATE:
NAME:
DESIGNATION:
BIDDER'S COMPANY SEAL:

Note:

1. Bidder confirms to have carefully read the Terms & Conditions enclosed only with this Tender Enquiry Form (TEF) prior to filling up this acceptance format.
2. Bidder confirms that this format has been **properly filled, signed and returned** along with our technical offer (Part-I) for considering the Bid.

3. Bidder confirms to have indicated **"ACC" for Accepted, "DEV" for Deviation** taken for each clause number in the above table.
4. In case of any deviations taken the bidder confirms to have attached **Separate Sheet** indicating all relevant details such as Number & Title / brief description of the Clause, **Reasons for Deviation and suggested alternative(s)**.
5. Clause numbers shown in the above format also includes the sub-clauses under these clauses. For example, Clause no. 8 means - Clause nos. 8-a (i) to (iv), b (i) to (xiii)& c

Enclosure-2

RATE SHEET PRESCRIBED FORMAT

(Please quote on your letter head only)

Note: Do not mention prices.

Line Item	Material /service details								Qty in Nos	Unit rate Rs	Total Value Rs
	Diameter (inch)	Diameter (mm)	Wall thickness (mm)	Design Pressure (Kg/cm2)	Design Temperature Degree C	Type	Grade	SPRU Class			
20	14	355.6	15.9	141	93	CS NACE	API 5L X 60	#1500	2		
30	16	406.4	15.9	148	93	CS NACE	API 5L X 60	#1500	2		
40	12.75	323.9	14.3	140	93.3	CS NACE	API 5L X 60	#1500	2		
50	12.75	323.9	14.3	93.7	93	CS NACE	API 5L X 60	#900	2		
60	12.75	323.9	14.3	93.7	93	CS NACE	API 5L X 60	#900	2		
70	12.75	323.9	14.3	143.07	93	CS NACE	API 5L X 60	#1500	2		
80	12.75	323.9	14.3	93.7	93	CS NACE	API 5L X 60	#900	2		
90	12.75	323.9	14.3	142	93.3	CS NACE	API 5L X 60	#1500	2		
100	10.75	273.1	14.3	95.6	93	CS NACE	API 5L X 60	#900	2		
110	10.75	273.1	14.3	93.7	93	CS NACE	API 5L X 60	#900	2		
120	16	406.4	15.9	93.7	93	CS NACE	API 5L X 60	#900	2		
130	12.75	323.9	14.3	93.7	93	CS NACE	API 5L X 60	#900	2		
140	12.75	323.9	17.5	151.6	55	CS	API 5L X 52	#1500	2		
150	8.625	219.1	14.3	151.6	55	CS	API 5L X 52	#1500	2		
160	16	406.4	15.9	94.9	93	CS NACE	API 5L X 60	#900	2		
170	16	406.4	15.9	93.8	83	CS NACE	API 5L X 60	#900	2		
180	12.75	323.9	14.3	93.7	93	CA NACE	API 5L X 60	#1500	2		

190	14	355.6	15.9	93.7	93	CA NACE	API 5L X 60	#1500	2		
200	6.625	168.3	12.7	151.6	55	CS	API 5L X 52	#1500	2		
Total Value											

a. The seller has read, understood and accept the complete Scope of work. (Yes/No)	
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Taxes and duties		
Tax head	Rate applicable	Percentage of total Amount on which the tax is applicable
GST		
Any other Taxes/Duties (Bidder to specify)		

Name:

Designation:

Date:

Bidders Company Seal

GENERAL CONDITIONS OF CONTRACT (GCC)

The word 'Purchaser' refers to MAZAGON DOCK SHIPBUILDERS LIMITED, (MDL), a Company within the meaning of Companies Act, 2013 and it includes its successors or assignees.

The word 'Bidder' (including the term 'tenderer', 'consultant' 'vendor' or 'service provider' in certain contexts) means any legal entity such as firm(s) of Proprietorship / Partnership Firm / Limited Liability Partnership / Private Limited / Limited company / Society registered under Society's Act / Statutory Bodies/ Consortium/ Joint Venture etc. participating in a procurement process.

The word 'Owner' means the person or authority with whom Mazagon Dock Shipbuilders Limited (Purchaser) has contracted to carry out work in relation to which orders are placed by the Purchaser on the Bidder/Supplier/Contractor under this contract for supply or manufacture of certain items and would include Department of Defence Production, Ministry of Defence, Government of India, the Indian Navy, the Coast Guard and any other specified authority. Unless otherwise indicated specifically by the bidder / contractor in his bid, it shall be construed as his acceptance of all the conditions mentioned in this GCC.

1. TENETS OF INTERPRETATION

Unless where the context requires otherwise, throughout the contract:

- (a) The heading of these conditions shall not affect the interpretation or construction thereof.
- (b) Writing or written includes matter either whole or in part, in digital communications, manuscript, typewritten, lithographed, cyclostyled, photographed, or printed under or over signature or seal or digitally acceptable authentication, as the case may be.
- (c) Words in the singular include the plural and vice-versa.
- (d) Words importing the masculine gender shall be taken to include other genders, and words importing persons shall include any company or association or body of individuals, whether incorporated or not.
- (e) Terms and expression not herein defined shall have the meanings assigned to them in the Contract Act, 1872 (as amended) or the Sale of Goods Act, 1930 (as amended) or the General Clauses Act, 1897 (as amended) or of INCOTERMS, (current edition published by the International Chamber of Commerce, Paris) as the case may be.
- (f) Any reference to 'Goods' shall be deemed to include the incidental Works/ Services also.
- (g) Any generic reference to GCC shall also imply a reference to TEF as well.
- (h) In case of conflict, provisions of TEF shall prevail over those in GCC.
- (i) Any reference to 'Contract' shall be deemed to include all other documents (inter-alia GCC, TEF).
- (j) Any reference to any legal Act, Government Policies or orders shall be deemed to include all amendments to such instruments, from time to time, till date.
- (k) Fall Clause shall be expressly applicable in the case of Rate Contract.

2. LANGUAGE OF CONTRACT

Unless otherwise stipulated in TEF, the contract shall be written in the Official Language or English. All correspondence and other contract documents, which the parties exchange, shall also be written/ translated accordingly in that language. For purposes of interpretation of the contract, the English documents/ translation shall prevail.

3. GOVERNING LAWS AND JURISDICTION

3.1 Governing Laws and Jurisdiction

(a) This Contract, its meaning and interpretation, and the relation between the Parties shall be governed by the Laws of India for the time being in force.

(b) Irrespective of the place of delivery, or the place of performance or the place of payments under the contract, the contract shall be deemed to have been made at the place from which the Purchase Order/Contract/Letter of Intent has been issued. The courts of such a place shall alone have jurisdiction to decide any dispute arising out or in respect of the contract.

3.2 Changes in Laws and Regulations

Unless otherwise stipulated in the contract, if after the last deadline for the bid submission (Techno-commercial), any law, regulation, ordinance, order or bye-law having the force of law is enacted, promulgated, abrogated, or changed in India (which shall be deemed to include any change in interpretation or application by the competent authorities) that subsequently affects the Delivery Date and/ or the contract Price, then such Delivery Date and/ or Contract Price shall be correspondingly increased or decreased, to the extent that the contractor has thereby been affected in the performance of any of its obligations under the contract. Notwithstanding the foregoing, such additional or reduced cost shall not be separately paid or credited if the same has already been accounted for in the price adjustment provisions where applicable.

4. CONFIDENTIALITY, SECRECY AND IPR RIGHTS

(a) IPR Rights

All deliverables, outputs, plans, drawings, specifications, designs, reports, and other documents and software submitted by the contractor under this Contract shall become and remain the property of MDL and subject to laws of copyright and must not be shared with third parties or reproduced, whether in whole or part, without MDL's prior written consent. The contractor shall, not later than upon termination or expiration of this Contract, deliver all such documents and software to MDL, together with a detailed inventory thereof. The contractor may retain a copy of such documents and software but shall not use it for any commercial purpose.

(b) Confidentiality

All documents, drawings, samples, data, associated correspondence or other information furnished by or on behalf of MDL to the contractor, in connection with the contract, whether such information has been furnished before, during or following completion or termination of the contract, are confidential and shall remain the property of MDL and shall not, without the prior written consent of MDL neither be divulged by the contractor to any third party, nor be used by him for any purpose other than the design, procurement, or other services and work required for the performance of this Contract. If advised by MDL, all copies of all such information in original shall be returned on completion of the contractor's performance and obligations under this contract.

(c) Secrecy

If the Contract declares the subject matter of this Contract as coming under the Official Secrets Act, 1923 or if the contract is marked as "Secret", the contractor shall take all reasonable steps necessary to ensure that all persons employed in any connection with the contract, have acknowledged their responsibilities and penalties for violations under the Official Secrets Act and any regulations framed thereunder.

(d) Obligations of the contractor

(i) Without MDL's prior written consent, the contractor shall not use the information mentioned above except for the sole purpose of performing this contract.

(ii) The contractor shall treat and mark all information as confidential (or Secret – as the case may) and shall not, without the written consent of MDL, divulge to any person other than the person(s) employed by the contractor in the performance of the contract. Further, any such disclosure to any such employed person shall be made in confidence and only so far as necessary for such performance for this contract.

(iii) Notwithstanding the above, the contractor may furnish to its holding company or its Subcontractor(s) such documents, data, and other information it receives from MDL to the extent required for performing the contract. In this event, the contractor shall obtain from such holding company/ Subcontractor(s) an undertaking of confidentiality (or secrecy – as the case may be) similar to that imposed on the contractor under the above clauses.

(iv) The obligation of the contractor under sub-clauses above, however, shall not apply to information that:

(aa) The contractor needs to share with the institution(s) participating in the financing of the contract;

- (ab) now or hereafter is or enters the public domain through no fault of Contractor;
- (ac) can be proven to have been possessed by the contractor at the time of disclosure and which was not previously obtained, directly or indirectly, from MDL; or
- (ad) otherwise lawfully becomes available to the contractor from a third party that has no obligation of confidentiality.
- (v) The above provisions shall not in any way modify any undertaking of confidentiality (or Secrecy – as the case may be) given by the contractor before the date of the contract in respect of the contract/ the Tender Document or any part thereof.
- (vi) The provisions of this clause shall survive completion or termination for whatever reason of the contract.

5. PERMITS, APPROVALS AND LICENSES

Whenever the supply of Goods and incidental Services requires that the contractor obtain permits, approvals, and licenses from local public authorities, it shall be the contractor's sole responsibility to obtain these and keep these current and valid. Such requirements may include but not be restricted to export licence or environmental clearance if required. If requested by the contractor, MDL shall make its best effort to assist the contractor in complying with such requirements in a timely and expeditious manner, without any dilution of the Contractor's responsibility in this regard.

6. TRANSFER OF TITLE OF GOODS

(a) Unless otherwise stated in the contract, notwithstanding any inspection and approval by the Inspecting Officer on the contractor's premises, or any payments made to the contractor, property in the Goods (and resultant rights and liabilities) shall not pass on to MDL until the Goods have been received, inspected, and accepted by the consignee. The Goods and every constituent part thereof, whether in the possession or control of the contractor, his agents or servants or a carrier, or the joint possession of the contractor, his agents or servants and MDL, his agents, or servants, shall remain in every respect at the risk of the contractor, until their actual delivery to a person stipulated in the contract, as the interim consignee for despatch to the consignee. The Contractor shall be responsible for all loss, destruction, damage, or deterioration of or to the Goods from any cause whatsoever while the Goods after approval by the Inspecting Officer are awaiting despatch or delivery or are in the course of transit from the contractor to the consignee or interim consignee, as the case may be. The Contractor shall alone be entitled and responsible for making claims against any carrier in respect of non-delivery, short delivery, mis-delivery, loss, destruction, damage, or deterioration of the Goods entrusted to such carrier by the contractor for transmission to the consignee or the interim consignee as the case may be.

(b) Provided that where, under the terms of the contract, the Goods are required to be delivered to an interim consignee for despatch to the consignee, the Goods shall be at MDL's risk after their delivery to the interim consignee.

7. EXTENSION OF DELIVERY PERIOD

(a) If at any time during the currency of the contract, the contractor encounters conditions hindering timely delivery of the Goods and performance of incidental Works/ Services, he shall promptly inform MDL in writing about the same and its likely duration. He must make a request to MDL for an extension of the delivery schedule. On receiving the contractor's communication, MDL shall examine the situation and, at its discretion, may agree to extend the delivery schedule, with or without liquidated damages and with and without denial clause by issuing an amendment to the contract.

(b) Conditions for Extension of Delivery Period

When the period of delivery is extended due to unexcused delay (Note: please ensure that unexcused delay is defined. Otherwise replace "unexcused delay" with the "delays attributable") by the contractor, the amendment extending the delivery period shall, inter alia, be subject to the following conditions:

(i) Liquidated Damages

MDL shall recover from the contractor, under the provisions of this clause, liquidated damages on the Goods and incidental Works/ Services, which the contractor has failed to deliver within the delivery period stipulated in the contract.

(ii) Denial Clause

(aa) No increases in price on account of any statutory increase in or fresh Imposition of GST, customs duty or on account of any other taxes/ duty/ cess/ levy), leviable in respect of the Goods and incidental

Works/ Services stipulated in the said contract which takes place after the original delivery date, shall be admissible on such of the said Goods, as are delivered after the said date; and

(ab) Notwithstanding any stipulation in the contract for an increase in price on any other ground, including price variation clause or foreign exchange rate variation, or any other variation clause, no such increase after the original delivery date shall be admissible on such goods delivered after the said date.

(ac) Nevertheless, MDL shall be entitled to the benefit of any decrease in price on account of reduction in or remission of GST, customs duty or on account of any other Tax or duty or any other ground as stipulated in the price variation clause or foreign exchange rate variation or any other variation clause which takes place after the expiry of the original delivery date.

(c) Liquidated damages

If the contractor fails to deliver any or all of the Goods or fails to perform the incidental Works/ Services (e.g. installation, commissioning or operator training) within the time frame(s) incorporated in the contract, MDL shall, without prejudice to other rights and remedies available to MDL under the contract, deduct from the contract price, as agreed liquidated damages, but not as a penalty, a sum equivalent to the 1 % percent (excluding taxes) of the delivered price of the delayed Goods and/ or incidental Works/ Services for each week of delay or part thereof until actual delivery or performance, subject to a maximum deduction of the 10% of the delayed Goods' or incidental Works/ Services' contract price(s). Besides liquidated damages during such a delay, the denial clause shall also apply. Any failure or delay by any subcontractor, though their employment may have been sanctioned shall not be admitted as a ground for any extension of time or for exempting the contractor from liability for any such loss or damage as aforesaid.

8. DEFAULTS, BREACHES & TERMINATION OF CONTRACT

Termination due to Breach, Default, and Insolvency

(a) Defaults and Breach of Contract

In case the contractor undergoes insolvency or receivership; neglects or defaults, or expresses inability or disinclination to honour his obligations relating to the performance of the contract or ethical standards or any other obligation that substantively affects MDL's rights and benefits under the contract, it shall be treated as a breach of Contract. Such defaults shall include inter-alia:

(i) Default in Performance and Obligations

If the contractor fails to deliver any or all of the Goods or fails to perform any other contractual obligations (including Code of Integrity or obligation to maintain eligibility and Qualifications based on which contract was awarded) within the period stipulated in the contract or within any extension thereof granted by MDL.

(ii) Insolvency

If the contractor is wound up or ceases to otherwise trade or is unable to pay its debts as and when they fall due or is otherwise subject to any insolvency procedure.

(iii) If a receiver or similar official is appointed overall or any of the assets of the contractor or a petition is presented for its winding up or it entered into a composition with its creditors;

(b) Notice for Default

As soon as a breach of contract is noticed, a show-cause 'Notice of Default' shall be issued to the contractor, giving two weeks' notice, reserving the right to invoke contractual remedies. After such a show-cause notice, all payments to the contractor would be temporarily withheld to safeguard needed recoveries that may become due on invoking contractual remedies.

(c) Terminations for Default

(i) Notice for Termination for Default: In the event of unsatisfactory resolution of 'Notice of Default' within two weeks of its issue as per sub-clause above, MDL if so decided, shall by written Notice of Termination for Default sent to the contractor, terminate the contract in whole or in part, without compensation to the contractor.

(ii) Such termination shall not prejudice or affect the rights and remedies, including under sub-clause below, which have accrued and/ or shall accrue to MDL after that.

(iii) Unless otherwise instructed by MDL, the contractor shall continue to perform the contract to the extent not terminated. All warranty obligations, if any, shall continue to survive despite the termination.

(d) Contractual Remedies for Breaches/Defaults or Termination for Default

If there is an unsatisfactory resolution within this period, MDL shall take one; or more of the following contractual remedies.

- (i) Temporary withhold payments due to the contractor till recoveries due to invocation of other contractual remedies are complete.
- (ii) Call back any loaned property or advances of payment, if any, with the levy of interest at the prevailing rate (MIBID - Mumbai Interbank Bid Rate).
- (iii) Recover liquidated damages and invoke denial clause for delays.
- (iv) Encash and/ or Forfeit performance or other contractual securities.
- (v) Prefer claims against insurances, if any.
- (vi) Terminate contract for default, fully or partially including its right for Risk and- Cost Procurement as per following sub-clause.

(vii) **Risk and Cost Procurement**

In addition to termination for default, MDL shall be entitled, and it shall be lawful on his part, to procure Goods same to those terminated, with such terms and conditions and in such manner as it deems fit at the "Risk and Cost" of the contractor. Such 'Risk and Cost Procurement' must be initiated (viz. AIP/PR/Tender) within six months from the termination of Contract. The Contractor shall be liable for any loss which MDL may sustain on that account provided the procurement, or, if there is an agreement to procure, such agreement is made. The Contractor shall not be entitled to any gain on such procurement, and the manner and method of such procurement shall be in the entire discretion of MDL. (Note: deleted being contrary to law). (Note: No contractor would give security after the termination of the contract)

Note: Regarding the Goods which are not readily available in the market and where procurement difficulties are experienced, the period for making risk procurement shall be nine months instead of six months provided above.

- (viii) Initiate legal proceedings in a for the recovery of the losses and damages, not addressable by the above means.

9. CLOSURE OF CONTRACT

The contract shall stand closed upon successful performance of all obligations by the firm, including completion of warrantee obligations and final payment. If no claim is received within 03 years from last supplies/services, then no claim shall be entertained thereafter.

10. COMMUNICATION AND LANGUAGE FOR DOCUMENTATION

Any letter, facsimile message, e-mail intimation or notice sent to the Bidder/Supplier/ Contractor at the last known address mentioned in the offer / order shall be deemed to be valid communication for the purpose of the order/contract. Unless stated otherwise by the purchaser, Language for communication and all documentation shall be same, which the Purchaser has used, in the tender enquiry.

11. PRESERVATION AND MAINTENANCE

Should any material require any preservation till its final installation/fitment, the detailed procedure (Long term and short term) for the same as also the time of interval after which the state of preservation needs to be reviewed is to be stated by the Bidder/Supplier/Contractor.

Further the de-preservation prior to the material/equipment being commissioned and the maintenance procedure together with its periodicity is also to be indicated by the Bidder/ Supplier / Contractor.

12. FREIGHT AND INSURANCE.

(a) For Indigenous Bidders

Bidder shall quote for 'Door Delivery to Purchaser,' all charges towards door delivery viz. transport, Insurance charges etc. shall be borne by the Bidder /Supplier / Contractor.

(b) For Foreign Bidders

~~For overseas bidders, bidder shall agree for supplying the goods on CIF/CIP, Incoterm basis. The Bidder / Supplier / Contractor shall immediately on despatch of the items, inform all relevant details of despatch such as Order Number, Bill of Lading/AWB Number marked as Freight Paid, Insurance policy/document, number of packages, value of consignment, invoice number etc. as per contractual terms.~~

13. DEMURRAGE

~~Storage, and Demurrage, fines etc. charges will be payable by the Bidder / Supplier / Contractor for all shipments in case of improper documentation, wrong declarations, error in weight measurements,~~

~~packing list, invoice, late receipt of documents etc. i.e. for reasons which are not attributable to the purchaser.~~

14. CANCELLATION OF TENDER

The Purchaser reserves the right to cancel/withdraw the tender in toto or part and or award the contract / order in full or part without assigning any reason whatsoever and without thereby incurring any liability to the affected Bidder or Bidders or any obligations to inform the affected Bidder or Bidders of the grounds for MDL action.

15. PURCHASER'S PROPERTY.

All property (such as materials, drawings, documents etc.) issued by the Purchaser or any other individual or firm on behalf of the Purchaser in connection with the contract shall remain confidential, being the property of the Purchaser and the Bidder/Supplier/Contractor shall undertake to return all such property so issued and will be responsible for any or all loss thereof and damage thereto resulting from whatever causes and shall reimburse the Purchaser the full amount of loss and damage.

On completion of work in any compartment / location of the purchaser's premises, the Bidder/Supplier/Contractor must ensure that the place is left in a reasonably clean state and all scrap is transferred to nearby scrap-bins.

16. REJECTION OF MATERIALS

If the Goods, or any portion thereof of the equipment found defective / rejected, the Supplier / Contractor shall collect the same from MDL's Stores, all incidental charges being borne by him (inclusive of Custom duty, if payable), within 30 days from the date of intimation to the Supplier / Contractor of such rejection. If not collected within 30 days, MDL shall recover storage charges @ 1 % per month maximum up to 5% of cost of rejected items. MDL reserves the right to dispose-off the rejected items at the end of a total period of six months in any manner to the best advantage to MDL and recover consequential damages maximum up to order value.

17. RECOVERY-ADJUSTMENT PROVISIONS

Payment made under one order shall not be assigned or adjusted to any other order except to the extent agreed upon in writing by the Purchaser. During the currency of the contract, if any sum of money is payable by the Bidder / Supplier / Contractor the same shall be deducted from any sum then due or thereafter may become due to the Bidder / Supplier / Contractor under the contract or any other contract with the Purchaser.

18. INDEMNIFICATION

The Bidder / Supplier / Contractor, his employees, licences, agents or Sub-Supplier / Sub-contractor, while on site of the Purchaser for the purpose of this contract, indemnifies the Purchaser against direct damage and/or injury to the property and/or the person of the Purchaser or that of Purchaser's employees, agents, Sub- Contractors / Suppliers occurring and to the extent caused by the negligence of the Bidder / Supplier / Contractor, his employees, licensees, agents or Sub-contractor by making good such damages to the property, or compensating personal injury and the total liability for such damages or injury shall be as mutually discussed and agreed to.

19. TRANSFER OF SUPPLIERS / CONTRACTOR'S RIGHTS

The Bidder / Supplier / Contractor shall not either wholly or partly sell, transfer, assign or otherwise dispose of the rights, liabilities and obligations under the contract between him and the Purchaser without prior consent of the Purchaser in writing.

20. SUBCONTRACT AND RIGHT OF PURCHASER

The Bidder / Supplier / Contractor under no circumstances undertake or subcontract any work / contract from or to any other Sub-contractor without prior written approval of the Competent Authority of Purchaser. In the event it is found that such practice has been indulged in, the contract is liable to be terminated without notice and the Bidder / Supplier / Contractor is debarred all from future tender enquiries / work orders. However, in no circumstances a contractor is permitted to subcontract any part of the contract to the bidders who had quoted for the concerned tender.

21. PATENT RIGHTS

The Bidder / Supplier / Contractor shall hold harmless and keep the Purchaser indemnified against all claims arising as a result of infringement of any patent / copy rights on account of manufacture, sale or use of articles covered by the order.

22. AGENTS/AGENCY COMMISSION

The seller confirms and declares to the buyer that the seller is the original manufacturer or authorized distributor/stockiest of original manufacturer of the goods referred to in this contract and has not engaged any individual or firm, whether Indian or foreign whatsoever, to intercede, facilitate or in any way to recommended to the Buyer or any of its functionaries, whether officially or unofficially , to the award of the Contract / Purchase order to the Seller; nor has any amount been paid, promised or intended to be paid to any such individual or firm in respect of any such intercession, facilitation or recommendation. The Seller agrees that if it is established at any time to the satisfaction of the Buyer that the present declaration is in any way incorrect or if at a later stage it is discovered by the Buyer that the Seller has engaged any such individual/firm, and paid or intended to pay any amount, gift, reward , fees, commission or consideration to such person, party, firm or institution , whether before or after the signing of this Contract / Purchase order, the Seller will be liable to refund that amount to the Buyer. The seller will also be debarred from participation in any RFQ/Tender for new projects/program with Buyer for a minimum period of five years. The buyer will also have a right to consider cancellation of the Contract either wholly or in part, without any entitlement or compensation to the Seller who shall in such event be liable to refund all payments made by the buyer in terms of the Contract along with interest at the rate of 2% per annum or 6% whichever is higher above LIBOR (London Inter Bank Offer Rate) (for foreign vendors) and base rate of SBI plus 2% (for Indian Vendors). The Buyer will also have the right to recover any such amount from any contracts concluded earlier with Buyer.

23. USE OF UNDUE INFLUENCE / CORRUPT PRACTICES

The Bidder / Supplier / Contractor undertakes that he has not used corrupt practices or used any undue influence which is not admissible as per Indian law to obtain contract/order or in doing any business with the purchaser. If found that Bidder / Supplier / Contractor is involved in such wrong practices, then Purchaser is entitled to cancel the contract/s and all or any other contracts and then to recover from the Bidder / Supplier / Contractor the amounts of any loss arising from such contracts' cancellation, including but not limited to imposition of penal damages, forfeiture of Performance security, encashment of the Bank Guarantee and refund of the amounts paid by the Purchaser.

24. IMMUNITY OF GOVERNMENT OF INDIA CLAUSE

It is expressly understood and agreed by and between M/s. (Bidder / Supplier / Contractor) and Mazagon Dock Shipbuilders Limited, Dockyard Road, Mumbai – 400 010 (MDL) is entering into this Agreement solely on its own behalf and not on the behalf of any person or entity. In particular, it is expressly understood and agreed that the Government of India is not a party to this Agreement and has no liabilities, obligations or rights hereunder. It is expressly understood and agreed that MDL is an independent legal entity with power and authority to enter into contracts solely in its own behalf under the applicable of Laws of India and general principles of Contract Law. The (Bidder / Supplier / Contractor) expressly agrees, acknowledges and understands that MDL is not an agent, representative or delegate of the Government of India. It is further understood and agreed that the Government of India is not and shall not be liable for any acts, omissions and commissions, breaches or other wrongs arising out of the contract. Accordingly, (Bidder / Supplier / Contractor) hereby expressly waives, releases and foregoes any and all actions or claims, including cross claims, impleader claims or counter claims against the Government of India arising out of this contract and covenants not to sue Government of India in any manner, claim, cause of action or thing whatsoever arising of or under this Agreement.

25. EXPORT LICENCE

~~The export licenses that may be required for delivery of the various items/equipment to MDL shall be arranged by the Bidder / Supplier / Contractor from the concerned authorities in their country without any time and cost implications on the Purchaser.~~

26. BANNED OR DE-LISTED CONTRACTORS / SUPPLIERS

The Bidder / Supplier / Contractor declares that they being Proprietors / Directors / Partners have not been any time individually or collectively blacklisted or banned or de-listed by any Government or

quasi Government agencies or PSUs. If a bidder's entities as stated above have been blacklisted or banned or de-listed by any Government or quasi Government agencies or PSUs, this fact must be clearly stated and it may not necessarily be a cause for disqualifying him.

27. DUTY OF PERSONNEL OF SUPPLIER/CONTRACTOR

MDL being a Defence Public Sector Undertaking, Bidder / Supplier / Contractor undertakes that their personnel deployed in connection with the entrusted work will not indulge in any activities other than the duties assigned to them.

28. DISPUTE RESOLUTION MECHANISM AND ARBITRATION

(a) Dispute resolution mechanism(DRM)

(i) Any dispute/differences between the parties arising out of and in connection with the contract shall be settled amicably by mutual negotiations at HoS/HoD level.

(ii) In case of non-settlement by (i) above, if at any time, before, during or after the contract period any unsettled claim, dispute or difference arose between the parties, upon or in relation to or in connection with or in any way touching or concerning this tender/agreement/order/contract, the same shall be referred to the concerned Functional Director. The Functional Director shall then nominate an Executive of the rank of General Manager whom he thinks fit and competent or a Committee of Executives who/which shall then scrutinise the claims/disputes that have been referred to the concerned functional Director and make efforts for amicable settlements by mutual discussions/negotiations.

(iii) In case no amicable settlement is arrived by (ii) above within a period of three months, then the contractor shall approach Public Grievance Cell and address the disputes as per the provisions made under the relevant clause of the contract.

(iv) In case the issues/disputes do not get settled within a period of six months from the date of submission of the dispute to the Grievance Cell, then the contractor may invoke Arbitration Clause of the contract.

(b) Arbitration

Unresolved disputes/differences, if any, shall then be settled by Arbitration. The Arbitration proceedings shall be conducted at Mumbai, India, in English Language, under the Arbitration and Conciliation Act, 1996 as amended from time to time and the rules thereunder. MDL prefers to have arbitration through Institutes such as Indian Council of Arbitration (ICA)/ICA-DR, Mumbai Centre for International Arbitration, International Chamber of Commerce (ICC), Singapore International Arbitration Centre (SIAC) with the mutual consent of the parties. In case of unresolved difference/dispute between the Purchaser and Supplier, being Central Public Sector Enterprises/Central Govt. departments, the disputes shall be resolved firstly through mutual discussion or through the empowered agencies of the Govt. or through arbitration by reference by either party to the department of Public Enterprises, as per extant guidelines. If disputes/differences remain unresolved/unexecuted, the same shall be referred first to the Cabinet Secretariat and then, if necessary to the PMO. Any changes to arbitration clause must be vetted by HOD (Legal) before incorporation in contract/PO.

29. JURISDICTION OF COURTS

All contracts shall be deemed to have been wholly made in Mumbai and all claims there under are payable in Mumbai City and it is the distinct condition of the order that no suit or action for the purpose of enforcing any claim in respect of the order shall be instituted in any Court other than that situated in Mumbai City, Maharashtra State, India i.e. courts in Mumbai shall alone have jurisdiction to decide upon any dispute arising out of or in respect of the contract.

30. SAFETY

The Contractor / Bidder must observe all safety precautions in connection with the work to be performed by him, his agents or labourers. In the event of any accident happening in our yard resulting in loss of lives or otherwise damaging any part of the property, the contractor shall be required to make good the loss to the Company and shall be responsible for all consequences that follow from the loss and / or injuries to the persons involved in such accidents. The standard of safety to be observed in the Company shall be decided by the Executive-in-Charge Safety, or any Executive appointed for the purpose before the commencement of work in the yard. It will be essential for contractor to ascertain the standard precautions which contractor is required to observe in discharging his work as

per the standards prevalent in MDL. The decision of MDL in matters concerning Safety shall be final and binding on the contractor. The Contractor / Bidder shall be required to provide his workmen with Boiler Suits of any suitable colour other than blue or white, with the Name of the Contractor in prominent letters on the boiler suits along with personal protection gears like safety shoes, hand gloves etc. workmen of the Contractor / Bidder must wear throughout their working while in the premises of MDL. Contractor's workmen working without safety gears are to be disallowed for work.

31. FORCE MAJEURE

If at any time during the execution of the goods / service order, the performance in whole or in part by either Purchaser or and by the Bidder(s) / Supplier(s) / Contractor(s) is / are delayed by any reason of force majeure situations such as acts of civil war, civil commotion, sabotage, hostilities, war, fires, explosions, epidemics, natural calamities like floods, earthquakes, volcanoes, storms, acts of God and laws of respective governments or any other causes beyond the control of either parties, hereinafter referred to as "events", provided notice of the occurrence of such event/s is / are communicated by either party, to the other party within 21 days from the date of occurrence thereof, neither party shall by reason such events be entitled to terminate the contract nor shall either party have any claim for damages against the other in respect of such non-performance and or delay in performance of the contract / order. Executions on either side shall be resumed as soon as practicable after such event has come to an end or ceased to exist and the decision of Purchaser as to whether activities can resume or not, shall be conclusive and final. Occurrence of the events to be certified by Chamber of Commerce / Indian High Commission or Embassies / Government in that Country. The performance in whole or in part under the captioned tender / contract is prevented or delayed by reason of any such event for a period exceeding sixty days either party may at its option terminate the contract / further processing of the tender. The relative obligations of both the parties remain suspended during the actual period of force majeure. The Purchaser may extend the delivery schedule as mutually agreed, on receipt of written communication from the Bidder / Supplier / Contractor regarding occurrence of 'Force Majeure' conditions, but not exceeding six months from the scheduled delivery date. If the 'Force Majeure' conditions extend beyond this period, the Purchaser shall have the right to cancel the order without any financial implication to the Purchaser or on terms mutually agreed to.

Enclosure-4

ACCEPTANCE FORM FOR GENERAL CONDITIONS OF CONTRACT (GCC)

GCC CLAUSE No.	BIDDER'S REMARK	GCC CLAUSE No.	BIDDER'S REMARK	GCC CLAUSE No.	BIDDER'S REMARK
	ACC/DEV		ACC./ DEV		ACC/ DEV
1	ACC/DEV	2	ACC/DEV	3	ACC/DEV
4	ACC/DEV	5	ACC/DEV	6	ACC/DEV
7	ACC/DEV	8	ACC/DEV	9	ACC/DEV
10	ACC/DEV	11	ACC/DEV	12	ACC/DEV
13	ACC/DEV	14	ACC/DEV	15	ACC/DEV
16	ACC/DEV	17	ACC/DEV	18	ACC/DEV
19	ACC/DEV	20	ACC/DEV	21	ACC/DEV
22	ACC/DEV	23	ACC/DEV	24	ACC/DEV
25	ACC/DEV	26	ACC/DEV	27	ACC/DEV
28	ACC/DEV	29	ACC/DEV	30	ACC/DEV
31	ACC/DEV				

COMPANY'S NAME & ADDRESS:

SIGNATURE:

DATE:

NAME:

DESIGNATION:

BIDDER'S COMPANY SEAL:

NOTES:

1. Bidders should carefully read the General Terms & Conditions (GCC) of the Tender Enquiry prior to filling up this acceptance format.
2. This format should be properly filled, signed and returned by the bidder(s) along with their technical offer for considering their Bid.

3. Bidder(s) should indicate "ACC" for Accepted, "DEV" for Deviation Taken for each clause number in the above table.
4. Bidder(s) to attach Separate Sheet indicating all relevant details such as Number & description of the Clause, Reasons for Deviation and Alternative suggested for any deviations taken by them.
5. **Clause numbers shown in the above format also includes the sub-clauses under these clauses. For example, Clause no. '8' means – Clause nos.-8.1, 8.2, 8.3.**

Enclosure-5

Declaration of Compliance on Restrictions under Rule 144 (xi) of the General Financial Rules (GFRs), 2017

Restriction under rule 144(xi) of GFR

- I. Any bidder from a country which shares a land border with India will be eligible to bid in any procurement whether of goods, services (including consultancy services and non-consultancy services) or works (including turnkey projects) only if the bidder is registered with the Competent Authority. Further, any bidder (including bidder from India) having specified Transfer of Technology (TOT) arrangement with an entity from a country which shares a land border with India, shall also require to be registered with the same competent authority.
- II. "Bidder" (including the term 'tenderer', 'consultant' or 'service provider' in certain contexts) means any person or firm or company, including any member of a consortium or joint venture (that is an association of several persons, or firms or companies), every artificial juridical person not falling in any of the descriptions of bidders stated hereinbefore, including any agency branch or office controlled by such person, participating in a procurement process.
- III. "Bidder (or entity) from a country which shares a land border with India" for the purpose of this Order means: -
 - (a) An entity incorporated, established or registered in such a country; or
 - (b) A subsidiary of an entity incorporated, established or registered in such a country; or
 - (c) An entity substantially controlled through entities incorporated, established or registered in such a country; or
 - (d) An entity whose beneficial owner is situated in such a country; or
 - (e) An Indian (or other) agent of such an entity; or
 - (f) A natural person who is a citizen of such a country; or
 - (g) A consortium or joint venture where any member of the consortium or joint venture falls under any of the above.
- IV. The beneficial owner for the purpose of (iii) above will be as under:
 1. In case of a company or Limited Liability Partnership, the beneficial owner is the natural person(s), who, whether acting alone or together, or through one or more juridical person, has a controlling ownership interest or who exercises control through other means.

Explanation—

- a. "Controlling ownership interest" means ownership of or entitlement to more than twenty-five per cent. of shares or capital or profits of the company;
 - b. "Control" shall include the right to appoint majority of the directors or to control the management or policy decisions including by virtue of their shareholding or management rights or shareholder's agreements or voting agreements;
2. In case of a partnership firm, the beneficial owner is the natural person(s) who, whether acting alone or together, or through one or more juridical person, has ownership of entitlement to more than fifteen percent of capital or profits of the partnership;
 3. In case of an unincorporated association or body of individuals, the beneficial owner is the natural person(s), who, whether acting alone or together, or through one or more juridical person, has ownership of or entitlement to more than fifteen percent of the property or capital or profits of such association or body of individuals;
 4. Where no natural person is identified under (1) or (2) or (3) above, the beneficial owner is the relevant natural person who holds the position of senior managing official;
 5. In case of a trust, the identification of beneficial owner(s) shall include identification of the author of the trust, the trustee, the beneficiaries with fifteen percent or more interest in the trust and any other natural person exercising ultimate effective control over the trust through a chain of control or ownership.
- V. An Agent is a person employed to do any act for another, or to represent another in dealings with third person.
 - VI. The successful bidder shall not be allowed to sub-contract works to any contractor from a country which shares a land border with India unless such contractor is registered with the Competent Authority.
 - VII. The registration shall be valid at the time of submission of bid and at the time of acceptance of bid.
 - VIII. If the bidder was validly registered at the time of acceptance I placement of order, registration shall not be a relevant consideration during contract execution.

Note: Model certificate for the same is attached at the following page.

Model Certificate:

DECLARATION BY AUTHORISED SIGNATORY OF THE FIRM

"I..... have read the clause regarding restrictions on procurement from a bidder of a country which shares a land border with India. I certify that this bidder is not from such a country or, if from such a country, has been registered with the Competent Authority.

I hereby certify that this bidder fulfills all requirements in this regard and is eligible to be considered. [Where applicable, evidence of valid registration by the Competent Authority shall be attached.]"

AUTHORISED SIGNATURE: _____

DATE: _____

Seal / Stamp of Bidder

Model additional certificate by Bidders in the cases of specified TOT:

DECLARATION BY AUTHORISED SIGNATORY OF THE FIRM

I have read the clause regarding restrictions on procurement from a bidder having Transfer of Technology (TOT) arrangement I certify that this bidder does not have any TOT arrangement requiring registration with the competent authority.

OR

I have read the clause regarding restrictions on procurement from a bidder having Transfer of Technology (TOT) arrangement. I certify that this bidder has valid registration to participate in this procurement.

AUTHORISED SIGNATURE: _____

DATE: _____

Seal / Stamp of Bidder

DECLARATION CERTIFICATE FOR LOCAL CONTENT
(Tender value Less than Rs 10 Crores)

This declaration must form part of all tenders & it contains general information and serves as a declaration form for all bidders. (Before completing this declaration, bidders must study the General Conditions, Definitions, Govt Directives applicable in respect of Local Content & prescribed tender conditions).

LOCAL CONTENT DECLARATION BY CHIEF FINANCIAL OFFICER OR OTHER LEGALLY RESPONSIBLE PERSON NOMINATED IN WRITING BY THE CHIEF EXECUTIVE OR SENIOR MEMBER/PERSON WITH MANAGEMENT RESPONSIBILITY (CORPORATION, PARTNERSHIP OR INDIVIDUAL)

IN RESPECT OF BID / TENDER No.
ISSUED BY: (Name of Firm):.....

NB: The obligation to complete, duly sign and submit this declaration cannot be transferred to an external authorized representative, auditor or any other third party acting on behalf of the bidder.

I, the undersigned, (full names),
do hereby declare, in my capacity as
of(name of bidder
entity), the following:

(a) The facts contained herein are within my own personal knowledge.

(b) I have read and understood the requirement of local content (LC) and same is specified as percentage calculated in accordance with the definition provided at clause 2 of revised Public Procurement (preference to Make in India) Order 2017.

"Local content" as per above order means the amount of value added in India which shall be the total value of items procured (excluding net domestic indirect taxes) minus the value of imported content in the item (including all customs duties) as a proportion of the total value in percent."

(c) I have satisfied myself that the goods/services/works to be delivered in terms of the above-specified bid comply with the local content requirements as specified in the tender for 'Class-I Local Supplier' / 'Class-II Local Supplier', and as above.

(d) I understand that a bidder can seek benefit of either Public Procurement Policy for MSEs –Order 2012 or Public Procurement (preference to Make in India) Order 2017 and not both and once the option is declared / selected it is not permitted to be modified subsequently. Accordingly, I seek the benefit from the below declared purchase preference policy only.

i) I seek benefits against the following policy only (Select only one Option):

1) PPP MSE Order 2012 (applicable for MSE manufacturers)

2) PPP MII 2017 (applicable for Class I suppliers as well as MSE manufacturers)

(Note: If not declared / selected it shall be deemed that purchase preference benefit is sought under PPP MII 2017 policy. However, selection of both the options will be treated as ambiguous and will result in rejection of bid)

(e) The local content calculated using the definition given above are as under:

Tender Item Sr No	Local content calculated as above %	Location of local value addition (Location shall be the specified as name of city or district, etc. Location as name of country will be considered as ambiguous and such bids shall be rejected.)

Attach separate sheet duly signed if space is not sufficient

NB: Local content percentage shall be declared item wise or tender wise strictly as per the terms of the tender.

(f) I accept that the Procurement Authority / Institution / MDL / Nodal Ministry has the right to request that the local content be verified in terms of the requirements of revised Public Procurement (preference to Make in India) Order 2017 dtd 16.09.2020 and I shall furnish the document / information on demand. Failure on my part to furnish the data will be treated as false declaration as per PPP MII Order 2017. In case of contract being awarded, I undertake to retain the relevant documents for 7 years from date of execution.

(g) I understand that the submission of incorrect data, or data that are not verifiable as described in revised Public Procurement (preference to Make in India) Order 2017, may result in the Procurement Authority / Nodal Ministry / MDL imposing any or all of the remedies as provided for in Clause 9 of the Revised Public Procurement (preference to Make in India) Order 2017 dated 16.09.2020

SIGNATURE: _____

DATE: _____

Seal / Stamp of Bidder

DECLARATION CERTIFICATE FOR LOCAL CONTENT
(Tender value More than Rs 10 Crores)

This declaration must form part of all tenders & it contains general information and serves as a declaration form for all bidders. (Before completing this declaration, bidders must study the General Conditions, Definitions, Govt Directives applicable in respect of Local Content & prescribed tender conditions).

THE BIDDERS SHALL PROVIDE THIS CERTIFICATE FROM STATUTORY AUDITOR OR COST AUDITOR OF THE COMPANY (IN CASE OF COMPANIES) OR FROM A PRACTICING COST ACCOUNTANT OR PRACTICING CHARTED ACCOUNTANT (IN RESPECT OF SUPPLIER OTHER THAN COMPANIES) GIVING THE PERCENTAGE OF LOCAL CONTENT.

IN RESPECT OF BID / TENDER No.
ISSUED BY: (Name of Firm):.....

I, the undersigned, (full names),
do hereby declare, in my capacity as
of(name of bidder
entity), the following:

(a) The facts contained herein are within my own personal knowledge.

(b) I have read and understood the requirement of local content (LC) and same is specified as percentage calculated in accordance with the definition provided at clause 2 of revised Public Procurement (preference to Make in India) Order 2017.

"Local content" as per above order means the amount of value added in India which shall be the total value of items procured (excluding net domestic indirect taxes) minus the value of imported content in the item (including all customs duties) as a proportion of the total value in percent."

(c) I have satisfied myself that the goods/services/works to be delivered in terms of the above-specified bid comply with the local content requirements as specified in the tender for 'Class-I Local Supplier' / 'Class-II Local Supplier', and as above.

(d) I understand that a bidder can seek benefit of either Public Procurement Policy for MSEs –Order 2012 or Public Procurement (preference to Make in India) Order 2017 and not both and once the option is declared / selected it is not permitted to be modified subsequently. Accordingly, I seek the benefit from the below declared purchase preference policy only.

i) I seek benefits against the following policy only (Select only one Option):

1) PPP MSE Order 2012 (applicable for MSE manufacturers)

2) PPP MII 2017 (applicable for Class I suppliers as well as MSE manufacturers)

(Note: If not declared / selected it shall be deemed that purchase preference benefit is sought under PPP MII 2017 policy. However, selection of both the options will be treated as ambiguous and will result in rejection of bid)

(e) The local content calculated using the definition given above are as under:

Tender Item Sr No	Local content calculated as above %	Location of local value addition (Location shall be the specified as name of city or district, etc. Location as name of country will be considered as ambiguous and such bids shall be rejected.)

Attach separate sheet duly signed if space is not sufficient

NB: Local content percentage shall be declared item wise or tender wise strictly as per the terms of the tender.

(f) I accept that the Procurement Authority / Institution / MDL / Nodal Ministry has the right to request that the local content be verified in terms of the requirements of revised Public Procurement (preference to Make in India) Order 2017 dtd 16.09.2020 and I shall furnish the document / information on demand. Failure on my part to furnish the data will be treated as false declaration as per PPP MII Order 2017. In case of contract being awarded, I undertake to retain the relevant documents for 7 years from date of execution.

(g) I understand that the submission of incorrect data, or data that are not verifiable as described in revised Public Procurement (preference to Make in India) Order 2017, may result in the Procurement Authority / Nodal Ministry / MDL imposing any or all of the remedies as provided for in Clause 9 of the Revised Public Procurement (preference to Make in India) Order 2017 dated 16.09.2020

SIGNATURE: _____

DATE: _____

Seal / Stamp of Bidder

ACTUAL LOCAL CONTENT CERTIFICATE
(Tender value Less than Rs 10 Crores)

Note 1: This certificate shall be submitted by the successful bidder post execution of the contract.

LOCAL CONTENT DECLARATION (post execution of contract / PO) BY CHIEF FINANCIAL OFFICER OR OTHER LEGALLY RESPONSIBLE PERSON NOMINATED IN WRITING BY THE CHIEF EXECUTIVE OR SENIOR MEMBER/PERSON WITH MANAGEMENT RESPONSIBILITY (CORPORATION, PARTNERSHIP OR INDIVIDUAL)

IN RESPECT OF CONTRACT No./ PO No.....
ISSUED BY: (Name of Firm):.....

NB: The obligation to complete, duly sign and submit this declaration cannot be transferred to an external authorized representative, auditor or any other third party acting on behalf of the bidder.

I, the undersigned, (full names),
do hereby declare, in my capacity as
of(name of bidder entity),
that:

- (a) The facts contained herein are within my own personal knowledge.
(b) My/our company had declared the local content at the time of tender as under

Tender Item Sr No	Local content calculated as above %	Location of local value addition

(c) My / our company has completed the above referred contract and the actual local content of the delivered item/s calculated using the definition in the declaration given at the time of Bid is as under:

Tender Item Sr No	Declared minimum Local content at the time of bidding (%)	Achieved Local content of delivered items (%)

NB: Local content percentage shall strictly be declared item wise or tender wise as was declared at the time of bid / tender.

(d) I accept that the Procurement Authority / Institution / MDL / Nodal Ministry has the right to request that the local content be verified in terms of the requirements of revised Public Procurement (preference to Make in India) Order 2017 dated 16.09.2020 and I shall furnish the document / information on demand. Failure on my part to furnish the data will be treated as false declaration as per PPP MII Order 2017. I undertake to retain the relevant documents for 7 years from date of execution.

(e) I understand that the submission of incorrect data, or data that are not verifiable as described in revised Public Procurement (preference to Make in India) Order 2017, may result in the Procurement Authority / Nodal Ministry / MDL imposing any or all of the remedies as provided for in Clause 9 of the Revised Public Procurement (preference to Make in India) Order 2017 dated 16.09.2020.

SIGNATURE: _____ **DATE:** _____

Stamp / Seal of the company

ACTUAL LOCAL CONTENT CERTIFICATE
(Tender value More than Rs 10 Crores)

Note 1: This certificate shall be submitted by the successful bidder post execution of the contract.

LOCAL CONTENT DECLARATION (post execution of contract / PO). THE SUPPLIER SHALL PROVIDE THIS CERTIFICATE FROM STATUTORY AUDITOR OR COST AUDITOR OF THE COMPANY (IN CASE OF COMPANIES) OR FROM A PRACTICING COST ACCOUNTANT OR PRACTICING CHARTED ACCOUNTANT (IN RESPECT OF SUPPLIER OTHER THAN COMPANIES) GIVING THE PERCENTAGE OF LOCAL CONTENT.

IN RESPECT OF CONTRACT No./ PO No.....
ISSUED BY: (Name of Firm):.....

I, the undersigned, (full names),
do hereby declare, in my capacity as
of(name of bidder entity),
that:

- (a) The facts contained herein are within my own personal knowledge.
(b) My/our company had declared the local content at the time of tender as under

Tender Item Sr No	Local content calculated as above %	Location of local value addition

- (c) My / our company has completed the above referred contract and the actual local content of the delivered item/s calculated using the definition in the declaration given at the time of Bid is as under:

Tender Item Sr No	Declared minimum Local content at the time of bidding (%)	Achieved Local content of delivered items (%)

NB: Local content percentage shall strictly be declared item wise or tender wise as was declared at the time of bid / tender.

(d) I accept that the Procurement Authority / Institution / MDL / Nodal Ministry has the right to request that the local content be verified in terms of the requirements of revised Public Procurement (preference to Make in India) Order 2017 dated 16.09.2020 and I shall furnish the document / information on demand. Failure on my part to furnish the data will be treated as false declaration as per PPP MII Order 2017. I undertake to retain the relevant documents for 7 years from date of execution.

(e) I understand that the submission of incorrect data, or data that are not verifiable as described in revised Public Procurement (preference to Make in India) Order 2017, may result in the Procurement Authority / Nodal Ministry / MDL imposing any or all of the remedies as provided for in Clause 9 of the Revised Public Procurement (preference to Make in India) Order 2017 dated 16.09.2020.

SIGNATURE: _____

DATE: _____

Stamp / Seal of the company

EXTRACT OF PROVISIONS OF THE OFFICIAL SECRETS ACT, 1923

SECTION 2(B): "PROHIBITED PLACE"

It is defined as the place of any work of Defence Dockyard and other so belonging or occupied and used for the purpose of building, repairing, making or storing any ammunitions of war.

For the purpose of the above definition, sketch includes any photograph or other mode of representing any place or thing.

SECTION 3: "PENALTIES FOR SPYING"

If any person unlawfully - approaches, inspects, passes over or is in the vicinity of any clear place; or make any sketches intended to be directly or indirectly useful to an enemy ; or c) Obtains collects records or communicates to any other person any secret official code.

Shall be liable for imprisonment of 14 years in case of Defence Installation.

SECTION 4: "COMMUNICATION WITH FOREIGN AGENTS"

If any person has been in communication with or attempted to communicate with foreign agents regarding the vital information of any "PROHIBITED PLACE" would be guilty of violating the provisions of this Act.

SECTION 5: "WRONGFUL COMMUNICATION OF INFORMATION"

If any person having in his possession or control any official document;

- a) Willfully communicates to any person, other than a person, who is authorised to communicate it.
- b) Used the information in his possession for the benefit of any foreign power.
- c) Retain in his possession when he has no power to retain it
- d) Fails to take reasonable care of it.

Shall be guilty of an offence under this Act.

SECTION 6: "UNAUTHORISED USE OF UNIFORMS"

If any person for the purpose of gaining admission or of assisting any other person to gain admission to a "PROHIBITED PLACE" wears uniforms without lawful authority shall be guilty of offence under this Section.

SECTION 7: "INTERFERING WITH OFFICERS OF POLICE"

No person in the vicinity of any "PROHIBITED PLACE" shall abstract any Police Officer engaged on guard, sentry or similar duty. If any people move in the provisions of this section, shall be punishable with imprisonment, which may extend up to 3 years.

SECTION 8: "DUTY OF GIVING INFORMATION"

It shall be duty of every person to give on demand to a superintendent of Police or any other Police Officer not below the rank of Inspector, any information in his power relating to an offence under this Act. If any person fails to give such information, shall be punishable with imprisonment to 3 years or fine or with both.

SECTION 9: "INCITEMENT"

Any person who attempts to commit or debate the commission of an offence under this Act shall be punishable with the same punishment and be liable to be proceeded against in the same manner as if he had committed such offence.

SECTION 10: "PENALTY FOR HARBOURING SPIES"

If any person whom he knows or has reasonable grounds for supposing to be person who is about to commit or who has committed offence under this Act shall be guilty of offence under this Section.

SECTION 11: "SEARCH WARRANTS"

If a presidency Magistrate, Magistrate First Class or Sub-Divisional magistrate is satisfied with the information that there is reasonable ground for suspecting that an offence under this Act has been or is about to be committed, he may grant search warrant to any Police Officer to enter at any time any premises to force to search premises or the places.

We accept and comply by the above clauses of EXTRACT OF PROVISIONS OF THE OFFICIAL SECRETS ACT, 1923.

Bidder's Signature.....

Bidder's Name.....

Company Seal.....

PROFORMA BANK GUARANTEE FOR PERFORMANCE SECURITY

(On Non-Judicial stamp paper of value Rs. 500/- . However, the value of stamp paper to be confirmed from Legal Department, MDL.)

IN CONSIDERATION OF MAZAGON DOCK SHIPBUILDERS LIMITED, a company incorporated under the Companies Act 1956 and having its registered office at Dockyard Road, Mumbai 400010 (hereinafter referred to as the "the Purchaser" which expression shall, unless it be repugnant or contrary to the subject or context thereof, be deemed to mean and include its successors and assigns) having placed an order on Messers a partnership firm/sole proprietor business/a company registered under the Companies Act, 1956 having its office at(hereinafter called " the Contractor/ Supplier" which expression shall, unless it be repugnant or contrary to the subject or context thereof, be deemed to mean and include its successors and assigns) vide order No..... dated..... (hereinafter called "the order" which expression shall include any amendments/alterations to "the order" issued by "the Purchaser") for the supply , delivery at site, installation and commissioning of certain equipment, item/services/civil works etc. as stated in the said Order and the Purchaser having agreed with the Contractor/Supplier to accept a Bank Guarantee in lieu of Performance Security payable under the said order for the fulfillment and performance of the said order, We, Bank having office at (hereinafter referred to as "the Bank" which expression shall includes its successors and assigns) hereby agree to pay to the Purchaser without any demur on first demand an amount not exceeding Rs..... (Rupees.....only) being 5% (10% in case of Capital Procurement) of the order value against any loss or damage, costs, charges and expenses caused to or suffered by the Purchaser by reason of non performance and non-fulfillment or for any breach on the part of the Contractor / Supplier of any of the terms and conditions of the said order.

2. We, Bank further agree that the Purchaser shall be sole judge whether the said Contractor/Supplier has failed to perform or fulfil the said order in terms thereof or committed breach of any terms and conditions of the order and the extent of loss, damage, cost, charges and expenses suffered or incurred or would be suffered or incurred by the Purchaser on account thereof and we waive in the favour of the Purchaser all the rights and defences to which we as guarantors may be entitled to.

3. We, Bank further agree that the amount demanded by the Purchaser as such shall be final and binding on the Bank as to the Bank 's liability to pay and the amount demanded and the Bank undertake to pay the Purchaser the amount so demanded on first demand and without any demur notwithstanding any dispute raised by the Contractor/Supplier or any suit or other legal proceedings including arbitration pending before any court, tribunal or arbitrator relating thereto, our liability under this guarantee being absolute and unconditional.

4. We, Bank further agree with the Purchaser that the Purchaser shall have the fullest liberty without our consent and without affecting in any manner our obligations hereunder to vary any of the terms and conditions of the said order/or to extend time of performance by the Supplier from time to time or to postpone for any time to time any of the powers exercisable by the Purchaser against the Contractor/ Supplier and to forbear to enforce any of the terms and conditions relating to the order and we shall not be relieved from our liability by reason of any such variation or extension being granted to the Contractor/ Supplier or for any forbearance, act or omission on the part of the Purchaser or any indulgence by the Purchaser to the Contractor/Supplier or by any such matter or things whatsoever which under the law relating to sureties would have the effect of relieving us.

5. We, Bank further undertake not to revoke this guarantee during its currency except with the previous consent of the Purchaser in writing.

6. We, Bank also agree that the Bank's liability under this guarantee shall not be affected by any change in the constitution of the Contractor / Supplier or dissolution or winding up of the business of the contractor/ supplier.

7. Notwithstanding anything contained herein above:
i) Our liability under this guarantee shall not exceed Rs.....
ii) This Bank Guarantee shall be valid upto and including; and
iii) We are liable to pay the guarantee amount or any part thereof under this Bank Guarantee only and only if you serve upon us a written claim or demand on or before(validity + 4 weeks from the date of expiry of this guarantee).

8. This Guarantee shall be governed by Indian laws and the Courts at Mumbai, India shall have the exclusive jurisdiction.

IN WITNESS WHEREOF the Bank has executed this document on this.....day of.....

For Bank

(by its constituted attorney)
(Signature of a person authorised to sign on behalf of "the Bank")

INTEGRITY PACT

Mazagon Dock Shipbuilders Limited (MDL) hereinafter referred to as "**The Principal/Buyer**"

And

.....hereinafter referred to as "**The Bidder/ Contractor**"

Preamble

The Principal/Buyer intends to award, under laid down organizational procedures, contract/s forThe Principal/Buyer values full compliance with all relevant laws of the land, rules, regulations, economic use of resources and of fairness / transparency in its relations with its Bidder(s) and /or Contractor(s).

In order to achieve these goals, the Principal/Buyer will appoint an Independent External Monitor (IEM), 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/Buyer:

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

a) No employee of the Principal/Buyer, 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 self or third person, any material or immaterial benefit which the person is not legally entitled to.

b) The Principal/Buyer will during the tender process treat all Bidder(s) with equity and reason. The Principal/Buyer will in particular, before and during the tender process, provide to all Bidder(s) the same information and will not provide to any Bidder(s) confidential/additional information through which the Bidder(s) could obtain an advantage in relation to the tender process or the contract execution.

c) The Principal/Buyer will exclude from the process all known prejudiced persons.

d) The Principal/Buyer undertakes to scrupulously follow the Purchase Manual containing Standard Terms & Conditions (STAC) and General Terms & Conditions (GT&C) in respect of procurement contracts for goods, services and civil works.

(1) If the Principal/Buyer obtains information on the conduct of any of its employees which is a criminal offence under the relevant Anti-Corruption Laws of India, or if there be a substantive suspicion in this regard, the Principal/Buyer will inform the Chief Vigilance Officer, MDL and in addition can initiate disciplinary actions.

Section 2 - Commitments of the Bidder(s)/Contractor(s):

(1) The Bidder(s)/Contractor(s) commit himself 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.

Bidder's Sign.....

Bidder's Stamp.....

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

b) The Bidder(s)/Contractor(s) 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.

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

d) The Bidder(s)/Contractor(s) of foreign origin shall disclose the name and address of the Agents/representatives in India, if any. Similarly, the Bidder(s)/Contractor(s) of Indian Nationality shall furnish the name and address of the foreign principals, if any. All payments made to the Indian Agent/representative have to be in Indian Rupees only. Further details as mentioned in the "Guidelines of Indian Agents of Foreign suppliers" shall be disclosed by the Bidders(s)/Contractor(s). Copy of the "Guidelines on Indian Agents of Foreign Suppliers" as annexed and marked as Annexure-A.

e) The Bidder(s)/Contractor(s) 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.

f) The Bidder (s)/Contractor(s), their agents, representatives shall not do such things so as to interfere with the procedures laid down in the Principal/Buyer's Purchase Manual containing the Standard Terms and Conditions (STAC) and General Terms and Conditions (GT&C) in respect of procurement contracts for goods, services and civil works.

g) The Bidder commits to refrain from giving any complaint directly or through any other manner without supporting it with full and verifiable facts.

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

Section 3 - Disqualification from tender process and exclusion from future contracts:

If the Bidder(s)/Contractor(s) before contract award has committed a transgression through a violation of Section 2, above or in any other form such as to put his reliability or credibility as Bidder(s) in question, the Principal/Buyer is entitled to disqualify the Bidder(s)/Contractor(s) from the tender process or to terminate the contract, if already signed for such reason, as per the procedure mentioned in the "Guidelines on Banning of business dealings" Copy of the "Guidelines on Banning of business dealings" is annexed and marked as Annexure-B.

Bidder's Sign.....

Bidder's Stamp.....

1) If the Bidder(s)/Contractor(s) has committed a transgression through a violation of Section 2 such as to put his reliability or credibility into question, the Principal/Buyer is entitled also to exclude the Bidder(s)/Contractor(s) 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 transgressors within the company hierarchy of the Bidder(s) and the amount of the damage. The exclusion will be imposed for a minimum of six months and maximum of five years, which may be further extended at the discretion of the Principal/Buyer.

2) A transgression is considered to have occurred, if the Principal/Buyer after due consideration of the available evidence, concludes that no reasonable doubt is possible.

3) The Bidder (s) accepts and undertakes to respect and uphold the Principal/Buyer'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 legal advice.

4) If the Bidder(s)/Contractor(s) can prove that he has restored/ recouped the damage caused by him and has installed a suitable corruption prevention system, the Principal/Buyer may revoke the exclusion prematurely.

Section 4 – Sanctions for Violation:

(1) Any breach of the aforesaid provisions by the Bidder or any one employed by him or acting on his behalf (whether with our without the knowledge of the Bidder) or the commission of any offence by the Bidder or any one employed by him or acting on his behalf, as defined in Chapter IX of the Indian Penal Code, 1860 or the Prevention of Corruption Act 1988 or any other Act enacted for the prevention of corruption shall entitle the Principal/Buyer to take all or any one of the following actions, wherever required –

a) To immediately call off the pre-contract negotiations without assigning any reason or giving any compensation to the Bidder. However, the proceedings with the other Bidder (s) would continue.

b) The Earnest Money Deposit/Security Deposit/Performance Bond shall stand forfeited either fully or partially, as decided by the Principal/Buyer, and the Principal/Buyer shall not be required to assign any reason there for.

c) To immediately cancel the contract, if already signed, without giving any compensation to the Bidder.

d) To recover all sums already paid by the Principal/Buyer, in case of an Indian Bidder with interest thereon at 2% higher than the prevailing Base Rate of SBI, and in case of a Bidder from a country other than India with interest thereon at 2% higher than the LIBOR. If any outstanding payment is due to the Bidder from the Buyer in connection with any other contract for any other Defence stores, such outstanding payment could also be utilized to recover the aforesaid sum and interest.

e) To encash the advance Bank Guarantee and Performance Bond/Warranty bond, if furnished by the Bidder, in order to recover the payments, already made by the Principal/Buyer, along with interest.

f) To cancel all or any other contracts with the Bidder.

g) To debar the Bidder from entering into any bid from Principal/Buyer for a minimum period of five years, which may be further extended at the discretion of the Principal/Buyer.

Bidder's Sign.....

Bidder's Stamp.....

h) To recover all sums paid in violation of this Pact by Bidder(s) to any middleman or agent or broker with a view to securing the contract.

i) If the Bidder or any employee of the Bidder or any person acting on behalf of the Bidder, either directly or indirectly, is closely related to any of the officers of the Buyer, or alternatively, if any close relative of an officer of the Buyer has financial interest/stake in the Bidder's firm, the same shall be disclosed by the Bidder at the time of filing of tender. Any failure to disclose the interest involved shall entitle the Buyer to rescind the contract without payment of any compensation to the Bidder.

The term 'close relative' for this purpose would mean spouse whether residing with the Principal/Buyer's employee/employees or not, but not include a spouse separated from the Principal/Buyer's employee/employees by a decree or order of a competent court; son or daughter or step son or step daughter and wholly dependent upon Principal/Buyer's employee/employees, but does not include a child or step child who is no longer in any way dependent upon the Principal/Buyer's employee/employees or of whose custody the Principal/Buyer's employee/employees has been deprived of by or under any law; any other person related, whether by blood or marriage, to the Principal/Buyer's employee/employees or to the Principal/Buyer's employee/employees wife or husband and wholly dependent upon Principal/Buyer's employee/employees.

j) The Bidder shall not lend to or borrow any money from or enter into any monetary dealings or transactions, directly or indirectly, with any employee of the Principal/Buyer, and if he does so, the Principal/Buyer shall be entitled forthwith to rescind the contract and all other contracts with the Bidder. The Bidder shall be liable to pay compensation for any loss or damage to the Principal/Buyer resulting from such rescission and the Principal/Buyer shall be entitled to deduct the amount so payable from the money(s) due to the Bidder.

k) In cases where Irrevocable Letters of Credit have been received in respect of any contract signed by the Principal/Buyer with the Bidder, the same shall not be opened.

(2) The decision of the Principal/Buyer to the effect that a breach of the provisions of this Integrity Pact has been committed by the Bidder shall be final and binding on the Bidder, however, the same Bidder can approach the Monitor(s) appointed for the purposes of this Pact.

Section 5 - Integrity Pact:

1) The provisions regarding Sanctions for violation of Integrity Pact include forfeiture of Performance Bond in case of a decision by the Principal/Buyer to forfeit the same without assigning any reason for imposing sanction for violation of Integrity Pact.

2) No interest shall be payable by the Principal/Buyer to the Bidder(s) on Earnest Money/Security Deposit for the period of its currency.

Section 6 - Previous Transgression:

(1) The Bidder declares that no previous transgressions occurred in the last three years with any other company in any country conforming to the anti-corruption approach or with any other public section 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 further action can be taken.

Bidder's Sign.....

Bidder's Stamp.....

Section 7 - Equal treatment of all Bidders/Contractor(s)/Subcontractors:

- (1) The Bidder(s)/Contractor(s) undertake(s) to demand from all subcontractors a commitment in conformity with this integrity Pact, and to submit it to the Principal before contract signing.
- 2) The Principal/Buyer will enter into agreements with identical conditions as this one with all bidders, contractors and subcontractors.
- (3) The Principal/Buyer will disqualify from the tender process all bidders who do not sign this Pact or violate its provisions.

Section 8 - Criminal charges against violation Bidder(s)/Contractor(s)/ Subcontractor(s):

- (1) If the Principal/Buyer 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/Buyer will inform the same to the Chief Vigilance Officer, MDL.

Section 9 - Independent External Monitor/Monitors:

- (1) The Principal/Buyer appoints competent and credible independent External 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 Chairman & Managing Director of the Principal/Buyer.
- (3) The Bidder(s)/Contractor(s) accepts that the Monitor has the right to access without restriction to all project documentation of the Principal/Buyer 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(s)/Contractor(s)/Subcontractor(s) with confidentiality.
- (4) The Principal/Buyer 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/Buyer 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/Buyer and request the Management to discontinue or take corrective action, 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 Monitor shall give an opportunity to the Bidder(s)/Contractor(s) to present its case before making its recommendation to the Principal/Buyer.
- (6) The Monitor will submit a written report to the Chairman & Managing Director of the Principal within 8 to 10 weeks from the date of reference or intimation to him by the Principal/Buyer and, should the occasion arise, submit proposals for correcting problematic situations.
- (7) Monitor shall be entitled to compensation on the same terms as being extended to / provided to Independent Directors on the Board of Principal/Buyer.

Bidder's Sign.....

Bidder's Stamp.....

(8) If the Monitor has reported to the Chairman & Managing Director of the Principal, a substantiated suspicion of an offence under relevant Anti-Corruption Laws of India and the Chairman & Managing Director of the Principal/Buyer has not, within the reasonable time taken visible action to proceed against such offence or reported it to the Chief Vigilance Officer, the Monitor may also transmit this information directly to the Central Vigilance Commissioner, Government of India.

(9) The word 'Monitor' would include both singular and plural.

Section 10 - 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 contract and for all other Bidders 06 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 Chairman & Managing Director of the Principal/Buyer.

Section 11 - Other provisions:

(1) This agreement is subject to Indian Law, place of performance and jurisdiction is the Registered Office of the Principal/Buyer, i.e. Mumbai. The Arbitration clauses provided in the main tender document/ contract shall not be applicable for any issue/dispute arising under this 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.

Section 12 - Fall Clause: #

"The Bidder undertakes that it has not supplied/is not supplying similar products/ systems or subsystems at a price lower than that offered in the present bid in respect of any other Ministry/Department of the Government of India or PSU and if it is found at any stage that similar product/systems or sub systems was supplied by the Bidder to any other Ministry/Department of the Government of India or a PSU at a lower price, then that very price, with due allowance of elapsed time, will be applicable to the present case and the difference in the cost would be refunded by the Bidder to the Principal/Buyer, if the contract has already been concluded."

For & on behalf of

MAZAGON DOCK Shipbuilders LIMITED for & on behalf of Bidder/Contractor

(Office Seal) (Office Seal)

Place_____

Date_____

Witness 1:

(Name & Address)

Witness 2:

(Name & Address)

GUIDELINES FOR INDIAN AGENTS OF FOREIGN SUPPLIERS

1.0 There shall be compulsory registration of agents for all Global (Open) Tender and Limited Tender. An agent who is not registered with MDL shall apply for registration.

1.1 An agent shall represent only one Foreign Supplier and not represent two suppliers or quote on their behalf in the same tender. However, either the Indian Agent on behalf of the Foreign Suppliers (also includes foreign manufacturers) or the Foreign Suppliers (also includes foreign manufacturers) directly could bid in a tender, but not both. In cases where an agent participates in a tender on behalf of one manufacturer, shall not quote on behalf of another manufacturer along with the first Manufacturer in a subsequent/parallel tender for the same item.

1.2 Registered agents will file an authenticated Photostat copy duly attested by a Notary Public/Original certificate of the principal confirming the agency agreement and giving the status being enjoyed by the agent and the commission/remuneration/salary/ retainer ship being paid by the principal to the agent before the placement of order by MDL.

1.3 Wherever the Indian representatives have communicated on behalf of their principals and the foreign parties have stated that they are not paying any commission to the Indian agents, and the Indian representative is working on the basis of salary or as retainer, a written declaration to this effect should be submitted by the party (i.e. Principal) before finalizing the order.

2.0 DISCLOSURE OF PARTICULARS OF AGENTS/ REPRESENTATIVES IN INDIA, IF ANY.

2.1 Tenderers of Foreign nationality shall furnish the following details in their offer:

2.1.1 The name and address of the agents/representatives in India, if any and the extent of authorization and authority given to commit the Principals. In case the agent/representative be a foreign Company, it shall be confirmed whether it is real substantial Company and details of the same shall be furnished.

2.1.2 The amount of commission/remuneration included in the quoted price(s) for such agents/representatives in India.

2.1.3 Confirmation of the Tenderer that the commission/ remuneration if any, payable to his agents/ representatives in India, may be paid by MDL in Indian Rupees only.

2.2 Tenderers of Indian Nationality shall furnish the following details in their offers:

2.2.1 The name and address of the foreign principals indicating their nationality as well as their status, i.e, whether manufacturer or agents of manufacturer holding the Letter of Authority of the Principal specifically authorizing the agent to make an offer in India in response to tender either directly or through the agents/representatives.

2.2.2 The amount of commission/remuneration included in the price (s) quoted by the Tenderer for himself.

2.2.3 Confirmation of the foreign principals of the Tenderer that the commission/remuneration, if any, reserved for the Tenderer in the quoted price (s), may be paid by MDL in India in equivalent Indian Rupees on satisfactory completion of the Project or supplies of Stores and Spares in case of operation items

2.3 In either case, in the event of contract materializing, the terms of payment will provide for payment of the commission /remuneration, if any payable to the agents/representatives in India in Indian Rupees on expiry of 90 days after the discharge of the obligations under the contract.

2.4 Failure to furnish correct and detailed information as called for in paragraph-2.0 above will render the concerned tender liable to rejection or in the event of a contract materializing, the same liable to termination by MDL. Besides this there would be a penalty of banning business dealings with MDL or damage or payment of a named sum. _____

GUIDELINES ON BANNING OF BUSINESS DEALINGS**CONTENTS**

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1. Introduction

1.1 Mazagon Dock Shipbuilders Limited (MDL), being a Public Sector Enterprise and 'State', within the meaning of Article 12 of Constitution of India, has to ensure preservation of rights enshrined in Chapter III of the Constitution. MDL as also to safeguard its commercial interests. MDL deals with Agencies, who have a very high degree of integrity, commitments and sincerity towards the work undertaken. It is not in the interest of MDL to deal with Agencies who commit deception, fraud or other misconduct in the execution of contracts awarded / orders issued to them. In order to ensure compliance with the constitutional mandate, it is incumbent on MDL to observe principles of natural justice before banning the business dealings with any Agency.

1.2 Since banning of business dealings involves civil consequences for an Agency concerned, it is incumbent that adequate opportunity of hearing is provided and the explanation, if tendered, is considered before passing any order in this regard keeping in view the facts and circumstances of the case.

2. Scope

2.1 MDL reserves its rights to remove from list of approved suppliers / contractors or to ban business dealings if any Agency has been found to have committed misconduct and also to suspend business dealings pending investigation.

2.2 Similarly, in case of sale of material there is a clause to deal with the Agencies / customers / buyers, who indulge in lifting of material in unauthorized manner.

2.3 However, absence of such a clause does not in any way restrict the right of MDL to take action / decision under these guidelines in appropriate cases.

2.4 The procedure of (i) Removal of Agency from the List of approved suppliers / contractors; (ii) Suspension and (iii) Banning of Business Dealing with Agencies, has been laid down in these guidelines.

2.5 These guidelines apply to all the Divisions/Yards of MDL.

2.6 It is clarified that these guidelines do not deal with the decision of the Management not to entertain any particular Agency due to its poor / inadequate performance or for any other reason.

2.7 The banning shall be with prospective effect, i.e., future business dealings.

3. Definitions

In these Guidelines, unless the context otherwise requires:

- i) 'Bidder / Contractor / Supplier / Purchaser / Customer' shall mean and include a public limited company or a private limited company, a firm whether registered or not, an individual, a cooperative society or an association or a group of persons engaged in any commerce, trade, industry, etc. 'Bidder / Contractor / Supplier / Purchaser / Customer' in the context of these guidelines is indicated as 'Agency'.
- ii) 'Inter-connected Agency' shall mean two or more companies having any of the following features:
 - a) If one is a subsidiary of the other.
 - b) If the Director(s), Partner(s), Manager(s) or Representative(s) are common;
 - c) If management is common;
 - d) If one owns or controls the other in any manner;
- iii) 'Competent Authority' and 'Appellate Authority' shall mean the following:
 - a) Functional Director shall be the 'Competent Authority' for the purpose of these guidelines. CMD, MDL shall be the 'Appellate Authority'.
 - b) CMD, MDL shall have overall power to take suo-moto action on any information available or received by him and pass such order(s) as he may think appropriate, including modifying the order(s) passed by any authority under these guidelines. Page No. 8.56 Amdt. No : 0 Date : 01/01/2015
- iv) 'Investigating Department' shall mean any Department or Unit investigating into the conduct of the Agency and shall include the Vigilance Department, Central Bureau of Investigation, the State Police or any other department set up by the Central or State Government having powers to investigate.
- v) 'List of approved Agencies – 'Bidder / Contractors / Suppliers / Purchasers / Customers shall mean and include list of approved / registered Agencies - 'Bidder / Contractors / Suppliers / Purchasers / Customers, etc

4. Initiation of Banning / Suspension

Action for banning / suspension business dealings with any Agency should be initiated by the department having business dealings with them after noticing the irregularities or misconduct on their part. Besides the concerned department, Vigilance Department may also be competent to initiate such action.

5. Suspension of Business Dealings

5.1 If the conduct of any Agency dealing with MDL is under investigation by any department, the Competent Authority may consider whether the allegations under investigation are of a serious nature and whether pending investigation, it would be advisable to continue business dealing with the Agency. If the Competent Authority, after consideration of the matter including the recommendation of the Investigating Department, if any, decides that it would not be in the interest to continue business

dealings pending investigation, it may suspend business dealings with the Agency. The order to this effect may indicate a brief of the charges under investigation. If it is decided that inter-connected Agencies would also come within the ambit of the order of suspension, the same should be specifically stated in the order. The order of suspension would operate for a period not more than six months and may be communicated to the Agency as also to the Investigating Department. The Investigating Department may ensure that their investigation is completed and whole process of final order is over within such period.

5.2 The order of suspension shall be communicated to all Commercial Departmental Heads. During the period of suspension, no business dealing may be held with the Agency.

5.3 As far as possible, the existing contract(s) with the Agency may continue unless the Competent Authority, having regard to the circumstances of the case, decides otherwise.

5.4 If the gravity of the misconduct under investigation is very serious and it would not be in the interest of MDL, as a whole, to deal with such an Agency pending investigation, the Competent Authority may order suspension of business dealing with Agency and send his recommendation to Chief Vigilance Officer (CVO), MDL alongwith the material available, copy of which may be issued to the Agency concerned with intimation to CVO MDL. Such an order would operate for a period of six months from the date of issue.

5.5 If the Agency concerned asks for detailed reasons of suspension, the Agency may be informed that its conduct is under investigation. It is not necessary to enter into correspondence or argument with the Agency at this stage.

5.6 It is not necessary to give any show-cause notice or personal hearing to the Agency before issuing the order of suspension. However, if investigations are not complete in six months' time, the Competent Authority may extend the period of suspension by another three months, during which period the investigations must be completed.

6. Ground on which Banning of Business Dealings can be initiated

6.1 If the security consideration, including questions of loyalty of the Agency to the State, so warrants;
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6.2 If the Director / Owner of the Agency, proprietor or partner of the firm, is convicted by a Court of Law for offences involving moral turpitude in relation to its business dealings with the Government or any other public sector enterprises or MDL, during the last five years;

6.3 If there is strong justification for believing that the Directors, Proprietors, Partners, owner of the Agency have been guilty of malpractices such as bribery, corruption, fraud, substitution of tenders, interpolations, etc;

6.4 If the Agency continuously refuses to return / refund the dues of MDL without showing adequate reason and this is not due to any reasonable dispute which would attract proceedings in arbitration or Court of Law;

6.5 If the Agency employs a public servant dismissed / removed or employs a person convicted for an offence involving corruption or abetment of such offence;

6.6 If business dealings with the Agency have been banned/blacklisted by Government Agencies/ Statutory bodies, DGQA, Defence Shipyards, DPSUs or with whom commercial transactions have been suspended for sufficient and justifiable reasons. If the Agency having same promoters/Directors /Partners as the barred/blacklisted Company as at 6.6 above for the duration for which the barring/blacklisting of sister concern persists.

6.7 If the Agency has resorted to Corrupt, fraudulent practices including misrepresentation of facts; If the agency who had fraudulently dealt with the Company for pecuniary gains or had connived with dealing officers for mutual benefit.

6.8 If the Agency uses intimidation / threatening or brings undue outside pressure on the MDL or its official in acceptance / performances of the job under the contract;

6.9 If the Agency indulges in repeated and / or deliberate use of delay tactics in complying with contractual stipulations;

6.10 Wilful indulgence by the Agency in supplying sub-standard material irrespective of whether pre-despatch inspection was carried out by MDL or not;

6.11 Based on the findings of the investigation report of CBI / Police against the Agency for malafide / unlawful acts or improper conduct on his part in matters relating to the MDL or even otherwise;

6.12 Established litigant nature of the Agency to derive undue benefit;

6.13 Continued poor performance of the Agency in several contracts;

6.14 If the Agency misuses the premises or facilities of the MDL, forcefully occupies, tampers or damages the Company's properties including land, water resources, forests / trees, etc.

If the Agency who knowingly collude to defeat competition with the aim of deriving undeserved profit or gain from doing business with MDL.

(Note: The examples given above are only illustrative and not exhaustive. The Competent Authority may decide to ban business dealing for any good and sufficient reason).

7. Banning of Business Dealings

7.1 Decision to ban business dealings with any Agency would apply throughout the Company.

7.2 There will be a Standing Committee to be appointed by the CMD which may include HOD of respective Commercial Section/Capital Works/OTS, HOD (M), rep of Legal Deptt. and OIC (SR&R) for processing the cases of "Banning of Business Dealings". The functions of the committee shall, inter-alia include:

i) To study the report of the Investigating Agency and decide if a prima-facie case for banning exists, if not, send back the case to the Competent Authority.

ii) To recommend for issue of show-cause notice to the Agency by the concerned department.

iii) To examine the reply to show-cause notice and call the Agency for personal hearing, if required.

iv) To submit final recommendation to the Competent Authority for banning or otherwise.

7.3 If the Competent Authority is prima-facie of view that action for banning business dealings with the Agency is called for, a show-cause notice may be issued to the Agency as per paragraph 9.1 and an enquiry held accordingly.

8 Removal from List of Approved Agencies - Suppliers / Contractors, etc.

8.1 If the Competent Authority decides that the charge against the Agency is of a minor nature, it may issue a show-cause notice as to why the name of the Agency should not be removed from the list of approved Agencies - Suppliers / Contractors, etc.

8.2 The effect of such an order would be that the Agency would not be disqualified from competing in Open Tender Enquiries but LTE may not be given to the Agency concerned.

8.3 Past performance of the Agency may be taken into account while processing for approval of the Competent Authority for awarding the contract.

9. Show-cause Notice

9.1 In case where the Competent Authority decides that action against an Agency is called for, a show-cause notice has to be issued to the Agency. Statement containing the imputation of misconduct or mis-behaviour may be appended to the show-cause notice and the Agency should be asked to submit within 15 days a written statement in its defence.

9.2 If the Agency requests for inspection of any relevant document in possession of MDL, necessary facility for inspection of documents may be provided.

9.3 The Competent Authority may consider and pass an appropriate speaking order:

- a) For exonerating the Agency if the charges are not established;
- b) For removing the Agency from the list of approved Suppliers / Contactors, etc.
- c) For banning the business dealing with the Agency.

9.4 If it decides to ban business dealings, the period for which the ban would be operative may be mentioned. The order may also mention that the ban would extend to the interconnected Agencies of the Agency.

10. Appeal against the Decision of the Competent Authority

10.1 The Agency may file an appeal against the order of the Competent Authority banning business dealing, etc. The appeal shall lie to Appellate Authority. Such an appeal shall be preferred within one month from the date of receipt of the order banning business dealing, etc.

10.2 Appellate Authority would consider the appeal and pass appropriate order which shall be communicated to the Agency as well as the Competent Authority.

11. Review of the Decision by the Competent Authority

Any petition / application filed by the Agency concerning the review of the banning order passed originally by Competent Authority under the existing guidelines either before or after filing of appeal before the Appellate Authority or after disposal of appeal by the Appellate Authority, the review petition can be decided by the Appellate Authority upon disclosure of new facts / circumstances or subsequent development necessitating such review. The Competent Authority may refer the same petition to the separate Standing Committee which may be constituted by Appellate Authority for examination and recommendation.

12. Circulation of the names of Agencies with whom Business Dealings have been banned

12.1 Depending upon the gravity of misconduct established, the Competent Authority may direct HOD (Materials)/OIC (SR&R) to circulate the names of Agency with whom business dealings have been banned, to the Government Departments, other Public Sector Enterprises, etc. for such action as they deem appropriate.

12.2 If Government Departments or a Public Sector Enterprise request for more information about the Agency with whom business dealings have been banned, a copy of the report of Inquiring Authority together with a copy of the order of the Competent Authority / Appellate Authority may be supplied.

12.3 If business dealings with any Agency have been banned by the Central or State Government or any other Public Sector Enterprise, MDL may, without any further enquiry or investigation, issue an order banning business dealing with the Agency and its interconnected Agencies.

FORM OF WARRANTY CERTIFICATE

In accordance with the Order N°..... Dated placed by MAZAGON DOCK SHIPBUILDERS LIMITED on _____ (Name of firm)

_____ (Name of firm) certify that the following Items identified by the following references related to Submarine No:

Description of Item(s).....

Manufacturer's Serial Number (OR any other such ID No) of the Equipment / Item.....

Delivery Challan No. / ~~Bill of Lading~~ No & Date / Air Way Bill No & Date

Covered by _____ (Name of firm) Invoice No & Date..... are warranted according to the terms and conditions as specified in the order.

The Date of issue of the certificate: DD/MM/YYYY

The Date of the end of validity of the guarantee: DD/MM/YYYY

For and on behalf of

Order reference Number	
Description of Material	
Corresponding to Invoice No & Date	

(to be executed on non-judicial stamp paper of requisite value as per place of execution in India)

DEED OF GUARANTEE

THIS DEED OF GUARANTEE ("Deed") made and executed at (*) on this the _____ day of _____ 20 by: (*), a (*) existing under the laws of (*) and having its registered at (*) (hereinafter referred to as "**the Principal Manufacturer"/ "Original Equipment Manufacturer(OEM)"**"), which expression shall unless it be repugnant to the subject or context thereof be deemed to include their respective heirs, executors, administrators and legal representatives) being the Party of the FIRST PART;

IN FAVOUR OF MAZAGON DOCK SHIPBUILDERS LIMITED, a company existing under the laws of India, having its registered office at Dockyard Road, Mazagon, Mumbai 400010, India (hereinafter referred to as the **(MDL)**), which expression, unless excluded by or in contradiction to the subject or context, shall mean and include its successors and assigns) being the Party of the OTHER PART;

Whereas:

A. MDL has floated a Tender Bearing Tender No. (*) dated (*) ("**Tender**"), wherein quotations were invited for supplying of (*) ("**Goods&/or Services**") as stipulated in the Tender at locations as specified in the Tender.

B. The Principal Manufacturer /OEM has agreed to submit its bid through an authorised representative namely (*) (hereinafter referred to as "**Authorised Representative**"), for the aforesaid Tender.

C. The Principal Manufacturer/OEM has represented that it has authorised the Authorised Representative to act on its behalf herein for submitting the bid and to act as an intermediary for supplying the Goods &/or Services to MDL as per the terms of the Tender, as mentioned herein this Deed.

D. The Tender Condition No. (*) requires that the Principal Manufacturer furnishes a legally enforceable document, i.e. this Deed, for the purpose of ensuring smooth execution of the Contract if awarded to the Authorised Representative (pursuant to the Tender) and for assuring that all obligations as stated in the Contract will be fulfilled therein, including warranty and guarantee obligations contained in the Tender. It is further clarified that MDL shall award the contract and sign the relevant transaction documents ("**Transaction Documents**") with the Authorised Representative (in the event of its bid qualifying as per the criteria stipulated in the Tender).

E. Thus, the Principal Manufacturer/OEM has agreed to execute this Deed in favour of MDL.

NOW THIS INDENTURE WITNESSETH THAT IN CONSIDERATION OF THE ABOVE PREMISES IT IS HEREBY COVENANTED AND AGREED (THE PRINCIPAL MANUFACTURER /OEM COVENANTING AND AGREEING JOINTLY AND SEVERALLY) AS FOLLOWS:

1. As per Tender condition No. (*), the Principal Manufacturer /OEM hereby, absolutely, irrevocably and unconditionally guarantees to MDL, the performance by the Principal Manufacturer /OEM of all of the obligations in/under the said Tender and Transaction Documents whether executed by the Principal Manufacturer /OEM directly or the Authorised Representative or both, to the satisfaction of MDL in the event of failure of the Authorised Representative or otherwise upon the occurrence of an event of default under the said Tender and/or Transaction Documents.

2. Any such demand made by MDL on the Principal Manufacturer /OEM shall be final, conclusive and binding notwithstanding any contractual arrangement, difference or any dispute between Principal Manufacturer /OEM and MDL and/or MDL and the Authorised Representative or any other legal proceedings, pending before any court, tribunal, arbitrator or any other authority. The Principal Manufacturer /OEM shall be bound by the terms and conditions of the Tender and/or Transaction Documents.

3. The Principal Manufacturer /OEM shall indemnify and hold harmless MDL from any claim made against MDL or any third party for injury, damage, loss or expenses attributable to the breach /non-performance of responsibilities by the Authorised Representative.

4. In order to give effect to the Guarantee herein contained MDL shall be entitled to act as if the Principal Manufacturer /OEM was originally liable to MDL for all the obligations of the Authorised Representative as mentioned in the Tender and/or Transaction Documents.

5. Notwithstanding MDL's rights herein or under the Tender and/or Transaction Documents, MDL shall have fullest liberty to call upon the Principal Manufacturer /OEM to perform the obligation of the Authorised Representative under the Tender and/or Transaction Documents and pay together with interest as well as the costs (including reasonable attorney costs) charges and expenses, and/or other money for the time being due to MDL in respect of the aforesaid.

6. The Guarantee herein contained shall not be determined or in any way prejudiced by any absorption of or by any amalgamation thereof of MDL but shall ensure and be available for and by the absorbing or amalgamated entity.

7. The Guarantee shall be irrevocable and enforceable against the Principal Manufacturer /OEMs notwithstanding any dispute between the Principal Manufacturer /OEM and the Authorised Representative.

8. The Principal Manufacturer /OEM hereby agrees that notwithstanding any variation made in the terms of the Transaction Documents, the Principal Manufacturer /OEM shall not be released or discharged of their obligation under this Guarantee provided that in the event of such variation the liability of the Principal Manufacturer /OEM shall notwithstanding anything herein contained be deemed to have accrued and the Principal Manufacturer /OEM shall be deemed to have become liable hereunder on the date or dates on which the Authorised Representative become liable to perform its obligations which became due under the said Transaction Documents.

9. The Guarantee hereby given is independent and distinct from any security that the MDL have taken or may take in any manner whatsoever whether it is by way of a performance guarantee or security Deposit as per provisions of the Tender and Transaction Documents.

10. The Principal Manufacturer /OEM shall pay all stamp duty, other duties, Taxes, fees, penalties or other charges payable on or in connection with the execution, issue, delivery, registration of this Deed, and any document, act and registration performed pursuant hereto, if and when the same has become payable according to the Applicable Law.

11. The Principal Manufacturer /OEM declares that the information and data furnished by it to MDL and the Authorised Representative pursuant to the Tender is true and correct.

12. This Deed shall be governed by and construed in all respects with the Indian laws and the parties hereto agree that any matter or issues arising hereunder or any dispute hereunder shall be subject to the jurisdiction of the competent Courts/Tribunals of the city of Mumbai in India.

13. This Deed may be executed in 2 (two) counterparts, each of which so executed will be deemed to be an original and such counterpart together will constitute one and the same Deed.

IN WITNESS WHEREOF the Principal Manufacturer /OEM (abovementioned) has executed these presents the day and year first hereinabove written.

Signed, Sealed and Delivered on behalf of

By:

Name: (*)

Title: (*)

Witness

1.

2.

Undertaking for Conflict of Interest Among Bidders/ Agents

A bidder shall not have conflict of interest with other bidders. Such conflict of interest can lead to anti-competitive practices to the detriment of MDL's interests. The bidder found to have a conflict of interest shall be disqualified. A bidder may be considered to have a conflict of interest with one or more parties in this bidding process, if:

- (i) they have controlling partner (s) in common; or
- (ii) they receive or have received any direct or indirect subsidy/ financial stake from any of them; or
- (iii) they have the same legal representative/agent for purposes of this bid; or
- (iv) they have relationship with each other, directly or through common third parties, that puts them in a position to have access to information about or influence on the bid of another Bidder; or
- (v) Bidder participates in more than one bid in this bidding process. Participation by a Bidder in more than one Bid will result in the disqualification of all bids in which the parties are involved. However, this does not limit the inclusion of the components/ sub-assembly/ Assemblies from one bidding manufacturer in more than one bid.
- (vi) In cases of agents quoting in offshore procurements, on behalf of their principal manufacturers, one agent cannot represent two manufacturers or quote on their behalf in a particular tender enquiry. One manufacturer can also authorise only one agent/dealer. There can be only one bid from the following:
 - (aa) The principal manufacturer directly or through one Indian agent on his behalf; and
 - (ab) Indian/foreign agent on behalf of only one principal.
- (vii) Bidder or any of its affiliates participated as a consultant in the preparation of the design or technical specifications of the contract that is the subject of the Bid;
- (viii) In case of a holding company having more than one independently manufacturing units, or more than one unit having common business ownership/management, only one unit should quote. Similar restrictions would apply to closely related sister companies. Bidders must proactively declare such sister/ common business/ management units in same/similar line of business.

DECLARATION BY AUTHORISED SIGNATORY OF THE FIRM

"I..... have read the above clause regarding Conflict of Interest Among Bidders/ Agents. I certify that this bidder fulfils all the requirements in this regard and does not have any conflict of interest"

AUTHORISED SIGNATURE: _____

DATE: _____

Seal / Stamp of Bidder

ONGC GCC documents and SOW attached



**Bid Package
for
Part Replacement of Pipeline Project (PRPP)**

PART – II
**GENERAL CONDITIONS OF
CONTRACT**

PART - II

GENERAL CONDITIONS OF CONTRACT



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1.0 DEFINITIONS AND INTERPRETATION

1.1 Definitions

The following words and phrases shall have the meanings hereby assigned to them except where the context otherwise requires:

1.1.1 "**Bidding Documents**" means all documents mentioned under the Contract (refer para (b) of Appendix B-4 Part-III).

Note: Annexure-B shall be prepared during finalization of Contract on the basis of Bidding Documents, Amendments/Addenda, other documents as issued by the Company at the time of inviting bids and subsequent addendum/ correspondence exchanged till the decision of Award of Work and shall be appended to the Contract.

1.1.2 "**Certificate of Completion and Acceptance**" means certificate issued by Company as per contract clause no. 5.10 stating that Contractor has satisfactorily performed the entire Scope of Work under the Contract and the Scope of Work added subsequently in accordance with provisions of the contract.

1.1.3 "**Commissioning**" means completion of all activities as defined in Part IV of Bidding Documents.

1.1.4 "**Company**"/"ONGC" means Oil and Natural Gas Corporation Ltd. incorporated under Companies Act, 1956 having its registered office at Pandit Deen Dayal Upadhyay Urja Bhawan, 5-A Nelson Mandela Marg, Vasant Kunj, New Delhi-110070, India and one of its Mumbai Region Offices situated at 11 High, 4th Floor, Bandra Sion Link Road, Sion(W), Mumbai – 400 017, including its legal successors and permitted assignees.

1.1.5 "**Company's Representative/ Project Coordinator**" means the person or persons appointed from time to time by the Company in the manner provided in Clause 5.1.2 for overall co-ordination and Project Management at the Site.

1.1.6 "**Constructional Plant and Equipment**" means all Plants, Barges, Vessels/Floating crafts, equipments, tools, appliances, things, facilities, machinery, apparatus of whatever nature needed, in or about the work or Temporary Works (as hereinafter defined) for execution of Works covered under the Contract but does not include materials or other things intended to form or forming part of the Works.

1.1.7 "**Construction Schedule**" means that sequence and plan of Construction activity as affecting or being included in the Work which may be represented in drawings indicating the Construction activity and completion as planned and which will not be altered except with written consent of the Company which consent shall not be unreasonably withheld. The Project Key Dates as given in Appendix A-4 of Part-III Volume I with all dates duly filled in by the Contractor and approved by Company shall be termed as the Construction Schedule.

1.1.8 "**Construction Season**" means that portion of the year between **16th October** of one year and **15th May** of the next year both days inclusive when weather is generally good for construction activity because the occurrence of violent storms and/or monsoons is least likely.



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- 1.1.9 "**Construction Superintendent(s)**" means those person(s) designated in writing by the Contractor to the Company as being in full charge of each spread performing Works at the Site.
- 1.1.10 "**Contract**" shall mean written contract (format at Appendix-B-4 of Part III of Tender) signed between the Company and the Contractor including annexures thereto and subsequent amendments thereto in writing.
- 1.1.11 "**Contractor**" means M/s. _____, a Company established and registered under the laws of _____ (Name of the country) having the registered office at _____ the party to this Contract so defined in the agreement including his legal successors or permitted assignees.
- 1.1.12. "**Contract Price**" means the total amount specified in the substantive article in the contract (i.e. Clause 3.1) subject to any additions thereto, or deductions there from which may be made through applications of the relevant provisions of the Contract.
- 1.1.13 "**Contractor's Representative**" means any personnel nominated by the Contractor and notified in writing to the Company to act on behalf of the Contractor and/or to perform the duties designated by the Contractor in the manner provided in Clause 5.1.4 hereunder.
- 1.1.14 "**Contract Specification/Specifications**" shall mean those Specifications of the Works included or referred to in the Bidding Documents as well as those specifications relating to Industry Standards and Codes, and applicable to the performance of Work, work performance quality and the Specifications affecting the Works and performance of Works as detailed in the specifications of this Contract and any modification thereof or addition/deletion thereto as may from time to time be furnished or approved in writing by the Company or any additional specifications required to be produced by the Contractor to meet the Design Criteria.
- 1.1.15 "**Day**" means a Calendar day of twenty four (24) consecutive hours beginning at 0000 hours (midnight) and ending at 2400 hours (midnight) as referred to local time at the Site.
- 1.1.16 "**Day Rate**" means rate per day given in the Contract Price schedule at Annexure-`C' (to be appended at the time of finalisation of Contract) for each item of Barge/Equipment/Labour actually deployed. The maximum limit of day rate compensation per spread in any one day shall be the day rate for the spread as listed in the Contract.
- Any additional personnel and/or additional equipment deployed over and above the spread specified in the schedule of Prices at specific request of the Company for any extra Work shall be paid as per the rental rate schedule. In case any Barge/ Equipment/Labour is deployed only for a part of the day, the same will be paid on prorata basis.
- The hourly rate shall be computed by dividing the quoted day rate by 24.
- 1.1.17 "**Demobilisation of any Spread**" means removal of all that spread from the Site and clean up and restoration as stipulated in the Contract, as applying to that part of the site in which that spread was employed.



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- 1.1.18 "**Demobilisation of the Contractor**" means the removal of all things forming part of the Mobilisation of the Contractor including all temporary facilities, return of personnel and equipment and the clean up and restoration of the Site as required in this Contract.
- 1.1.19 "**Discharge Certificate**" means certificate issued by the Company to the Contractor after expiration of the guarantee period stating that the Works have been completed and made good to the satisfaction of Company's Representative, in accordance with the requirements of the Contract.
- 1.1.20 "**Drawings**" means drawings included or referred to in the Bidding Documents and any modification thereof approved in writing by the Company's Representative and any additional drawing which may from time to time be ordered, furnished or approved in writing by the Company's Representative or his authorised Representative or required to be produced by the Contractor as per the provisions of the Contract.
- 1.1.21 "**Engineer**" means the person or agencies appointed from time to time by the Company to act on its behalf to the extent so authorized and notified in writing to the Contractor to perform the duties set out in Clause 5.1.3.
- 1.1.22 "**Engineer's Representatives**" means any resident engineer or assistant of the Engineer or any Representative appointed from time to time by the Company or the Engineer, to perform the duties as set out in Clause 5.1.3 hereof whose authority shall be notified in writing to the Contractor by the Company.
- 1.1.23 "**Guarantee**" means the period and other conditions governing the warranty/guarantee in respect of the Works as detailed in **Section 6.0** hereunder.
- 1.1.24 "**Inspector(s)**" means the person or persons of independent agency designated by the Company in writing to the Contractor to observe test, record and report to the Company quality surveillance of the Contractor's work.
- 1.1.25 "**Kick-off Meeting**" means a meeting convened by the Company to discuss Work execution plan and procedures with the Contractor.
- 1.1.26 "**Mobilisation of any Spread**" means performance by the Contractor of all those things necessary for the spread to be fully ready to execute Work at the Site satisfying all work pre-requisites stipulated in the Contract.
- 1.1.27 "**Mobilisation of the Contractor**" means performance by the Contractor of all those thing necessary to be fully ready to execute Work at site satisfying all Work pre-requisites stipulated in the Contract. Mobilization of the Contractor shall include but shall not be limited to providing of all transport from points of origin to Site, all equipment and materials of construction, all personnel, satisfaction of government requirements, all logistical support to the construction operations and setting up at site in a condition of full readiness to execute Work.
- 1.1.28 "**Monsoon Season**" means that portion of the year between **16th May** through **15th October** (both days inclusive) when monsoon storms and high seas are of such frequency and intensity at Offshore Site location that construction work cannot be scheduled with any assurance.



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- 1.1.29 **"Pre-Commissioning"** includes checking and testing of the equipment, machinery etc. as required by the Contract, and making them ready for use.
- 1.1.30 "Punch list" means those minor items/jobs relating to works outstanding at the time of issuance of "Certificate of Completion and Acceptance" which do not affect the normal operation of the company and which have been mutually agreed by the Company and the Contractor, to be carried out / further completed by the Contractor to the satisfaction of the Company **within six months (exclusive of monsoon period) from date of completion of work** in accordance with the Contract.
- 1.1.31 **"Scheduled Completion Date"** means a date when the completion of entire Works is scheduled to be achieved in accordance with the construction schedule. The Scheduled Completion Date for entire Works of this project shall be as per Section 6.3.1 hereunder.
- 1.1.32 **"Site"** means the lands and waters and other places on, under, in or through which the Works are to be carried out and any other lands, waters or places approved by the Company for the purposes of the Contract together with any other places designated in the Contract as forming part of the Site.
- 1.1.33 **"Spread"** shall mean that combination of construction equipment including all necessary work barges, material barges, supporting tugs etc, and whatever is required to execute the Works and personnel as defined in the Contract and Schedule of Rates and Prices, capable of performing specific portion of the Work e.g. Derrick barge spread, Hook-up barge spread, etc.
- 1.1.34 **"Temporary Works"** means all temporary Works of every kind needed in or about the Works.
- 1.1.35 **"Third Party"** means any group, agency, person or persons who may be engaged in activity associated with the Work specified but who shall remain at arms length from the Work and who shall not have a direct responsibility or authority under the terms of this Contract, or any contractual relationship to the Company, the Contractor or the Contractor's Sub-contractor for the Works.
- 1.1.36 **"Vendor"** when used in connection with materials/plants/equipments/spare parts procurement, means the equipment/ materials manufacturer, supplier (authorised and approved by the equipment(s) manufacturer) of materials/plants/equipments/spare parts to the Contractor.
- 1.1.37 **"Works"** means all things or tasks, which the Contractor is, or may be, required to do to comply with its Contract obligations. It includes everything required to provide and complete a full functioning Facilities. The Works is more fully described in the Bidding Documents including Part IV.
- 1.1.38 **"Startup and Commissioning"** includes introducing well fluids or gas or air or seawater or processed water for equipment testing and completion of running test as required by the contract.
- 1.1.39 **"RFD"** means completion of fabrication and installation of jacket with appurtenances and Permanent Deck to facilitate drilling of wells.



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- 1.1.40 **"RFP" means completion** of all hook up work with permanent deck so that Well Platform is ready and complete in all respect for production of hydro-carbons/ water injection.
- 1.1.41 **Annualized Contract Price'** means Total Contract Price divided by Project Completion period as per Scheduled completion date (as on date of NOA) in number of days and then multiplied by 365 days, in case completion period is more than 365 days and 'Annualized Contract price' shall mean Total Contract Price in case completion period is less than 365 days.
- 1.1.42 Hook-up / Modification cum accommodation barge: Hook-up / Modification cum accommodation barge having helideck, adequate deck space and personnel accommodation for carrying out the scope of work as per bidding document.
- 1.1.43 **"Sub-contractor"** means an agency, engaged by the contractor in terms of GCC 5.2 for performing any portion of work entrusted to him including design & engineering, procurement, fabrication, load out, sea fastening, transportation, installation, hook-up, testing and pre-commissioning and commissioning of the project work.
- 1.1.44 **Sub-Contract** shall mean order /contract placed by the Contractor for any portion of the Contract or work sublet with necessary written consent of ONGC on third party. Such sub-letting shall not relieve the Contractor from any obligation, duty or responsibility under the Contract.
- 1.1.45 **Approval** Shall mean and include the written consent duly signed by ONGC or their representative in respect of all documents, drawings or other particulars in relation to the CONTRACT.
- 1.1.46 **EQUIPMENT/MATERIALS/GOODS** Shall mean and include any equipment, machinery, instruments, stores, goods which CONTRACTOR is required to provide to the ONGC for/under the CONTRACT and amendments thereto.
- 1.1.47 **"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,
- 1.1.48 **"Willful misconduct"** means: "Intentional disregard of good and prudent standards of performance or proper conduct under the Contract with knowledge that it is likely to result in any injury to any person or persons or loss or damage of property.



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1.1.49 GST LEGISLATIONS:

'GST legislations' means 'any or all of the following legislations as may be applicable to the Bidder and ONGC:

- i. the Central Goods & Services Tax Act, 2017;
- ii. the Integrated Goods & Services Act, 2017;
- iii. the Union Territory Goods & Services Tax Act, 2017;
- iv. the respective State Goods & Service Tax Acts'
- v. the Goods and Services (Compensation to States) Act, 2017
- vi. the Customs Act and the Customs Tariff Act.

1.2 Interpretation

1.2.1 Words imparting the singular meaning only also include the plural and vice versa except where the context otherwise requires.

1.2.2 The headings and sub-titles in these Conditions of Contract are included solely for convenience and shall not be deemed to be part thereof and shall not affect the meaning or operation of the Contract.

1.2.3 Reference to "Section", "Clause" and "Article" and "Provision" shall have the same meaning.

1.2.4 Governing Language

The governing language for the Contract shall be English. All Contract documents and all correspondence and Communication to be given and all other documentation to be prepared and supplied under the Contract shall be written in English and the Contract shall be Construed and interpreted in accordance with English Language.

1.2.5 Entire Agreement

The Contract constitutes the entire agreement between the Company and the Contractor with respect to the subject matter of the Contract and supersedes all communication, negotiations and agreement (whether written or oral) of the parties with respect thereto made prior to the date of this Agreement.

1.2.6 Amendments to the Contract

No amendment or other variation of the Contract shall be effective unless it is in writing, is dated, expressly refers to the Contract and is signed by a duly authorised representative of each party hereto.

1.2.7 Independent Contractor

The Contractor shall act as an independent Contractor performing the Contract. The Contract does not create any agency, partnership, joint ventures or joint relationship between the parties.

Subject to the compliance with the Contract, the Contractor shall be solely responsible for the manner in which works are performed. All employees, Representatives or sub-contractors engaged by the Contractor in performing the Contract shall be under the



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complete Control of the Contractor and shall not be deemed to be employees of the Company and nothing contained in the Contract or in any sub-contract awarded by the Contractor shall be construed to create any contractual relationship between any such employees or representative or Sub-contractor and the Company. Contractor shall be responsible for the acts, defaults or negligence of the Contractor, his agencies, servant or workmen.

1.2.8 Waiver of Recourse

Except for claims of breach of the Contract or for claims specifically assumed or authorized therein, the Contractor and the Company waive recourse each against the other for all other claims, which may arise with respect to the Works.

1.2.9 Waiver of Sovereign Immunity

The Company and the Contractor hereby represent and warrant that this Contract is a commercial act and that neither the Company nor the Contractor is entitled to claim immunity from any legal action or proceeding with respect to itself or any of its properties or assets in relation to the enforcement of this Contract on the ground of sovereignty or otherwise under any law. To the extent that the Company or the Contractor, or any of its properties or assets has or herein after may acquire any right to immunity from set-off, legal proceedings or action, attachment whether prior to judgment or otherwise, or execution of judgment on the ground of sovereignty or otherwise, the Contractor and the Company each for himself and his properties and other assets hereby irrevocably waives such right to immunity in respect of his obligations under this Contract.

1.2.10 Severability

If any provision or the condition of the Contract is prohibited or rendered invalid or unenforceable then such prohibition or invalidity or unenforceability shall not affect the other provisions or conditions of the Contract.

1.2.11 Unit of Measurement

All the Drawings and Specifications prepared by the Contractors shall be in Metric System.

1.3 Applicable Laws and Resolution of Disputes

1.3.1 Applicable Laws

All questions, disputes or differences arising under, out of or in connection with this Contract shall be settled in accordance with laws of India (both procedural and substantive) from time to time in force and to the exclusive jurisdiction of the Courts in India at Mumbai i.e. the place where the contract is signed and executed, subject to the provisions of clause 1.3.3.

1.3.2 Resolution of disputes through conciliation by OEC:



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Parties hereby agree as under:

If any difference or dispute (hereinafter referred as "Dispute") under the Contract arises, the party shall give a 60 days written notice ("Dispute Notice") to the identified officer of the other party mentioned in the Contract giving details of the Dispute. The Parties shall use all reasonable endeavours to resolve the Dispute mutually and amicably. All efforts by either party within these 60 days Dispute Notice Period shall be kept confidential by both the parties under Section 75 of the Arbitration and Conciliation Act, 1996. Parties shall not rely upon any views expressed or suggestions made by the other party, admissions made by the other party or the fact that the other party had indicated his willingness to enter into a settlement as evidence in any Forum / arbitration / court proceeding.

If Parties are unable to resolve the Dispute amicably within 60 days of receipt of the Dispute Notice, then after expiry of the 60 days' Dispute notice period, the aggrieved Party can refer the Dispute to conciliation and / or arbitration subject to terms and conditions contained herein below:

- 1) Parties further agree that following matters shall not be referred to conciliation or arbitration:
 - i) Any claim, difference or dispute relating to, connected with or arising out of ONGC's decision to initiate any proceedings for suspension or banning, or decision to suspend or to ban business dealings with the Bidder / Contractor and/or with any other person involved or connected or dealing with bid / contract / bidder / contractor.
 - ii) Any claim, difference or dispute relating to, connected with or arising out of ONGC's decision under the provisions of Integrity Pact executed between ONGC and the Bidder / Contractor.

2) Conciliation:

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 may first be referred to conciliation through Outside Expert Committee ("OEC") to be constituted by CMD, ONGC as provided hereunder:

A) Proposal for OEC

- 1) Conciliation through OEC will be resorted in cases involving disputed amount upto Rs. 250 crores only. The disputed amount will be calculated by considering the amount of claim and counter-claim of the parties.
- 2) Claimant shall give notice for conciliation. In cases where the contractor is claimant then the notice shall be given to the concerned ONGC office as per the contract, clearly bringing out the points of dispute and the amount claimed with documents in support of the claim and the party concerned shall not raise any issue thereafter. It shall be ensured by parties that no parallel proceedings relating to dispute under the same contract are going on in any Court/Forum/Tribunal. In case, if any dispute is pending relating to the same Contract, then both the parties shall either withdraw the proceedings from the Court/ Tribunal / forum or shall keep the case in abeyance.

B) Constitution of OEC

- 3) CMD, ONGC will have the sole discretion to constitute OEC. OEC will be formed from the panel of experts maintained by ONGC and will normally comprise of three members one member from each category i.e. Technical, Finance/Commercial and Legal. However, there will be a single member OEC for disputes involving a claim and counter claim (if any) upto Rs 1 crore.

Reconstitution of OEC:

CMD is empowered to re-constitute an OEC to fill any vacancy or if any OEC member is not available to attend the OEC Meetings.



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- 4) Upon constitution of the OEC, Chief Legal Services will issue the appointment letter to OEC members and inform the same to the parties concerned.
- 5) The OEC members shall give a declaration of independence and impartiality (as per Appendix B-16-Annexure C) to both the parties before the commencement of the OEC proceedings
- C) Proceedings before OEC
- 6) The claimant shall submit its statement of claims to OEC members and to the party(s) prescribed in the appointment letter within 30 days of the issue of the appointment letter (as per Appendix B-16-Annexure B).
- 7) The respondent shall file its reply and counter claim (if any) within 30 days of the receipt of the statement of claims.
- 8) Parties may file their rejoinder/additional documents if any in support of their claim/counter claim within next 15 days. No documents shall be allowed thereafter, except with the permission of OEC.
- 9) OEC will commence its meetings only after completion of the pleadings.
- 10) In case of 3 members OEC, 2 members will constitute a valid quorum and the meeting can take place to proceed in the matter after seeking consent from the member who is not available. If necessary video conferencing may be arranged. However, OEC recommendations will be signed by all Members. Further, efforts must be made for unanimous recommendations. In exceptional circumstances such as death/serious illness of OEC member or if any OEC member has recused himself from the case during OEC proceedings, then with the consent of both the parties, two OEC members shall give and sign the recommendations. At the conclusion of OEC proceedings, OEC members shall give its recommendations for resolution of disputes based on material before it with proper justification and reasons. Failure report shall not be construed to be a recommendation by the OEC.
- 11) The parties shall be represented by their in house employees/executives. No party shall be allowed to bring any advocate or outside consultant/advisor/agent to contest on their behalf. Ex-officers of ONGC who have handled the matter in any capacity are not be allowed to attend and present the case before OEC on behalf of Contractor. However, ex-employees of parties may represent their respective organizations.
- 12) Solicitation or any attempt to bring influence of any kind on either OEC Members or ONGC is completely prohibited in conciliation proceedings and ONGC reserves the absolute right to close the conciliation proceedings at its sole discretion if it apprehends any kind of such attempt made by the Contractor or its representatives.
- 13) Parties agree to rely only upon documentary evidence in support of their claims and not to bring any oral evidence in the OEC proceedings.
- 14) OEC will give full opportunity of hearing to the parties before giving its recommendations.
- 15) OEC will conclude its proceedings in maximum 10 meetings and give its recommendations within 90 days of its first meeting OEC will give its recommendations to both the parties recommending possible terms of settlement. CMD, ONGC may extend the time/ number of meetings in exceptional cases, if OEC requests for the same with sufficient reasons.
- 16) OEC members will be paid fees and provided facilities as detailed in Point No. 27, Clause E below hereinafter, subject to revision by ONGC from time to time and subject to Government guidelines on austerity measures, if any.
- 17) Depending upon the location of the OEC members and the parties, the venue of the OEC meeting shall be either Delhi or Mumbai whichever is most economical from the point of view of travel and stay etc. OEC meetings can be conducted through video conferencing.
- 18) Parties shall not claim any interest on claims/counter claims from the date of notice invoking conciliation till execution of settlement agreement, if so arrived at. In case, parties are unable to reach a settlement, no interest shall be claimed by either party for the period from the date of notice invoking conciliation till the date of OEC recommendations and 30 days thereafter in any further proceeding.



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19) Legally parties are under no obligation to refer a dispute to conciliation or continue with conciliation proceedings. Parties are free to terminate the conciliation proceedings at any stage as provided under the Arbitration and Conciliation Act, 1996.

D) Actions after OEC recommendations

20) The recommendations of OEC are non-binding and the parties may decide to accept or not to accept the same. Parties are at liberty to accept the OEC recommendation with any modification they may deem fit.

21) The contractor shall give its response to ONGC within 15 days of receiving OEC Recommendation.

22) If the Recommendations are acceptable to the contractor partly or fully, ONGC will consider and take a decision on OEC recommendations. Key executive shall communicate the decision of ONGC to the contractor. If decision of ONGC is acceptable to the contractor, a settlement agreement under Section 73 of the Arbitration and Conciliation Act, 1996 will be signed within 15 days of contractor's acceptance and same shall be authenticated by all the OEC Members.

23) The timelines mentioned in the above guidelines are with an objective to achieve expeditious conclusion of OEC proceedings. However, it does not mean that any action beyond the timelines will be invalid. However, the party concerned will make all efforts to complete the actions within the stipulated time.

24) The parties shall keep confidential all matters relating to the conciliation proceedings including minutes of OEC meeting and Recommendations of OEC. Parties shall not rely upon them as evidence in any Forum / arbitration / court proceeding whether or not such proceedings relate to the dispute that is the subject of the conciliation proceedings,

a. views expressed or suggestions made by other party in respect of a possible settlement of the dispute

b. admissions made by the other party in the course of the OEC proceedings,

c. proposals made by the OEC,

d. the fact that the other party had indicated his willingness to accept a proposal for settlement made by the OEC.

25) Confidentiality extends also to the settlement agreement, except where its disclosure is necessary for purposes of implementation and enforcement. This stipulation will not apply to disclosure made by ONGC to Govt. of India or its authorities, if required

26) Subject to terms and conditions contained in the above paras, the provisions of the Part III of Arbitration and Conciliation Act, 1996 shall be applicable to the conciliation proceeding and the parties and the OEC members shall be bound by the same.

E) Fees and facility to the OEC Members

27 OEC members shall be entitled for the following fees and facilities (as amended by ONGC from time to time):

Sl. No	Fees/ Facility	Entitlement	To be paid by
1.	Fees	Rs. 30,000 per meeting subject to maximum of Rs. 3,00,000 for the whole case. In addition, Rs. 10,000 is payable to each OEC member as a reading fees and one OEC member chosen by OEC shall be paid an additional amount of Rs. 30,000 towards	Contractor



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		secretarial expenses in writing Minutes / OEC Recommendations.	
2.	Fee for attending meeting to authenticate the settlement agreement	Rs. 10,000/-.	Contractor
3.	Transportation in the city of the meeting	Car as per entitlement or Rs. 3,000 per day	Contractor
4.	Venue for meeting	ONGC conference rooms	ONGC
Facilities to be provided to the out -stationed member			
5.	Travel from the city of residence to the city of meeting	Business class air tickets/ first class train tickets/ Luxury car/ reimbursement of actual fare. However, entitlement of air travel by Business class shall be subject to austerity measures, if any, ordered by Govt of India.	Contractor
6.	Transport to and fro airport / railway station in the city of residence	Car as per entitlement or Rs. 4,000.	Contractor
7.	Stay for out stationed members	5 Star Hotel.	ONGC
8.	Transport in the city of meeting	Car as per entitlement or Rs. 3000 per day.	Contractor

All the expenditure incurred in the OEC proceedings shall be shared by the parties in equal proportion. The parties shall maintain account of expenditure and present to the other for the purpose of sharing on conclusion of the OEC proceedings.

1.3.3 Arbitration

(Applicable in case of contract with firm, other than Public Sector Enterprises)

1. There shall be no arbitration for disputes involving claims upto Rupees 25 lakhs and more than Rs. 100 crores. Disputes involving claims above Rs. 100 crores shall be adjudicated under the Commercial Courts, Commercial Division and Commercial Appellate Division of High Courts Act, 2015.
2. Arbitration can be invoked by giving Invocation Notice only after expiry of the 60 days' period as per Dispute Notice stipulated in the para above.
3. The party wishing to refer a Dispute to Arbitration shall give notice to the other party specifying all the points of Disputes with details of the amount or claim to be referred to arbitration ("Invocation Notice"). If the claim is in foreign currency, the claimant shall indicate its value in Indian Rupee also. The closing currency exchange rate as applicable on the day



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prior to the date of notice, as per "Daily" Closing exchange rate published on Thomson Reuters internet site <https://in.reuters.com/markets/currencies>, up to three places of decimal should be adopted for conversion of foreign currency in Indian Rupees. The exchange rates presently appearing on the right hand corner of the exchange rate chart of the said internet site shall be considered as closing rate for the day.

4. For a dispute involving claims above Rs 25 lacs and upto Rs 5 crores, in case other party is Claimant, ONGC will forward a list containing names of five jurists to the other party for selecting one from the list who will be appointed as sole arbitrator by ONGC. In case ONGC itself is the Claimant, it shall appoint the Sole Arbitrator by invoking the Arbitration clause and inform the Contractor. Such dispute shall be resolved by fast track procedure specified in Section 29B of the Arbitration and Conciliation Act, 1996.
5. For a dispute involving claims above Rs.5 crores and upto Rs. 100 crore, the claimant shall appoint an Arbitrator and communicate the same to the other Party in the Invocation Notice itself along with the copy of disclosure made by nominated Arbitrator in the form specified in Sixth Schedule of the Arbitration & Conciliation Act, 1996. For the purpose of Section 21, the Arbitration Proceeding shall commence only upon date of receipt of Invocation Notice complete in all respects mentioned above.

The other Party shall then appoint the second Arbitrator within 15 days from the date of receipt of written notice. The two Arbitrators appointed by the Parties shall appoint the third Arbitrator, within 30 days, who shall be the Presiding Arbitrator.

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

6. For the purpose of appointment of Arbitrator(s), claims amount shall be computed excluding claim for interest, if any.
7. Parties agree that neither party shall be entitled for any pre-reference or pendente-lite interest, i.e. date of cause of action till date of Award by Arbitral Tribunal. Parties agree that claim for any such interest shall not be considered and shall be void. The Arbitrator or Tribunal shall have no right to award pre-reference or pendent-lite interest in the matter.
8. The fees payable to each Arbitrator shall be as per rules framed by the High Court in whose territorial jurisdiction as per contract and seat of arbitration is situated. In case no rules have been framed, the fees prescribed may be as per Fourth Schedule of the Arbitration and Conciliation Act, 1996. However, Arbitrator may fix their fees keeping the aforesaid schedule as guiding factor.
9. If after commencement of the Arbitration proceedings, the parties agree to settle the dispute mutually or refer the dispute to conciliation, the arbitrators shall put the proceedings in abeyance until such period as requested by the parties. Where the proceedings are put in abeyance or terminated on account of mutual settlement of dispute by the parties, the fees payable to the arbitrators shall be determined as under:
 - (i) 20% of the fees if the claimant has not submitted statement of claim.
 - (ii) 40% of the fees if the pleadings are complete.



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- (iii) 60% of the fees if the hearing has commenced.
- (iv) 80% of the fees if the hearing is concluded but the award is yet to be passed.

10. Each party shall be responsible to make arrangements for the travel and stay etc of the arbitrator appointed by it. Claimant shall also be responsible for making arrangements for travel / stay arrangements for the Presiding Arbitrator and the expenses incurred shall be shared equally by the parties.

In case of sole arbitrator, ONGC shall make all necessary arrangements for his travel/ stay and the expenses incurred shall be shared equally by the parties.

11. The seat of the arbitration shall be the place from where the LOA / NOA has been issued. For the sake of convenience, Parties may agree to hold the proceedings at any other venue. The arbitration shall be conducted in the English language. Insofar as practicable, the Parties shall continue to implement the terms of the Contract notwithstanding the initiation of Arbitration proceedings.

12. Parties agree that neither party may amend or supplement its claim during the course of arbitral proceedings.

13. The parties may, after invocation of dispute, agree for sharing the cost of Arbitration equally on 50:50 basis.

14. Subject to the above, the provisions of the Arbitration and Conciliation Act, 1996 as amended and applicable from time to time shall apply to the arbitration proceedings under this Contract.

1.3.4 Applicable to Central Public Sector Enterprises (CPSEs) inter se and CPSE(s) Government Department(s)/Organization(s)- Administrative Mechanism for Resolution of CPSEs Disputes(AMRCD):

In the event of any dispute or difference relating to the interpretation and application of the provisions of commercial contract(s) between Central Public Sector Enterprises (CPSEs)/ Port trusts inter se and also between CPSEs and Government Departments/Organizations (excluding disputes concerning Railways, Income Tax, Customs & Excise Departments), such dispute or difference shall be taken up by either party for resolution through AMRCD as mentioned in DPE OM No. 4(1)/2013-DPE(GM)/FTS-1835 dated 22-05-2018.

1.4 Agent/Consultant/Retainer/Representative/Associate

1.4.1 For those bidders who have indicated the involvement of an agent / consultant / representative/ retainer/associate, in their bid:

- (a) The Contractor confirms that M/s. is the agent / consultant / representative / retainer / associate against this contract. The agent's / consultant's / representative's / retainer's /associate's commission/fee is Rupees will become payable within 30 days of payment of first invoice made to the Contractor, provided installation/commissioning of equipment by such agent / consultant / representative / retainer / associate is not involved. In such case the amount of commission/ fee/remuneration will be deducted by Company from the payment of first invoice of the Contractor and paid to the Indian agent / consultant / representative / retainer / associate in non-convertible Indian Rupees at the



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closing currency exchange rate as applicable on the date prior to price bid/revised price bid (if any) opening as per "Daily" Closing exchange rate published on Thomson Reuters internet site <https://in.reuters.com/markets/currencies>, up to three places of decimal. The exchange rates presently appearing on the right hand corner of the exchange rate chart of the said internet site shall be considered as closing rate for the day.

Where, as a condition of contract, the equipment is to be installed / commissioned satisfactorily by Indian agent / consultant / associate / representative/ retainer, the payment of commission / fee / remuneration shall be made within 30 days of satisfactory installation / commissioning and issue of certificate to the effect by authorised officer of Company. The payment of Indian agent / consultant / associate/representative / retainer will be subject to the condition that he sends stamped pre-receipted bill for the commission / fee / remuneration.

- (b) The Contractor confirms that he has neither engaged nor shall engage the services of any other agent / consultant / representative / retainer / associate for the purpose of the Contract in India or abroad and no agent's/ consultant's / representative's / retainer's / associate's commission / fee other than as mentioned above shall be paid either in India or abroad against this Contract.
- (c) In the eventuality of any change in the status of above confirmation, the Contractor would intimate such a change to the Company and shall follow the commission / fee payment procedure as mentioned above. However, in case, it is established at any subsequent point of time that any other amount or remuneration either in India or abroad is being paid/has been paid without intimation to Company to any one (who is not an employee of the Contractor) against this Contract, the Contractor is likely to lose further business with the Company.

1.4.2 For those bidders who have not indicated the involvement of an agent / consultant / representative / retainer / associate in their bid:

- (a) The Contractor has not indicated in his bid either involvement of any agent / consultant / representative / retainer / associate or payment of any remuneration therefore in India or abroad. Therefore, no agent's / consultant's / representative's / retainer's / associate's commission / fee is payable either in India or abroad against this Contract.

In the eventuality of any change in the status of above confirmation, the Contractor would intimate such a change to the Company and would follow the following procedure for payment of agent's/consultant's/representative's/retainer's/associate's commission/fee.

- (b) The agent's/ consultant's / representative's / retainer's / associate's commission / fee will become payable within 30 days of payment of first invoice made to the Contractor, provided installation / commissioning of equipment by such agent / consultant / representative / retainer / associate is not involved. In such case the amount of commission/ fee / remuneration will be deducted by Company from the payment of first invoice of the Contractor and paid to the Indian agent/consultant / representative / retainer / associate in non-convertible Indian Rupees at the closing currency exchange rate as applicable on the date prior to price bid/revised price bid (if any) opening as per "Daily" Closing exchange rate published on Thomson Reuters internet site <https://in.reuters.com/markets/currencies>, up to three places of decimal. The exchange rates presently appearing on the right hand



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corner of the exchange rate chart of the said internet site shall be considered as closing rate for the day.

Where, as a condition of contract, the equipment is to be installed / commissioned satisfactorily by Indian agent / consultant / associate / representative / retainer, the payment of commission / fee / remuneration shall be made within 30 days of satisfactory installation / commissioning and issue of certificate to the effect by authorised officer of Company. The payment of Indian agent / consultant / associate / representative / retainer will be subject to the condition that he sends stamped pre-receipted bill for the commission / fee / remuneration.

The closing currency exchange rate as applicable on the day prior to the price bid/revised price bid (if any) opening as per "Daily" Closing exchange rate published on Thomson Reuters internet site <https://in.reuters.com/markets/currencies>, up to three places of decimal will be taken into consideration for working out the commission/fee/remuneration of Indian agent/consultant/representative/retainer/ associate. The exchange rates presently appearing on the right hand corner of the exchange rate chart of the said internet site shall be considered as closing rate for the day.

- (c) In case, it is established at any subsequent point of time that the Contractor's confirmation as mentioned above is not correct or that any amount of remuneration either in India or Abroad is being paid/has been paid to anyone (who is not an employee of the Contractor) against this contract without intimation to Company and/or without following aforesaid payment procedure, the Contractor is likely to lose further business with the Company.

- 1.4.3 Indian agent is not permitted to represent more than one foreign bidder (supplier / manufacturer / contractor) in a particular tender. In case an Indian agent represents more than one foreign bidder (supplier/manufacturer/contractor) in a particular tender, then offers of such foreign bidders (suppliers/manufacturers/contractors) shall be rejected in that tender.

1.5 **Notices**

Any notice to be given under the Contract shall be given by sending the same by personal delivery, post, telefax or e-mail to the address of the relevant party set forth below:-

To the Company

Attn: GGM- Head Offshore Works,
Offshore Works Division-ES,
Oil and Natural Gas Corporation Limited,
Mumbai Region
11 High, 4th Floor, Bandra Sion Link Road, Sion (W), Mumbai- 400 017, India
Tel No. 022-24088418
Fax No 022-24088500
Email ID : singh_ajaykumar@ongc.co.in

To the Contractor

Attn:



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Any notice sent by, telefax or e-mail shall be confirmed after dispatch of notice sent by post.

Any notice delivered personally or sent by telefax or e-mail shall be deemed to have been delivered on the date of its dispatch.

Either party may, by notice to the other party in writing, change its postal, or telefax / e-mail address for receipt of such notice.

In this connection, notices shall include any instructions, orders and certificates to be given under the Contract.

1.6 Liability of Government of India

It is expressly understood and agreed by and between the Contractor and Company that Company is entering into this Agreement solely on its own behalf and not on behalf of any other person or entity. In particular, it is expressly understood and agreed that the Government of India is not a party to this Agreement and has no liabilities, obligations or rights hereunder. It is expressly understood and agreed that Company is an independent legal entity with power and authority to enter into Contract solely in its own behalf under the applicable laws of India and general principles of Contract Law. The Contractor expressly agrees, acknowledges and understands that Company is not an agent, representative or delegate of Government of India. It is further understood and agreed that the Government of India is not and shall not be liable for any note, omissions, commissions, breaches or other wrongs arising out of the Contract. Accordingly, Contractor hereby expressly waives, releases and foregoes any and all action or claims, including cross claims, impleader claims or counterclaims against the Government of India arising out of this Contract and covenants not to sue the Government of India as to any manner, claims, cause of actions or things whatsoever arising of or under this agreement.

2.0 SUBJECT MATTER OF CONTRACT

2.1.1 SCOPE OF WORK

The scope of work for the tender shall include in general but not limited to Project Management, Surveys (pre-engineering/ pre-construction and post-installation), Design, Engineering, Procurement, Fabrication, anti-corrosion & weight coating (wherever applicable), internal coating (wherever applicable), Load out, Tie down / Sea fastening, Tow-out / Sail-out, Transportation, Installation of submarine pipeline, Tie-in, Testing, Pre-commissioning of pipelines segments as described in the bidding documents for the following:

- (i) Laying approx. 44.4 KMs of subsea pipelines in 19 segments (Part replacement – 15, Full replacement (riser bottom to riser bottom) – 4) of various sizes for oil transportation, and water injection.

PRPP scope is tabulated as below:



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SI No.	Asset	Length (no. of segments)
1	MH	35.4 KM: 14 segments (Part-replacement – 10, Full Replacement – 4)
2	N&H	9 KM: 5 segments (Part-replacement – 5)
	Total	44.4 KM : 19 segments

Included among these functions, but not limited to these are:

- a) Carry out all surveys (pre-engg./ pre-construction-and post installation/ as built), engineering and design requirements including all safety studies.
- b) Provide purchasing, expediting, inspection, handling and transportation of all materials and equipment.
- c) Prepare and issue purchase specifications after obtaining approval from the Company where required, for all equipment as well as obtaining Vendor certified prints, instructions, parts lists, etc.
- d) Prepare and issue all engineering, purchasing and construction schedules for approval of Company.
- e) Supervision & monitoring and progress reporting during design & engineering fabrication / installation, tie-in, testing, pre-commissioning, etc.
- f) Prepare and issue all drawings required for carrying out this project.
- g) Provide all manpower, materials, load out, tie-down, transportation, handling and erection of equipment, machines, tools and instruments; storage and fabrication facility; personnel housing, mess and transportation; and all services necessary to perform the work for the complete installation as described in Part-IV of tender document.
- h) Comply with all Central, State and Local Government Regulations applicable to the Work.
- i) Observe all applicable Company's and accepted industry safety practices and, in addition, all Governmental regulations as appropriate for this Work.
- j) Comply with applicable codes and standards as per Contract, of engineering, fabrication, construction and safety.
- k) Provide necessary documents and drawings for the scrutiny of the appointed Third Party Inspection and Certifying Agency.
- l) Provide all as-built drawings, documents and manuals.
- m) Provide to Third Party Inspection Agency and Certification Agency appointed by ONGC, all facilities including equipment and instruments to carry out inspection and testing activities needed for Certificate of approval for all the facilities under the scope of work. The certificate of approvals, wherever required shall have to be obtained and submitted by the bidder.



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n) Provide all statutory approvals, insurance, guarantee.

Note: Please refer to detailed scope of work in Vol-II, Vol-III and Vol-IV .

2.1.2 All the existing and proposed new facilities are covered under PEL/ML.

2.1.3 Usages of ONGC's equipments/facilities by contractor.

The contractor should use his own equipments/facilities as per the scope of work and should not use the equipments/facilities hired/owned by ONGC, unless specifically mentioned in the contract.

2.2 Commencement-Completion Dates

2.2.1 Date of Commencement

The effective date of this Contract coming into force and the commencement of Works shall be the date on which the Company issues the Notification of Award for the Works under this tender in acceptance of Contractor's final tender as mutually agreed prior to issuance of Notification of Award.

2.2.2 Date of Completion

The completion date for works covered under the contract shall be as per clause 6.3.1.

2.2.2 Access to Installation Site

2.2.2.1 The Company's Representative upon receipt of request from the Contractor intimating commencement of installation/construction work at offshore site shall give to the Contractor access to as much of the Site as may be necessary to enable the Contractor to commence and proceed with the construction/installation of the Works in accordance with the program of Work in terms of Clause 2.3.4. Any reasonable proposal of the Contractor for access to Site to proceed with the construction/ installation of work in accordance with the program of work in terms of Clause 2.3.4 will be considered for approval and shall not be unreasonably withheld by the Company. Such requests must be made to the Company's Representative in writing at least 7 days prior to start of the Work.

2.2.2.2 If the Company fails to give access to Site in accordance with the terms of this Section, resulting in delay or expenses for the Contractor, the Contractor shall subject to provision of Clause 5.19 (Diversion of Marine spread) be entitled to appropriate extension of time for completion of the Works and compensation for the spread actually deployed at offshore site in accordance with applicable schedule of rates, or if no such rates are available then at the rates as may be mutually agreed.

2.2.3 Start of Fabrication/Installation

Prior to taking up fabrication/installation of any major component of Work, the Contractor shall submit to Company his proposed construction sequence and procedures and obtain



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Company's approval in writing. If no response is provided by the Company to the Contractor within 10 working days [excluding intervening Saturday(s) & Sunday(s)] after receipt by the Company, then the proposed construction sequence and procedure shall be deemed to be approved by the Company.

2.3 General Obligations of Contractor

2.3.1 Knowledge of Site Conditions

2.3.1.1 The Contractor's undertaking of this Contract to carry out the Works shall be deemed to be based on and made in the light of (a) all data of hydrological, sub-surface (data contained in the Bidding Documents), climatic and physical conditions, and (b) all criteria of design contained in the Bidding Documents and conceptual design.

2.3.1.2 Subject to Clause 2.3.1.1 and 5.4, the Contractor shall, nevertheless, be deemed to have knowledge of the site and its surroundings and information available in connection therewith and to have satisfied himself the form and nature thereof including, the sub-surface (data contained in the Bidding Documents), the hydrological and climatic conditions, the quantities and nature of the Work and materials necessary for the completion of the Works, the means of access, and in general to have obtained himself all necessary information of all risks, contingencies and circumstances affecting his obligations and responsibilities therewith under the Contract and his ability to perform it. However, if during pre-engineering survey, Contractor detects physical conditions and/or obstructions affecting the Work, the Contractor shall take all measures to overcome above.

2.3.1.3 Contractor shall be deemed to have satisfied himself as to the correctness and sufficiency of the Contract Price for the Works. The consideration provided in the Contract for the Contractor undertaking the Works shall cover all the Contractor's obligations and all matters and things necessary for proper execution and maintenance of the Works in accordance with the Contract and for Complying with any instructions which the Company's Representative may issue in accordance with in connection therewith and of any proper and reasonable measures which the Contractor takes in the absence of specific instructions from the Company's Representative.

2.3.2. Weather Conditions

a) The Contractor shall bear all cost and delays due to adverse weather conditions/ weather down time experienced during the onshore part of the works including load out and tie down under the Contract.

b) The Contractor shall subject to paragraph d) below bear all the cost and delays due to adverse weather conditions/weather down time experienced during the tow-out/ sail-out and transportation of works.

c) The Contractor shall bear all the costs and delays due to adverse weather conditions/ weather down time of the Constructional Plant and Equipment/ marine spread, etc. experienced during the execution of the Works at offshore site, including any extended period except the cost and delays due to adverse weather conditions /weather down time experienced during any extended period falling in monsoon season arising from reasons attributable to the Company or its other contractors.



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- d) If the works entered into Monsoon season then the Company shall bear cost and delays due to adverse weather conditions/weather down time only if the delays/ slippages attributable to the Company or its other contractors (delays/ slippages not attributable to the Company or its other contractors excluded) added to the schedule completion date reaches/enters monsoon season. In such an event and provided that the Company requires the Contractor to continue to work during Monsoon Season the Company shall bear cost and delays due to adverse weather conditions/ weather down time experienced only during the period which falls within the Monsoon Season required to execute the Works that are in delay and shall extend the Completion Schedule accordingly.

However, the Company may request the Contractor to demobilise during Monsoon season instead of requesting the Contractor to continue the work during monsoon season. The cost of such additional mobilisation/ demobilisation shall be borne by the Company which shall be mutually agreed. All costs and delays due to adverse weather conditions/ weather downtime under situations other than those specified hereinabove shall be to Contractor's account.

2.3.3 Contract Administration

- 2.3.3.1 The Contractor is bound to carry out, complete and maintain the works only according to the Contract provisions & Specifications.
- 2.3.3.2 The Contractor shall accept instructions and directions only from the Company's Representative or the Engineer or from an Engineer's Representative.
- 2.3.3.3 The Company's Representative may give the Contractor directions and instructions about the execution of the Works and may take decisions and issue directions about the acceptability of materials and quality of workmanship to be used in the works and the Contractor shall adhere to and comply with those directions, instructions and decisions of the Company's Representative in accordance with the Contract.

Provided, however, such directions/instructions/decision of the Company's Representative shall not absolve the Contractor of his responsibility of execution of the Works in accordance with the Contract.

- 2.3.3.4 If the Contractor disputes any directions, Instructions or decisions of the Company's Representative that direction, instruction or decision shall (without prejudice to the Contractor's duty to adhere to and comply with it in carrying out the Works) have only provisional effect with regard to the final rights and duties of the parties and Contractor shall continue to carry out the Work, and shall have to represent against such directions, instructions or decisions of the Company's Representative to the Company with intimation to Company's Representative in writing. Any delay in implementing the said direction, instruction or decision shall be to Contractor's account. The Company and the Contractor shall meet as soon as practicable to reach an amicable settlement prior to invoking the provisions of settlement. If the said direction, instruction or decision is found to be not in accordance with the Contract, the time and cost effect shall be to Company's account. Only in the event of failure to reach an amicable settlement the Clause 1.3.3 shall apply to the said dispute.

2.3.4 Programme of Work



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2.3.4.1 Within twenty one days after the award of the work under this Contract or prior to kick-off meeting whichever is earlier, the Contractor shall submit to the Company for its approval a detailed programme subject to Clause 2.3.4.2 showing the sequence, procedure and method in which he proposes to carry out the Works as stipulated in the Contract and shall, whenever reasonably required by the Company's Representative or the Engineer's Representative furnish in writing the arrangements and methods proposed to be made for carrying out the Works. The programme so submitted by the Contractor shall conform to the duties and periods specified in the Contract. The Company and the Contractor shall discuss and agree upon the Work procedures to be followed for effective execution of the Works. The Constructional Plant and Equipment and Temporary Works which the Contractor intends to deploy shall be clearly specified. Approval by the Company's Representative of a programme shall not relieve the Contractor of any of his duties or responsibilities under the Contract.

2.3.4.2 Shut down requirements, as applicable.

The works covered under this contract are to be hooked up with the existing pipelines as detailed in bidding documents. Contractor shall examine the scheme of hook-up and submit to the Company a schedule of minimum essential shutdown required, if any, at least four months in advance of the proposed shutdown for its approval. Company's approval for the final shutdown schedule shall be given not later than one month prior to the actual shutdown schedule. The shutdown period shall exclude shut down time required for depressurization and restoring the platform. Contractor shall not propose any changes in the shutdown schedule once agreed by the Company. The exact period of the shutdown shall however, be dependent upon Company's operational exigencies subject to the overall project completion schedule not getting affected.

Notwithstanding, the stipulation contained above with regard to period of shutdown, it shall be Contractor's endeavor to avoid / minimize the period of shutdown at offshore platform and carry out as much modification job as safely possible without taking shutdown.

Prior to finalizing the shutdown period (if any) the contractor shall also obtain necessary inputs / confirmation from the concerned vendors/ and incorporate the same in the proposal for company's review/approval.

However if the Contractor's work plan necessitates a disruption/ shutdown in Company's operation, the plan shall be mutually discussed and developed so as to keep such disruption/ shutdown to the barest unavoidable minimum. Any time and cost arising due to failure of the Contractor to develop/ adhere such a work plan shall be to his account.

2.3.5 Contractor's Organisation

2.3.5.1 The Contractor shall supply to the Company within 21 days of the effective date of commencement of works or prior to kick-off meeting whichever is earlier, an organisation chart showing the proposed organisation to be established by the Contractor for execution of the work including the identities and curriculum Vitae of the key personnel to be deployed. The Contractor shall promptly inform the Company in writing, of any revision or alteration of such organisation charts.

The Contractor shall provide necessary supervision during the execution of the Works and thereafter as the Company may consider necessary for the fulfillment of the Contractor's



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obligations under the Contract. The Contractor or his competent and authorised representative(s) shall be constantly present at the Work Site whole time for supervision. The Contractor shall authorise the Supervisor or his representative to receive directions and instructions from the Company's Representative or the Engineer's Representative.

The Contractor shall be responsible for the deployment, transportation, accommodation and catering of all labour local or expatriates required for the execution of the Works and for all costs/charges in connection thereof.

The Contractor shall be responsible for obtaining all necessary permits or visas from the concerned authorities for the entry of all labour and personnel to be deployed, into the country where the site is located.

The Contractor shall at his own expense be responsible for the repatriation to the country from which they were mobilised for all his and his sub-contractor's personnel deployed upon the Works at Site and shall be responsible for the suitable maintenance of all such personnel from the cessation of their deployment on the Works to their departure from the country where the Site is located.

- 2.3.5.2 The Contractor shall provide and deploy on the site for carrying out the Works only those technicians/assistants who are skilled and experienced in their respective trades and those foremen and leading respective trades and those foremen and leading hands who are competent to give proper supervision to the Work they are required to supervise. Further, only those skilled, semi-skilled and unskilled workmen who are necessary for the proper and timely execution of the Works shall be deployed at Site.
- 2.3.5.3 The Company's Representative may at any time object to and require the Contractor to remove forthwith from the Site a supervisor or any other authorised representative or employee of the Contractor's sub-contractor(s) or any person(s) deployed by Contractor or his Sub-contractor(s), if, in the opinion of the Company's Representative the person in question has mis-conducted himself or his deployment is otherwise considered undesirable by the Company's Representative, the Contractor shall forthwith remove and shall not again deploy the person in question of the Work Site without the written consent of the Company's Representative.
- 2.3.5.4 The Company's Representative may at any time request the Contractor to remove from the Work/Site Contractor's supervisor or any other authorised representative including any employee of the Contractor or his Sub-contractor(s) or any person(s) deployed by Contractor or his Sub-contractor(s) for professional incompetence or negligence or for being deployed for work for which he is not suited. The Contractor shall consider the Company's Representative's request and may accede to or dis-regard it. The Company's Representative, having made a request as aforesaid in the case of any person, which the Contractor has disregarded, may in the case of the same person at any time but on a different occasion, and for a different instance of one of the reasons referred to above in this Clause object to and require the Contractor to remove that person from deployment on the Works which the Contractor shall then forthwith do and shall not again deploy any person so objected to on the Works or on the sort of work in question (as the case may be) without the written consent of the Company's Representative.
- 2.3.5.5 The Company's Representative shall state to the Contractor in writing his reasons for any request or requirement pursuant to this clause.



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2.3.5.6 The Contractor shall promptly replace every person removed, pursuant to this section, with a competent substitute.

2.3.6 Location/Positioning of Works

The Contractor shall be responsible for the true and proper setting out of the Works in relation to points, levels of reference coordinates, orientation, alignment, marks and water depths given in the Bidding Documents or given by the Company's Representative in writing and for correctness of the positions, levels, depths, dimensions, orientation and alignment of all parts of the works, and for the provision of all necessary instruments appliance and labour in connection therewith. If at any time during the progress of the Works, any error appears or arises in the position, orientation, alignment, levels, depths or dimensions of any part of the Works, the Contractor shall rectify the error at his own cost to the satisfaction of Company's Representative/ Engineer's Representative. The checking of any setting out of any line, level, depths, coordinate, orientation or alignment or position of a marker by the Company's Representative or the Engineer's Representative shall not in any way relieve the Contractor of his responsibility for the correctness thereof. Contractor shall carefully protect and preserve all bench marks, sight rails, pegs and other things used in setting out the Works. In case any data/instruction supplied by Company or its Representative after pre-engineering survey leads to changes/ additions in scope of work, the same shall be dealt with as per the provisions of Clause 8.0 hereof

2.3.7 Time Span for Responsibility of Works

From the time of commencement of the Works to the issue of a Certificate of Completion and Acceptance of the Works pursuant to Clause 5.10 Contractor shall be fully responsible for the care of Works and of all Temporary Works. In case any damage or loss happens to the Works or to any part of them or to any Temporary Works from any cause whatsoever other than those war risks in respect of which insurance is not available even with the payment of additional premium including damage caused by the Contractor himself during the execution of the Contract, the Contractor shall repair and make good the same at his own cost. The certificate of Completion and Acceptance will be issued by the Company only if the Works are in good order and conditions and conform in every respect with the requirements of the Contract and the Company's Representative's instructions in accordance with the Contract. Notwithstanding the foregoing, in case the Company accepts any part of the Works by issuing a part Certificate of Completion and Acceptance in accordance with the provisions of Clause 5.10.3 the Company shall be responsible for the care of such part of the Works and for any damage and loss which may occur during the period such part of the Works are in the custody of the Company.

3.0 PAYMENT

3.1 Contract Price

The Company shall pay to the Contractor in consideration of satisfactory completion of all the works covered by the Scope of Work under the Contract the Contract Price of ----- as per the details and break-up of prices given in schedule of prices. The Contract price is a firm price and the Contractor shall be bound to keep the same firm and without escalation on any ground whatsoever until completion of entire works against this Contract. Unless otherwise specified in the Contract, cost of execution of Works on turnkey basis and tests etc. as specified in Contract and all expenses, duties, taxes, fees charges in relation to or in connection therewith including insurance risk of weather, Constructional Plant and



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Equipment breakdown and Site conditions etc. as per provisions of the Contract, shall be deemed to be included in the Contract Price. Payment shall be made in the currency or currencies given in the schedule of prices for the work executed as per the procedure set forth in Clause 3.2. Adjustment to Contract Price, if any, shall be made in accordance with provisions of Contract.

3.2 Payment Procedure

3.2.1 Pending completion of the whole Works, provisional progressive payments for the part of the Works executed by the Contractor shall be made by Company on the basis of said work completed and certified by the Company's Representative as per the milestone payment formula provided in the bidding document at Appendix-A-10-MPF. Such certification of the Work completed shall be made by the Company's Representative within 15 days of receipt of Contractor's Application for Certification with all required supporting documents. No payments shall become due and payable to the Contractor until Contract is signed by the two parties and Contractor furnishes to the Company Performance Guarantee (as per Clause 3.3) and Certificate of insurance for Policy/Policies specific for the project and other policies (as per requirement of Clause 7.3).

3.2.2 The Contractor shall submit its invoice(s) once in each month along with three copies, for the work completed and certified by Company's Representative as per agreed milestone formula, with all required supporting documents and details of the said work to the Company's Representative for certification of the said invoice, at Company's Mumbai Office for approval of the amount payable and any payment thereafter. Contractor shall submit separately in accordance with the Clause 3.2.5 hereof a monthly invoice for Extra Work approved by the Company.

The original invoice should also accompany the following documents/details:

1) Along with first invoice issued under GST law:

Following documents / details should be invariably furnished along with the first invoice issued under GST law indicating the GST Registration of service provider:

- a) Deleted
- b) Deleted
- c) Deleted
- d) Deleted
- e) Insurance policies (As applicable) mentioned in clause 7.3 of the GCC

2) Periodical / Monthly payment:

- a) Invoice (i.e. Tax invoice in original as per relevant GST rules, in original and duplicate, clearly indicating GST Registration Number, Service Classification, GST Rate and amount of GST shown separately).
- b) Insurance policies, their validity for all and proof of payment of premium only for a, b, c below:
 - a. Contractors All Risk Insurance
 - b. Cargo Transit Insurance,
 - c. Third party liability Insurance,



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- d. Any other policy mentioned at Clause 7.3.13, as applicable.
- c) Details of statutory payments like EPF and ESI (as per clause 3.2.10 below) – Challan / datasheet/ Any other document as required etc., (As applicable).
- d) Undertaking by the contractor regarding compliance of all statutes.
- e) Certificate by the contractor stating that labour have been paid not less than minimum wage. (As applicable)
- f) Undertaking/Proof of Payment(if any) of salaries/wages to its personnel by Contractor
- g) Documents required in compliance to labour law.
- h) Milestone calculation sheet for the Invoice value as per the contract.
- i) Declaration of Exchange rate -GAAP rate as on the date of Invoice from the contractor
- j) Undertaking of country for import of goods/services (for Form A2)
- k) Statement of calculation including LD for any other recovery as per contract provision.
- l) Local content related documents(if applicable)
- m) Claim of premium for Pradhan Mantri Suraksha Bima Yojana (PMSBY) and Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY) if applicable.
- n) For Foreign contractors, certificate issued under 197 /195(2) in accordance with the requirements for making remittances to non-residents as per Income Tax Act, 1961 (if applicable).
- o) Documents mentioned against respective milestone payment schedule for release of payments.
- (p) Deleted
- 3) Deleted
- 4) Bidder to furnish undertaking towards compliance of anti-profiteering clause.
- 5) The tax invoices should contain all the particulars as required under the invoicing rules under the GST legislations, including, but not limited to the following:
- (i) Name, Address and the GST Registration Number (under the relevant Tax Rules) of the Service Provider (Contractor)
- (ii) Name and Address and GST Registration Number of the Service Receiver (Address of ONGC)
- (iii) Description, Classification and Value of taxable service / goods and the amount of applicable tax (CGST, SGST, IGST, UTGST and cess)
- (iv) In case of imported goods, contractor/supplier is required to provide original Bill of entry or copy of Bill of Entry duly attested by Custom authority.
- (v) The Contractor should mention the Place of supply (beyond-12 nautical miles) in the invoice raised under GST Law.
- (vi) ONGC would not accept any invoice without its GSTIN mentioned on the invoice.

Note: ONGC Ltd GSTN no. 97AAACO1598A1ZG, Place of supply - offshore (other territory).

- 3.2.2.1 Invoices along with supporting documents can be submitted/uploaded through VIMS Portal (<https://vims.ongc.co.in/>), which is the preferred mode of submission of Invoice. Invoice (PDF digitally signed with class II/ III signature) and supporting documents can be uploaded in VIMS Portal by logging-in with the help of Vendor Code.



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However, in case supplier/contractor is not able to submit/upload the Invoice through VIMS portal as mentioned above, Invoice alongwith supporting documents can also be submitted/uploaded in the following way:-

1. EMAIL channel: Invoice (PDF digitally signed with class II/ III signature) and supporting documents can be submitted by sending these documents to a designated email-id: ap_invoices[at]ongc[dot]co[dot]in.

Ten (10) digit PO or Contract number should be clearly mentioned in the invoice. For submitting the invoices through VIMS Portal and Email channel, following must be ensured:

i) Invoices should be system generated and no hand written invoices shall be allowed.
ii) Invoice should be e-invoice in terms of GST law or the digitally signed invoice only.

iii) Invoices need to be scanned at a minimum of 300 dpi, preferably in color.

iv) Invoices should be in PDF format only.

v) For invoices, file name should be kept as "INVxxxxxxx.pdf" (INV must be prefixed for correct categorization of invoice and differentiation from supporting document).

vi) A regular format must be maintained in which invoices are being submitted in ONGC.

vii) Invoices should be digitally signed with Class - II /III Digital Certificate issued by any licensed CAs.

viii) In case, Email channel is being followed, separate mail should be sent for each invoice.

Note: Invoices submitted for payment should be e-invoice in terms of GST law or the digitally signed invoice only. No physical invoice shall be accepted for payment.

- 3.2.3 The Company shall arrange approval of the invoice and payments within 10 calendar days of the receipt of invoice, 75% of the claimed amount against certified milestones, pending final verification of invoice by Company. Balance 25% of the invoice amount against certified milestones shall be released within 21 calendar days from the date of receipt of invoice subject to final verification of invoice and its supporting documents.

For Invoices other than milestone payments, the Company shall remit to the Contractor the undisputed amount of each invoice within **10 (ten)** calendar days of the receipt of the invoice complete in all respect by the Company. Payment for amount objected to by Company, if any, shall be made in accordance with provision under this Clause when the objection due to which the amount withheld by the Company has been removed/settled by the Contractor.

- 3.2.4 However in case of payment to non-resident Contractors the first payment shall be released only after obtaining an order u/s 195 (2) or u/s 195 (3) or u/s 197 from Income Tax Authority and / or RBI permit. Time involved to obtain such approvals shall be in addition to **timeline mentioned above** (normally applicable for 1st payment only).

- 3.2.5 Invoice for Extra Work: No invoice for extra work / change order on account of change order will be submitted by the Contractor unless the said extra work / change order has been authorised/ approved by the Company in writing in accordance with Clause 8.1.



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Payment against all these Change Orders / extra Work will be regulated as per milestone formula of the Contract after the change orders/extra work are confirmed by Company through issue of Amendment to Contract.

Contractor shall submit the relevant provisions/ Notifications/ circulars related to change in law, well in advance for examination of Company. After due vetting of the documents for change in duties/ Taxes under change in law by Company, Invoice on account of change in duties/ taxes under change in law shall be submitted by the Contractor on a quarterly basis along with the necessary supporting documents after payment of taxes/duties.

3.2.6 All the payments outside India by the Company shall be remitted through Electronic Fund transfer (EFT) to the Contractor's bank account to be specified by the Contractor in writing to the Company before submission of the first invoice. The payment shall be made in currencies stated in the Contract. The Company shall be deemed to have arranged payment to the Contractor on the date of transmission of instruction by the Company's bankers to the Contractor's Bank in the country where the money is required to be paid to the Contractor.

Bank charges of bank(s) in India shall be borne by Company whereas bank charges of bank(s) in Contractor's designated locations, if any, shall be borne by Contractor.

3.2.6.1 In all cases, except the cases involving payment through 'Letter of Credit' or payment in Foreign currency, ONGC shall make payments only through Electronic Payment mechanism (viz. NEFT/RTGS/ ECS). Bidders should invariably provide the following particulars along with their offers:

1. Name & Complete Address of the Supplier / Contractor as per Bank records.
2. Name & Complete Address of the Bank with Branch details
3. Type of Bank account (Current / Savings/ Cash Credit).
4. Bank Account Number (indicate 'Core Bank Account Number', if any).
5. IFSC / NEFT Code (11 digit code) / MICR code, as applicable, alongwith a cancelled cheque leaf.
6. Permanent Account Number (PAN) under Income Tax Act;
7. Goods and Service Tax Registration Number (for supply of goods and services).
8. e-mail address of the vendor / authorized official (for receiving the updates on status of payments)."

The bank/branch in which the bidder is having account and intends to have the payment should be either an NEFT enabled bank or SBI branch with core banking facility.

The Company shall be deemed to have arranged payment to the Contractor on the date of Company's instructions to Company's bankers to effect payment under ECS to the Contractor's account.

Payment shall be made by account payee cheque wherever such facility is not there.

Upon Company's instruction to Company's bankers, the Company shall also inform in writing to the Contractor the details of remittance i.e. amount and date of payment

3.2.6.2 Deleted

3.2.7 In the event of Company noticing at any time that any amount has been disbursed wrongly to the Contractor or any other amount is due from the Contractor to the Company, the



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Company may without prejudice to its rights recover such amounts by other means after notifying the Contractor or deduct such amount from any payment falling due to the Contractor. The details of such recovery if any will be intimated to the Contractor. The Contractor shall receive the payment of undisputed amount under subsequent invoice for any amount that has been omitted in previous invoice by mistake on the part of the Company or the Contractor.

3.2.8 The Company shall not be responsible / obligated for making any payments or any other related obligations under this Contract to the Contractor's Sub-contractor /Vendors. The Contractor shall be fully liable and responsible for meeting all such obligations and all payments to be made to its Sub-contractors/Vendors and any other third party engaged by the Contractor in any way connected with the discharge of the Contractor's obligation under the Contract and in any manner whatsoever.

3.2.9 Deleted

3.2.10 **Details of statutory payments like EPF and ESI etc.**

The Contractor (including those engaging 'International Workers') shall have itself registered under Employees' Provident Fund and Miscellaneous Provisions Act, 1952 and Employees' State Insurance Act, 1948, inform the respective Code numbers and follow the relevant statutory provisions, including Schemes/Rules made there-under concerning contract labour deployed in ONGC operations. Before the commencement of work, the Contractor shall submit the following information/ documents:

(a) In connection with EPF scheme:

- (i) Details and number of workers to be deployed for execution of the contract with details of their UAN numbers/photocopies of Form No.2 and New form no.11 submitted to EPFO in respect of such workers who shall be covered under the EPF Scheme.
- (ii) List of 'Excluded Employees', if any, not to be covered under the EPF scheme with certificate to that effect issued by the EPFO or list of excluded employees', if any, not to be covered under the EPF scheme self-certified by the contractor and certificate from the excluded employees to the effect that they are not covered under EPF Act.1952 and/or ESI Act. 1984 along with an undertaking/confirmation that the contractor indemnifies ONGC for any liabilities for violation of the provisions of the EPF Act 1952 and ESI act 1948 arising out of declarations made by the contractor.
- (iii) Copy of monthly return to be filed with the EPFO in Form 5 within 15 days of the close of every month.

(b) In connection with ESI Scheme:

- (i) Details and number of workers to be deployed for execution of the contract along with details of their UAN, ESI-IP number etc.
- (ii) Declaration form No. 01 and Temporary identification certificate/ Insurance number in respect of each contract worker.
- (iii) Details of the contract workers who would not be covered under the said scheme due to their monthly wages exceeding the current monthly wage ceiling of Rs. 21000/- or as notified from time to time.
Change in manpower deployed from time to time should also be informed immediately by the Contractor to the PE.



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In addition to the above, the Contractor shall also be required to submit each month the following documents/details to the Corporation:

- (i) Copy of PF-ECR along with copy of the digitally signed PDF data sheet of the ECR, as proof of payment, each month, details of this PDF data sheet shall be verified by the appropriate authority in ONGC in the Corporation from the official website of EPFO (<http://www.epfindia.gov.in>).
- (ii) (A) Copy of ESI-ESR duly stamped by the designated bank, along with copy of the digitally signed PDF data sheet, as proof of payment towards monthly contribution of ESI contribution each month.
- (B) **Deleted**
- (iii) As an Annexure to each EPF-ECR and ESI Challan(s), contractor shall also furnish the following Certificates:
 - a. The furnished information is correct to the best of his knowledge.
 - b. In case any discrepancies or irregularities is /are noticed in this undertaking, then ONGC is free to inform the EPFO/ESIC Authorities.
 - c. Before the completion of contract, contractor shall serve one month notice to all his contractual workers, informing that their services will be terminated.
 - d. Within one month on completion/expiry of the contract, contractor shall pay all the dues/ terminal dues such as leave with wages, bonus (if applicable), Gratuity (if applicable), to all his contractual workmen, failing which contractor's Bank Guarantee/ Security Deposit may be withheld by ONGC.

Corporation shall maintain these records and verify the deposit of statutory contribution made by the contractors with the EPFO/ESI authorities, where deemed necessary. However, before making payment of the last bill/invoice of the Contractor, the appropriate authority in the Corporation, shall verify the details/status of the payment towards EPF/ESI made by the Contractor from the authorities/official website of EPF/ESI (i.e. <http://www.epfindia.gov.in> and <http://www.esic.in>). In case the information furnished by the Contractor is found to be incorrect the Corporation shall take appropriate action against the Contractor.

Note: Conditions for applicability of above provisions

Above clause w.r.t. submission of details on EPF and ESI payments shall not be applicable in following types of contracts:

- (a) In those Contracts wherein the services/jobs has been performed exclusively in the premises of the contractor, certificate to the effect is to be submitted by the Contractor that services/jobs to be executed under the contract have been performed exclusively in his premises.
- OR
- (b) In those contracts also wherein contractor has employed only their full time regular employees for execution of the contract, certificate to the effect is to be submitted by the contractor that for execution of the contract, no contractual



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labour has been employed and only full time regular employees of the contractor have been employed.

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(c) Fulfillment of conditions at (i) on EPF and (ii) on ESI mentioned below:

(i) Information sought in above clause pertaining to only EPF shall not be required to be submitted in those contracts wherein the contractor has employed only "Excluded Employees". A Certificate to the effect is to be submitted by the Contractor that employee deployed for execution of the contract, have been treated as "Excluded Employee".

'Excluded employee' means-

- i. An employee who, having been a member of the fund, withdrew the full amount of his accumulation in the Fund on his retirement from service or for migration abroad from India or for taking employment abroad.
- ii. An employee whose pay at the time he is otherwise entitled to become a member of the Fund, exceeds Rs 15000/- per month.
- iii. An apprentice.

(ii) Information sought in above clause pertaining to only ESI shall not be required to be submitted in those contracts wherein the Contractor has employed only those contract labour whose pay exceeds Rs. 21000/- per month as in terms of the current provisions of the ESI Act, 1948 an employee whose monthly pay exceeds Rs. 21000/- is outside the purview of the ESI Act. Certificate to the effect is to be submitted by the contractor that for execution of the contract, the monthly wages of all employees who have been employed, exceeds Rs. 21000/- per month. Further, ESI Act, 1948 is applicable only in areas where it has been made applicable by Gazette Notification in this regard. (ESI Act is currently applicable in all States except the NE States of Manipur and Arunachal Pradesh. Applicability in new areas of operation is to be verified from the office of the ESI Corporation concerned.)

In case a contractor falling under the provisions of the Note mentioned above does not submit the required details on EPF and ESI payments, then in that case, the Contractor shall be required to indemnify ONGC for any liabilities arising out of declarations made by him in future on violation of provisions of the EPF & MP Act 1952 and ESI Act 1948.

3.3 **Performance Guarantee:**

3.3.1(a) The Contractor shall furnish to the Company within 15 days from the date of issue of NOA Performance Security / Security deposit in the form of NEFT/RTGS/Electronic fund transfer to designated account of ONGC# or in lieu thereof unconditional and irrevocable bank guarantee(S)/**Electronic Bank Guarantee** for due performance of the Contract, as per proforma given at Appendix B-3, for a sum equivalent to 10% of the Contract price. This irrevocable bank guarantee (S) /**Electronic Bank Guarantee** should be drawn in favour of the Company. The bank guarantee/**Electronic Bank Guarantee** for 10% of contract price should be valid upto scheduled completion date or the extended completion date as the case may be, for the works of the contract plus ninety (90) days and 5% of contract price during warranty period plus ninety (90) days.



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The Contractor can either submit the entire performance security of 10% of the Contract value within 15 days from the date of issue of LOA/NOA upfront or submit the Performance security partly for an amount of 3% of the Contract value within 15 days from the date of issue of LOA/NOA and balance 7% performance security amount to be deducted from Contractual payments progressively till 50% financial progress is achieved with the amount to be deducted towards performance security from monthly invoices fixed@14% of Invoice value.

After completion of Project, the contractor shall submit Bank Guarantee/**Electronic Bank Guarantee** equivalent to 5% of Contract Value towards warranty/guarantee of completed Works under this Contract. Such Bank Guarantee/**Electronic Bank Guarantee** shall be submitted to Company not later than 30 days prior to expiry of Performance Bank Guarantee/**Electronic Bank Guarantee** equivalent to 10% furnished by Contractor under the Contract.

b) **Deleted**

3.3.2 In the event completion of Works is delayed beyond the Scheduled Completion Date for any reasons whatsoever, the Contractor shall get the validity of the performance guarantee suitably extended so as to make it valid for till the extended date of warranty plus 90 days. However if the delay is attributable to the Company, Company shall bear the cost of extension of the Performance Guarantee for such extension of Completion Date, at the normal bank rates as applicable to International Banking procedures.

In case of any extension of date of completion of the project after award of the contract, PBG shall be submitted within 15 days from the date of issue of the extension letter from company.

3.3.3 The Company shall have the right under this guarantee to invoke the Banker's guarantee and claim the amount there under in the event of the Contractor failing to honour any of the commitments entered into under this Contract and forfeit the same. In case Contractor fails to furnish the requisite Performance Security / Security deposit as stipulated above, then the Company shall have the option to terminate the Contract and forfeit the Bid security amount and no compensation for the Works performed shall be payable upon such termination. Upon completion of Works the above said guarantee shall be considered to constitute the Contractor's warranty for the Work done by him or for the Works supplied and their performance as per the specifications and any other conditions against this Contract. The warranty shall be in force for 12 months, from the completion date as provided in Clause 5.10.2 & 5.10.3. The value of Performance Security / Security deposit for warranty period shall be 5% of contract value subject to clause no 3.3.6 and clause 17 of GCC.

3.3.4 The bank guarantee by contractor will have to be given on non-judicial stamp paper / franking receipt as per stamp duty applicable at the place from where the tenders have been invited. The non-judicial stamp paper / franking receipt should be either in the name of the issuing bank or the bidder.

The contractor will give Bank Guarantee/**Electronic Bank Guarantee** from any of the following categories of Banks:

- (a) Any Scheduled Bank incorporated in India, Bank Guarantee issued by foreign branches / foreign offices of such Scheduled Banks be counter guaranteed by the Indian Branch of any scheduled Bank incorporated in India.

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- (b) Any branch of an International Bank situated in India and registered with Reserve Bank of India as scheduled foreign bank.
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.

3.3.5 Notwithstanding what has been stated here above in this Clause in the event of completion of project being delayed beyond the Scheduled Completion Date(s) or extended date(s) extended as per provision of the Contract, the Company may without prejudice to any other right or remedy available to the Company under the Contract, operate the Performance Security / Security deposit to recover the liquidated damages leviable as per Clause 6.3.2. The Performance Security / Security deposit amount shall there upon be increased to the original amount, or the Contractor may alternatively submit a fresh Performance Security / Security deposit for the equivalent amount of liquidated damages recovered.

3.3.6 The Contractor shall also arrange for Performance Security / Security deposit in the form of NEFT/RTGS /Electronic fund transfer to designated account of ONGC# or in lieu thereof Bank Guarantee/ **Electronic Bank Guarantee** for 5% of the total contract value to remain valid until the expiration of the warranty period for entire Works or if different warranty periods become applicable to the different part of Works, then until expiration of latest of such warranty period. If different warranty period become applicable to different parts of Works, then the Performance Security / Security deposit is to be kept valid for 10% of total Contract Price during execution of the project till completion as per clause no 3.3.1 and 3.3.2.

After completion of work pending punch point, Performance Security / Security deposit also need to be kept valid to the extent of value of total balance punch points plus applicable GST thereon as provided in milestone payment formula till completion of Punch points plus ninety (90) days.

The performance Security/Security deposit for warranty for these punch points shall be 5% of the value of total balance punch points as provided in milestone payment formula and shall be kept valid for 12 months plus 3 months from the date of completion of last punch point in accordance with GCC Clause No 3.3.1 & 6.1.1.

#Subject to credit in ONGC's account within prescribed time.

3.3.7 The Company shall return the Performance Guarantee to the Contractor upon the expiration of the Performance Guarantee unless any extension is required in accordance with the Contract.

3.3.8 If the contract has been terminated according to Section 3 of Integrity Pact, or if ONGC is entitled to terminate the contract according to Section 3 of Integrity Pact, ONGC shall be entitled to demand and recover from the Contractor liquidated damages amount by forfeiting the Performance Bank Guarantee / Security Deposit, as per Section-4 of Integrity Pact.

3.4 **Duties & Taxes**

3.4.1 Custom Duty



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3.4.1.1 Customs duty as applicable on materials quoted under item I-A of Appendix A-3 shall be paid and borne by the Contractor. It shall be the responsibility of the Contractor to provide the requisite particulars and documents to the Customs and other Government authorities and get the materials cleared and transported in time. Contractor shall be fully responsible for port and Customs clearance including stevedoring, handling, unloading, loading, storage, inland transportation, if any of materials, equipment and plant to storage go-down (s), yard(s), Sites(s) etc. Contractor shall be fully responsible for any delays, penalties, charges and losses, if any, in this regard.

Should the Contractor fail to provide the required descriptive catalogues, literature, drawings, box-wise packing list, invoices and any other relevant documents to the Customs Authority and should the Customs Duty be assessed and levied incorrectly due to such failure, the same shall be solely to the Contractor's account.

In case the Contractor, through oversight, negligence or for any other reason whatsoever, has raised the proforma invoice for the total CIF Price of the imports mentioned at Item I-A of the Contract Price Schedule but some consignments are left out and have to be imported assigning nil value in the relevant documents, the Customs Duty and penalties/charges, if any, levied by the concerned authorities shall be solely to the Contractor's account.

3.4.1.2 As per Sl. No. 404 of Customs Notification No. 50/2017-Cus dated 30.06.2017 and amended vide Customs Notification No. 02/2022-Cus dated 01.02.2022 & 40/2022-Customs dated 13.07.2022 (As amended from time to time), the goods required for petroleum operation for eligible areas, as mentioned in list 33 of said notification, would attract 12% Customs Duty (BCD Nil & IGST @ 12%) subject to submission of required Undertaking and/or Certificate.

All imports and import clearance under the contract including payment of Customs Duty shall be the responsibility of the Contractor.

For import of equipment/ vessels/tool/Chemicals/ spares and accessories as specified in list 33 for execution of contract for petroleum operations, Company will provide required undertaking and/or certificate to the Contractor for availing concessional rate of Customs duty for import of equipment/ vessels/ tool/Chemicals/ spares and accessories as specified in list 33, as eligible.

Accordingly, only concessional rate of the Customs duty for equipment/vessels/tool/ Chemicals/ spares and accessories as specified in list 33 required for execution of the Project is to be considered while quoting.

As regards, re-export of equipment/vessels/tool /Chemicals / spares and accessories as specified in List 33 (owned or on lease basis) brought by the contractor (whether Indian or foreign) for petroleum operation, as the equipment/ vessels/tool /Chemicals / spares and accessories as specified in List 33 would be imported by the contractor with payment of concessional rate of Customs Duty, after expiry of the contract with ONGC, the contractor would have to either re-export the equipment/ vessels/tool/ Chemicals / spares, and accessories as specified in list 33 or deploy the equipment/vessels/tool/ chemicals/ spares and accessories as specified in list 33 for petroleum operations in areas where concessional rate of Customs Duty is applicable after getting a fresh Certificate / documents from the Company, as applicable. The contractor shall also have to indemnify the Company against any claim that may arise due to violation of the Customs Act or the Foreign Trade Policy by them. In case any equipment/vessels/tool / chemicals /spares and accessories as specified in list 33 are required to be replaced by the Contractor during the execution of the contract, the Company shall issue a fresh Undertaking and/or Certificate, as applicable and



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bring the equipment/vessels/tool/ chemicals / spares and accessories as specified in list 33 on payment of concessional rate of Customs Duty.

All imports under the contract shall be done with Company's prior approval only. The Contractor shall be responsible to carry out all the formalities. In case of any mis-declarations or offences committed under the Customs rules and regulations and also allied rules, fine, penalty or any other charges levied by the concerned authorities on Company shall be borne by the Contractor including the element of interest on Company's funds blocked under such circumstances. Company shall be indemnified by the Contractor against all actions by Govt. or any other agency for acts of commission and omission.

The equipment/tools imported by the Contractor for petroleum operations against the Certificate and/or Undertaking provided by Company shall not be used / deployed by the Contractor for any purpose other than the jobs arising out of the contract awarded by Company and in the event of the equipment/tools being misused or put to use other than specified use, the Contractor shall be liable to pay fine, penalty and other actions taken by the Customs department and other authorities for violation of the customs rules and regulations and other allied rules.

Similarly in case of deployment of equipment by a contractor on ownership basis under concessional rate of Customs Duty under Sl. No. 404 of notification no. 50/2017-Cus and amended vide Customs Notification No. 02/2022-Cus dated 01.02.2022 (As amended from time to time) for ONGC contracts, if after the expiry of contract such equipment are deployed for other licensee/contractor, then the contractor has to comply with condition of the said notification and indemnify ONGC against any claim arising out of non-compliance of the said notification.

Company shall reimburse to the Contractor the customs duty (CD), if any, paid by him on items/materials not covered under list 33 of Notification 50/2017-Cus as amended, at actuals, subject to the maximum of the amount indicated in the schedule of prices [Appendix A-3 under I-B(i)]

3.4.1.3 Customs duty applicable on constructional Plant and Equipment

- (a) Customs duty, after taking into account of admissible duty drawback/exemptions on Constructional Plant and Equipment which are floating craft / floating equipment (vessel, barges etc.) imported temporarily by the Contractor for execution of works is included in lump-sum Schedule of Prices (Appendix A-3) and shall be paid by the Contractor directly to the customs authorities. Contractor shall provide requisite particulars and documents to the customs and other Government Authorities and get the clearance of Constructional Plant and Equipment in time. The Contractor shall take into consideration the concessional customs duty, if available.

The duty drawback/ exemptions shall be determined after taking into consideration the concessional customs duty, if applicable. Contractor shall be fully responsible for any delays, penalties, charges and losses, if any, in this regard. Should the Contractor fail to provide relevant documents, literature, invoices etc. to customs authority and should the customs duty be assessed and levied incorrectly due to such failure, the same shall be solely to the Contractor's account. The Contractor / Subcontractor shall re-export such constructional plant and Equipment expeditiously but not later than 15 days after completion of works and claim duty draw back from customs authorities. The Timely completion of all import formalities pertaining to clearance of customs, re-export formalities and other related activities shall be complied with solely by the Contractor at his own cost. The Company shall in no way be responsible for any delays and losses encountered by Contractor in this



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regard. Company shall reimburse to the Contractor the customs duty less the duty drawback/exemptions available to the Contractor on the Constructional Plant and Equipment which are floating craft/floating equipment (vessel, barges etc.), at actuals, against documentary proof and subject to the maximum of the amount indicated in the schedule of prices [Appendix A-3 under I-B(ii)]. The Contractor's constructional plant & equipment, tools, etc. may proceed directly to offshore site, without entering Indian Port subject to Contractor's taking necessary approval/ authorization of Govt. of India without any liability to the Company. In the event of change of legislation, relevant Contract provisions shall be applicable.

- (b) Customs duty leviable on Constructional Plant and Equipment other than those covered under clause (a), tools and tackles, consumables, components and spares required for completion of works (which partly/wholly get consumed in process of fabrication, installation, hook-up, pre-commissioning and commissioning) and imported temporarily by Contractor to be re-exported wholly/partly after use, after taking into account of admissible duty drawback/exemptions, is included in lump-sum schedule of prices [Appendix A-3 under I-B(ii)] and shall be paid directly by the Contractor to the Customs authorities. Timely completion of all import formalities pertaining to clearance of customs, payment of customs duty, claiming of duty drawback/exemptions, if any, actual re-export formalities and other related activities shall be complied with solely by the Contractor at his own cost. The Company shall in no way be responsible for any delays and losses encountered by Contractor in this regard. Save allowing the arrival of materials and equipment and goods, loaded on the marine spread/ barges and Constructional Plant and Equipment at site without touching Indian Port in which case the Customs authority agrees to depute their Officer(s) for examination of goods and Constructional Plant and Equipment at site as and when request is made, the customs clearance will have to be carried out by the Contractor as per Indian Customs Law irrespective of whether Customs Duty is applicable or not applicable. However, IGM and Bill of Entry shall be filed with the Custom authority by the Contractor well in advance of arrival of marine spread(s)/ barge(s) including Constructional Plant and Equipment at Site. Company shall reimburse to the Contractor the customs duty less the duty drawback/exemptions available to the Contractor on Constructional Plant and Equipment other than those covered under clause (a), tools and tackles, consumables, components and spares required for completion of works, at actuals, against documentary proof and subject to the maximum of the amount indicated in the schedule of prices [Appendix A-3 under I-B(ii)].

3.4.1.4 Customs Duty Applicable on As-built Documents

Customs Duty on as-built documents/ drawings and other project documentation required to be submitted in accordance with **Volume-II** of the Bidding Documents, if any, shall be paid by the Contractor directly to the Custom authorities. Company shall reimburse to the Contractor the customs duty (CD), if any, paid by him on As built documents, at actuals, subject to the maximum of the amount indicated in the schedule of prices [Appendix A-3 under I-B(iii)].

3.4.1.5 The Contractor shall furnish documentary evidence in support of payment of Customs Duty as identified in Item I-B of the Contract Price Schedule for the purpose of claiming such amounts from the Company. The company shall reimburse the Custom Duty (CD) at actual in Indian rupees against documentary evidence subject to the maximum of the amount of duty/tax indicated in the contract price schedule.

For payment of Goods and Service Tax, the provision contained in GST Legislations 2017 as amended from time to time will apply.



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3.4.1.6 In case of bidders indicating the customs duty (CD) in foreign currency, the foreign exchange rate at which actual payment is made by the contractor to the customs authorities will be used for regulating the customs duty reimbursement. In the case of bidders quoting the Goods and Service Tax in foreign currency, the exchange rate as per Rule 34 of the CGST Rules, 2017 shall be used for regulating the reimbursement of Goods and Service Tax.

3.4.1.7.1 Concessions permissible under statutes

(a) Bidder, while quoting against this tender, must take cognizance of all concessions permissible under the statutes including the benefit under GST Legislations 2017, failing which it will have to bear extra cost where Bidder does not avail exemptions/ concessional rates of levies like customs duty, GST, etc. ONGC will not take responsibility towards this. However, ONGC may provide necessary assistance, wherever possible, in this regard.

Bidders must also consider benefits of input tax credit under the GST rules 2017 as amended from time to time, for Goods and Service tax etc. against their Input materials/Services, while quoting the prices. Similarly, the benefits of input tax credit against their Input materials, under the relevant GST Legislations, should also be duly considered by the Bidders while quoting the prices.

Bidders need to take into account notification no.72/2017 – Customs dtd. 16.08.2017 issued by Ministry of Finance while quoting in the tenders.

b) Undertaking to provide necessary documents, for enabling ONGC to avail Input tax credit benefits under GST legislations:

Further, the bidders shall undertake to provide all the necessary compliances / invoice /documents for enabling ONGC to avail Input tax credit benefits, in respect of the payments of GST which are payable against the contract (if awarded). The successful bidders should provide Tax Invoice issued under GST legislations.

The successful bidders should upload the details of the invoices raised on ONGC on the GST Network within the prescribed time limits and undertake to adhere to all other compliances under the GST regulations/ legislations.

In case any credit, refund or other benefit is denied or delayed to ONGC due to any non-compliance of GST legislations by the bidder such as failure to upload the details of the supply on the GSTN portal, failure to pay GST to the Government or due to non-furnishing or furnishing of incorrect or incomplete documents/ information by the bidder, the bidder would reimburse the loss to ONGC and/ or ONGC may recover the same, but not limited to, the tax loss, interest and penalty.

3.4.2.1. CONTRACTOR, unless specified otherwise in the CONTRACT, shall bear all tax liabilities, duties, Govt. levies etc. including GST and customs duty, Corporate and personnel taxes levied or imposed on the CONTRACTOR on account of payments received by it from the COMPANY for the work done under this CONTRACT. It shall be the responsibility of the CONTRACTOR to submit to the concerned Indian authorities, the returns and all other concerned documents required for this purpose and to comply in all respects with the requirements of the laws in this regard, in time.



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CONTRACTOR shall provide all the necessary compliances/ invoice / documents for enabling ONGC to avail Input tax credit benefits in respect of the payments of GST which are payable against the CONTRACT. The CONTRACTOR should provide tax invoice issued under GST legislations for the goods and Services (indicating GST). Payment towards the components of GST shall be released by ONGC only against appropriate documents i.e.: Tax Invoice/Bill of entry for availing input tax credit (as applicable).

The tax invoices as per above provisions should contain all the particulars as required under the invoicing rules under the GST legislations, including, but not limited to the following:

- (i) Name, Address and the GST Registration Number (under the relevant Tax Rules) of the Service Provider (Contractor)
- (ii) Name and Address and GST Registration Number of the Service Receiver (Address of ONGC)
- (iii) Description, Classification and Value of taxable service / goods and the amount of applicable tax (CGST, SGST, IGST, UTGST and cess)
- (iv) In case of imported goods, contractor/supplier is required to provide original Bill of entry or copy of Bill of Entry duly attested by Custom authority.
- (v) The Contractor should mention the Place of supply in the invoice raised under GST Law.
- (vi) ONGC would not accept any invoice without its GSTIN mentioned on the invoice

- 3.4.2.2 a) The Contractor shall also be responsible for having his sub-contractor(s) bear all such taxes as levied or imposed on the sub-contractor(s) under his sub-contract(s) on account of payment received by the sub-contractor(s) from the Contractor for works done under the sub-contract(s) for which Company will in no case bear any responsibility. It shall be the responsibility of the Contractor to submit to the concerned Indian authorities the returns and all other connected documents required for this purpose. The Contractor shall also provide the Company such information as it may be required in regard to the Contractor's details of payment made by the Company under the Contract for proper assessment of taxes and duties. The Contractor and his sub-contractor(s) or their personnel shall bear all taxes, if any, levied on the Contractor's, subcontractor's and vendor's personnel.

Should the Contractor fail to submit returns/pay taxes in time as stipulated under the Indian Income Tax Act and consequently any interest or penalty is imposed by the Indian Income tax authority, the said interest/ penalty shall be paid by the Contractor only.

- b) (i) The CONTRACTOR shall bear all direct taxes, levied or imposed on the CONTRACTOR under the laws of India, as in force from time to time.
The CONTRACTOR shall also be responsible for ensuring compliance with all provisions of the direct tax laws of India including, but not limited to, the filing of appropriate Returns and shall promptly provide all information required by the COMPANY for discharging any of its responsibilities under such laws in relation to or arising out of the CONTRACT.
- (ii) Tax shall be deducted at source by ONGC from all sums due to an Indian tax resident Contractor in accordance with the provisions of the Income Tax Act, 1961, as in force at the relevant point of time.
- (iii) A non-resident Contractor i.e., a Contractor who is not an Indian tax resident according to the Indian Income Tax Act, 1961, has the option to obtain on its own either (A) a



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certificate u/s. 195(3) of the Income Tax Act, 1961, or (B) a certificate u/s. 197 of the Income Tax Act, 1961, and furnish the said certificate u/s. 195(3) or the certificate u/s.197, as the case may be, to ONGC along with each of its Invoices. In case the non resident Contractor wishes to exercise this option, it should convey the same in writing to ONGC at the time of signing the Contract and an option so exercised shall be final and cannot be changed during the currency of this Contract. In case an option is so exercised, ONGC shall deduct tax at source in accordance with the directions contained in the certificate u/s. 195(3) or the certificate u/s. 197, as the case may be, as in force at the point in time when tax is required to be deducted at source.

If after having exercised the option to obtain and furnish a certificate u/s. 195(3) or a certificate u/s. 197, the non-resident Supplier does not furnish a certificate u/s. 195(3)/197 along with any of its invoices, ONGC shall deduct TDS at the maximum marginal income-tax rate applicable to the non-resident Supplier as increased by applicable surcharge and education cess.

- (iv) In case the non resident Contractor does not exercise the option in clause 3.4.2.2.(b)(iii) above, an Order u/s. 195(2) of the Income Tax Act, 1961, for the purpose of deduction of tax at source will be obtained by ONGC from the Indian Income Tax Department, and tax shall be deducted at source by ONGC as directed in the said Order u/s. 195(2).

The Corporation, at its discretion, may obtain a Certificate in Form 15CB from a practicing Chartered Accountant in lieu of obtaining an Order u/s 195(2) from Income Tax Department, and, in such case, TDS shall be regulated as per the said Certificate in Form 15CB.

- (v) In case the non resident Contractor does not exercise the option in clause 3.4.2.2 b) (iii) above, it shall furnish a Tax Residency Certificate and Form No. 10F.

- (vi) If it is not possible for the non-resident to obtain & submit Tax Residency Certificate and Form No. 10F to ONGC within a reasonable time, he should furnish an undertaking to the effect that he is a tax resident of..... (the specified country) and that he shall obtain and provide the TRC and Form No. 10F to ONGC before 30 days of submission of first Invoice by them or within 3 months from the date of entering into the contract whichever is earlier. Contractor should note that any delay in submission of TRC, Form No. 10F and/or PE information within the specified time may lead to the Income Tax Department directing ONGC to deduct tax at a higher rate than at which it may otherwise have directed. Such increased tax liability shall be recovered from the contractor.

- (vii) As per the provisions of Section 206AA of Indian Income Tax Act, 1961, any person entitled to receive any sum or income or amount, on which tax is deductible under the provisions of Act, is required to furnish his Permanent Account Number (PAN) to the person responsible for deducting tax at source failing which tax is required to be deducted at higher of the normally applicable rate and the rate prescribed by section 206AA which is presently 20%.

The provisions of section 206AA are, however, not applicable to a non-resident recipient not having a PAN if the non-resident furnishes prescribed details and documents in lieu of PAN viz., (i) name, email ID, contact no. of the non-resident;



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(ii) address of the non-resident in the country of tax residence (iii) tax residency certificate of the non-resident; and (iv) Tax Identification Number (TIN) of the non-resident allotted in the country of his tax residence.

Therefore, in case the Contractor does not furnish its PAN (or a non-resident CONTRACTOR does not furnish its PAN or the aforesaid prescribed information and documents), CORPORATION shall deduct tax at source as provided in the Income Tax Act, 1961, or in the relevant Finance Act, or as directed in the Certificates u/s 195(3) or 197 or Order u/s. 195(2) or as per Certificate obtained in Form 15CB, as the case may be, or at such higher rate as may be required by Section 206AA of Indian Income Tax Act, 1961, from time to time.

(viii) The employees of such foreign companies/concerns/Joint Ventures, their SUB-CONTRACTOR and assignees are also required to comply with various Direct tax laws of India, as applicable.

(ix) For the lapses, if any, on the part of the CONTRACTOR and consequential penal action taken by the Income Tax department, the CORPORATION shall not take any responsibility whether financial or otherwise.

(x) As per section 94A of Indian Income-tax Act, 1961, the Central Government may, having regard to the lack of effective exchange of information with any country or territory outside India, specify by notification in the Official Gazette such country or territory as a Notified Jurisdictional Area (NJA) in relation to transactions entered into by an Indian tax resident. One of the consequences of a country or territory being specified as NJA is that TDS from a person located in such country or territory (as defined in section 94A) is required to be deducted at higher of normally applicable rate or rate specified in section 94A of the Income-tax Act which is presently 30%.

Therefore, if the CONTRACTOR is a person located in a country or territory specified by the Government of India as NJA under section 94A of the Indian Income-tax Act, 1961, the CORPORATION shall deduct tax at source as directed in the Certificates u/s 195(3) or 197 or Order u/s. 195(2), as the case may be, or at such higher rate as may be required by Section 94A of Indian Income-tax Act, 1961, as applicable.

"Notes in respect of Tax Residency Certificate",

- (i) The Tax Residency Certificate (TRC) should be in original or a photocopy duly attested either from a notary public in India or from the Indian Embassy/High Commission/Consulate in the country whose authorities have issued such TRC.
- (ii) During the currency of the Contract / Purchase Order, for the income accrued in different financial years, the Contractor/Supplier should submit TRC(s) and Form No. 10F valid for the entire duration of the contract. In case the validity of a TRC and form No. 10F expires during the currency of the contract, fresh valid TRC(s) and Form No.



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10F should be submitted by the supplier/contractor for the remaining part of the currency of the contract.

- c) Company shall have the right to withhold the taxes from payments due to contractor under this contract to the extent that such withholding may be required by other applicable law or any govt. authority. Company shall advise contractor of such requirement as soon after as may be reasonably be possible after the receipt by company of instruction from the relevant authorities. Payment by company to the relevant govt. authority of the amount of money so withheld will relieve company from any further obligation to contractor with respect to the amount so withheld.

The Contractor agrees that he and his sub-contractor(s) shall pay Indian Income Tax as may be imposed / levied on them by the Indian Income Tax Authorities for the payments received by them for the Works under the Contract.

The Contractor, his sub-contractor(s), vendors(s) and the personnel deployed by them shall comply with the Indian Income Tax act in force from time to time.

The Contractor shall indemnify Company against any and all liabilities or claims arising out of this Contract for such taxes including interest and penalty which any such Tax Authority may assess or levy against the Company/ Contractor.

Note: It is clarified that Corporate Tax Act, wherever mentioned in the Contract refer to Indian Income Tax Act.

d) **GST Liability on Supply of Services:**

The Bidder should quote the applicable GST, clearly indicating the rate and the amount of GST included in the bid and the description of the respective service (as per GST rules) under which the GST is payable.

In case the GST is not quoted explicitly in the offer by the Bidder, the offer will be considered as inclusive of all liabilities of GST and ONGC will not entertain any future claim in respect of GST against such offers.

In case, the quoted information related to various taxes and duties subsequently proves wrong, incorrect or misleading:-

- a) ONGC will have no liability to reimburse the difference in the duty/tax, if the finally assessed amount is on the higher side.
- b) ONGC will have the right to recover the difference in case the rate of duty/tax finally assessed is on the lower side.

The Service Provider should have a valid registration Certificate under GST legislation and a copy of such registration certificate should be submitted along with the offer.

In case of foreign bidders, if GST registration certificate is not available at the time of submission of bid, the bidder shall submit an undertaking to provide copy of the same at least two weeks before submission of first invoice.



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In case Contract executing office(s) based on the tender scope of work are different from bidding office of bidder, the bidder shall also provide details of Contract executing office(s) based on the tender scope of work in their bid duly indicating/providing their respective ONGC Vendor Code (if already available). In case ONGC vendor code is not available for such contract executing location of bidder, GSTIN and Bank account details etc. shall also be submitted by bidders in their bid for creation of vendor code for such office.

If bidder indicates that details like GSTIN and Bank account details etc. of the office identified by bidder in their bid for executing work, would be provided only after they emerge as successful bidder, they shall provide the same at least 15 days before submission of first invoice, Such bidder shall provide an undertaking to this effect.

3.4.3 Withholding, Accounting & Tax Requirements

3.4.3.1 Contractor agrees for a withholding from wages and salaries of its agents, servants or employees all sums, required to be withheld by the laws of the Republic of India or any other agency having jurisdiction over the area where Contractor is conducting operations, and to pay the same promptly and directly when due to the proper authority. Contractor further agrees to comply with all accounting and reporting requirements of any Nation having jurisdiction over the subject matter hereof and to conform to such laws and regulations and to pay the cost of such compliance.

3.4.3.2 Contractors' attention is invited to Central Board of Direct Taxes (CBDT), New Delhi's Notification No.9579 (F.No.186/59/94-ITA-I) dated 5.8.94, according to which the officers mentioned in column 3,4 & 5 shall exercise jurisdiction in respect of persons as specified in column 2 against Sl. no. 1&2.

Sl. No	Persons	Dy. CIT	CIT(A)	CIT
1	Foreign Companies/ concerns/ Joint Ventures which are engaged by the Oil & Natural Gas Corporation Limited, their sub-contractors and assignees for the purpose of rendering industrial/ commercial works including technical or other services, royalty etc. in relation to its operations at various places in India or in relation to its offshore operations in accordance with the agreement work orders etc. between ONGC Ltd. and such foreign companies/ concerns/ joint ventures/sub-contractors/assignees etc.	Dy. Commissioner, Spl. Range-I, Dehradun, Uttranchal.	Commissioner of Income Tax (Appeals), Dehradun, Uttranchal.	Commissioner of Income Tax, Meerut, UP.
2	Employees of non-resident companies/ concerns including employees of the non- resident affiliates and sub-contractors of	Dy. Commissioner, Spl. Range-I, Dehradun, Uttranchal.	Commissioner of Income Tax (Appeals),	Commissioner of Income Tax, Meerut, UP



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Sl. No	Persons	Dy. CIT	CIT(A)	CIT
	such non-resident companies concerns which are engaged mainly by the Oil and Natural Corporation Ltd., for the purpose of rendering industrial/commercial works, including technical or other services, royalty etc. in relation to its operations at various places in India or in relation to its offshore operations in accordance with the agreement between ONGC Ltd. and such non-resident companies/ concerns/sub-contractors/ assignees/ joint venture etc.		Dehradun, Uttranchal.	

3.4.3.3 Centralisation of the Jurisdiction and filing of returns of Income Tax etc. with the Dy. Commissioner, Special Range, Dehradun

It is notified that order under section 195 (2) of the Income Tax Act, 1961 for the purpose of deduction of tax at source will be obtained by Company from the Dy. Commissioner of Income Tax (Asstt.), Special Range-I, Dehradun. In view of the CBDT's notification No. 9579 dated 5.8.94 the foreign contractor is responsible for filing the returns of their income as well as their sub-contractor's assignees including that of their partner in the joint venture contractors (whether Indian or otherwise) and get their assessment completed with the Dy. Commissioner of Income Tax (Asstt.), Special Range-I, Dehradun, India.

The employees of such foreign companies/concerns/joint ventures, their sub-contractors and assignees are also required to file their return of income with Dy. CIT (Asstt.), Special Range-I, Dehradun, India.

The lapse, if any on the part of the Contractor and consequential penal action taken by the tax department, the Company will not take any responsibility whether financial or otherwise.

3.4.4 Deleted.

3.5.1 Adjustments to the Contract Price.

The Contract price as mentioned in Clause 3.1 shall be adjusted for the following variations:

a) Not applicable.

b) Deleted.

c) Deleted.

d) The adjustment for the increased/decreased length of pipeline "As laid" on comparison with the lengths as stipulated in the Contract, the credit or debit to the contract price shall be made as per the respective unit rates for pipeline provided in Table I Part A of rates and calculation sheet of contract price schedule of Appendix A-3.



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e) In case of rigid pipeline, should the actual number of pipeline crossings (if any) vary from the estimated number given in the Contract, the credit or debit to the Contract Price shall be made as per the respective unit rates for crossings indicated in the Contract Price schedule. Bidder should include clamp cost in the lump-sum price.

f) In case of rigid pipeline, should the actual number of free span corrections (if any) vary from the estimated numbers given in the Contract, the credit or debit to the Contract Price shall be made at the respective unit rates indicated in the Contract Price Schedule.

g) Deleted.

h) Adjustment to contract price shall be done for the items for which unit rates have been provided by the contractor in the price proforma –Appendix A-3. Other adjustments as may become applicable shall be determined as per provision of the Contract.

GST applicable on the unit rates shall be considered accordingly for working out the adjustments.

3.5.2 Deleted

3.5.3 (a) Dynamic price of steel:

Deleted

b) Dynamic price of fuel:

Price adjustment shall be done for variation in Fuel prices as per following methodology.

- i. Bunkering price of LSHFHSD by IOCL (Mumbai) as on the date of TBO shall be considered as reference.
- ii. Total quantity of fuel for which price variation is applicable shall be provided in the tender. ONGC shall indicate the types of marine spread for which price variation shall be applicable.
- iii. Average bunkering price of the month of LSHFHSD of IOCL (Mumbai) shall be used for variation in price adjustment once the offshore marine activity starts.
- iv. Contractor shall submit monthly diesel consumption record of respective marine spreads (Pipelay barge / Derrick barge / AWB / DSV / Workboats) duly certified by ONGC rep / CA / TPI.
- v. Reimbursement / recovery (as applicable) shall be made when fuel replenishment is done during offshore construction duration until scheduled completion of the contract or extended only on account of ONGC and total reimbursement/ recovery quantity shall be limited to ceiling quantity as estimated by Company at bid stage or actual quantity, whichever is less.

Formula:

A = Volume of fuel consumed x (R_{f2} - R_{f1})

A = Differential amount towards fuel price fluctuation

R_{f1} = Bunkering price inclusive of taxes and duties of LSHFHSD by IOCL (Mumbai) as on the date of TBO

R_{f2} = Average bunkering price inclusive of taxes and duties of LSHFHSD of IOCL during the month when fuel replacement is done for which claim has been made.



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3.6 Deemed Export Benefits

Deleted.

3.7 Interest bearing Advance Payment

ONGC may give an interest bearing Advance upto a maximum of 10% of the contract price as specified in clause 3.1 above based on written request from the contractors citing reasons for taking advance , time schedule of disbursement of advance , numbers of installment in which advance is required , amount of advance for each installment , recovery schedule against each installment.

However, the advance shall not be paid in less than two installment except in special circumstances.

The recovery of total amount of advance including interest shall be made six months prior to original date of completion of the project .

The terms and conditions of the interest bearing advance payment shall be as under:

- a) Advance to Indian Contractor shall be provided in INR and to foreign Contractor in USD.
- b) The rate of interest on the advance shall be 12% p.a. or prevailing rate of interest as per ONGC guidelines at the time of release of advance for advance in INR and 6-month USD LIBOR on the date of release of the advance (to be reset every six months) plus 400 basis points in case of advance in USD.
- c) The recovery of advance shall be time based with reference to time schedule and amount indicated against each installment. The recovery of each installment with due interest for the installment shall be made by ONGC from the contractor admissible & undisputed invoice(s) which has already become due as per contract on or before the date on which repayment becomes due.
- d) The contractor shall provide part Bank Guarantee/ **Electronic Bank Guarantee** in the format to be provided by ONGC against the advance as many numbers as the proposed recovery installments and should not be less than 110% of the each installment. The contractor shall submit Part BG for each installment for an amount equal to each installment with interest due for the installment upto the last date of recovery from an Indian Commercial Bank, rated AA+ or above by an accredited credit rating agency.
- e) Validity of each part BG shall be upto last date of recovery for the installment plus two months period.
- f) The total numbers part BG shall be equal to total numbers of installment
- g) Sum of value of all part BG shall not be less than 110% of the total interest bearing advance.
- h) The contractor will give Bank Guarantee/**Electronic Bank Guarantee** from any of the following categories of Banks with above rating:



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Any Scheduled Bank incorporated in India, Bank Guarantee issued by foreign branches / foreign offices of such Scheduled Banks be counter guaranteed by the Indian Branch of any scheduled Bank incorporated in India.

OR

Any branch of an International Bank situated in India and registered with Reserve Bank of India as scheduled foreign bank.

OR

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.

They shall be required to submit a Confirmation / Counter Guarantee from an AA+ or above rated Indian Commercial Bank.

i) The contractor shall submit utilisation certificate for the each installment of advance paid by ONGC against the contract and subsequent installment shall be released after getting satisfactory utilization certificate from the contractor for the earlier installment.

j) Contractor shall also sign a supplemental agreement for advance with ONGC in the format to be provided by ONGC.

k) Advance to the foreign contractors would be released subject to the provisions in FEMA after obtaining necessary permission from RBI.

l) The advance shall be released after submission of PBG, signing of the contract, supplemental agreement for advance, submission of Bank Guarantee/**Electronic Bank Guarantee** and Confirmation/Counter Guarantee (in case of advance in USD) and RBI permission, if required.

m) IF required, the repayment would be made by the contractor directly to ONGC's nominated bank account electronically by on or before due date for each installment with interest .

n) At any point of time, if contractor fails to repay or ONGC fails to recover the due payment against each installment from the admissible & undisputed invoice(s) which has already become due as per contract on or before the date on which recovery becomes due, due to insufficient invoice value, then ONGC will recover the due amount for the installment from the BG.

3.7.1 Interest Bearing Project Advance:

Company may give an interest-bearing project advance up to a maximum of 50% of Performance Bank Guarantee (PBG)/ **Electronic Bank Guarantee** amount of Contract based on written request from the contractor citing reason for the advance, currency of advance (Advance shall be in currency of Contract price. In case currency of contract price is foreign currency other than USD, advance shall be issued in USD only) , time schedule of disbursement of advance, numbers of instalment in which advance is required, amount of advance for each instalment and recovery schedule against each instalment.

Rate of interest of the advance shall be SBI PLR (Prime Lending Rate) at the time of release of advance for advance in INR and USD SOFR plus 400 basis points on the date of release of advance for advance in USD. However advance in foreign currency shall be subjected to RBI/Government guidelines and any prior approval requirement thereof.



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Recovery of the advance shall be made from the 1st invoice after release of the advance on pro-rata basis by next 25% financial progress or from balance payment of project on pro rata basis, as applicable.

The advance can be issued maximum twice in the Contract. Only after complete recovery of first advance, Contractor shall seek second advance, if desired.

PBG of Contract shall be kept valid till full recovery of mobilisation advance. The Contractor shall submit utilisation certificate for the each instalment of advance paid by ONGC against the contract and subsequent instalment shall be released after getting satisfactory utilization certificate from the contractor for the earlier instalment. Contractor shall also sign a supplemental agreement for advance with ONGC in the format to be provided by ONGC.

Advance to the foreign contractors would be released subject to the provisions in FEMA after obtaining necessary permission from RBI.

The advance shall be released after submission of PBG of Contract, signing of the contract, supplemental agreement for advance and RBI permission, if required.

If required, the repayment would be made by the Contractor directly to ONGC's nominated bank account electronically by on or before due date for each instalment with interest.

At any point of time, if contractor fails to repay or ONGC fails to recover the due payment, then ONGC will recover the due amount from the PBG of Contract.

Note: This facility of Advance by ONGC shall be subject to its sustenance on intra budgetary resources of the company.

4.0 INTELLECTUAL PROPERTY

4.1 Confidentiality Clause:

1. The terms and conditions of this Agreement/ Contract are confidential between the parties i.e. Company and Contractor including Contractor's personnel, agents and any Sub-contractor and shall not be disclosed to anyone else, except as shall be necessary to effectuate its terms.

"Confidential Information" shall not include information that:

- (a) is or becomes publicly known through no wrongful or unlawful act of the Contractor;
- (b) is independently developed by the Contractor without the benefit of ONGC's Confidential Information.

2. The Confidential Information will be used by the Contractor solely and exclusively for the purpose of this Contract and will be kept confidential and will not be disclosed, in whole or in part to any other person, except to those of the employees, directors, or any other person concerned, acting on their behalf, (collectively the "Representatives") of the Contractor who need to know such information for the Contract.



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3. "Contractor shall not be deemed to be in breach of confidentiality for any disclosure of Confidential Information done with the prior written permission of ONGC or to the extent required to comply with applicable statutory law, rule or regulation, order from court or any statutory or governmental authority provided that the contractor provides reasonable prior written notice, takes all reasonable and lawful actions to obtain confidential treatment of such disclosure and disclose the minimum amount and scope of the confidential information necessary to comply with the applicable law, rules, regulations, order from court or any statutory or governmental authority. "
4. Contractor shall procure that its Representatives to whom any Confidential Information is disclosed shall also be bound by this Agreement mutatis mutandis.
5. The Confidential Information shall be and remain the property of ONGC and any document containing or reflecting the Confidential Information, and all copies thereof, shall be promptly returned to ONGC upon written request, or destroyed at ONGC's option.
6. The obligation set forth herein with respect to Confidential Information will continue until such period that such information continues to be confidential and that obligation will continue notwithstanding the termination of business relationship with Contractor provided that Contractor's obligation herein shall cease upon return of the Confidential Information to ONGC or destruction of the Confidential Information with notice to ONGC.
7. Contractor acknowledges and agrees that it is aware (and that its representatives acknowledge and agree) that the Confidential Information being disclosed by ONGC or its representatives may be 'unpublished price sensitive information' as defined under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015("Insider Trading Regulations"). Contractor agrees that Contractor or any of its representative or affiliates shall not trade in the securities of ONGC while Contractor is in possession of the Confidential Information, other than in compliance with provisions of the Insider Trading Regulations.
8. Upon completion of the Works or in the event of termination pursuant to the provisions of the Contract, Contractor shall immediately return to the Company all drawings, plans, specifications and other documents supplied to the Contractor by or on behalf of the Company or prepared by the Contractor solely for the purpose of the performance of the Works, including all copies made thereof by the Contractor.

4.2 Records of Contract Documents

- 4.2.1 The Contractor shall at all times make and keep sufficient copies of the Drawings, Specifications and Contract documents for him to fulfill his duties under the Contract.
- 4.2.2 The Contractor shall keep on each Site at least three copies of each and every AFC Drawing, Specification and atleast one copy of Contract Document in excess of his own requirement and these copies shall be available at all times for use by the Company's Representative and the Engineer / Engineer's Representative and by any other person authorized by the Company's Representative , who shall be provided an adequately sized site office or offices, for the safe keeping and use of such documents, by the Contractor throughout the duration of the Contract. Where one or more of Contractor's yards /offices /offshore spreads are deployed in the Works, all requirements of the Contract and Contractor's obligation under the Contract shall apply equally at each yard/office/ offshore spread so deploy.



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5.0 WORK EXECUTION

5.1 Representatives

5.1.1 General

There may be more than one Company's Representative, Engineer, Engineer's Representative at the same time. The Company shall appoint and notify the Contractor in writing of the names(s) of the Company's Representative. The Company from time to time may appoint some other person(s) as Company's Representative in place of the person(s) previously appointed.

5.1.2 Company's Representative

The duties of the Company's Representative are to act on behalf of the Company for overall coordination and Project Management at Site. The Company's Representative shall have the authority and powers to the extent so authorised and notified by the Company to the Contractor in writing from time to time. The Company's Representative shall liaise with the Contractor and monitor the progress for the timely completion of the Works. He will communicate Company's approval to the Contractor, issue drawings, specifications etc. and similar documents pertaining to the Works.

He shall also monitor that the Works are carried out in accordance with the specifications, drawings and other terms and conditions of the Contract as inspected by Engineer/Engineer's representative. The Company's Representative shall have the right to inspect any part of the Works at all reasonable time and order necessary tests to be carried out under supervision of Engineer / Engineer's Representative and reject such works which are not in accordance with the Contract.

He has the right to scrutinize the Contractor's records for the Work being done on Day to Day basis. In general, he shall have the authority to oversee the execution of the Works by the Contractor and to monitor compliance by the Contractor of provisions of the Contract.

Approval by the Company's Representative of any or all documents shall in no way relieve the Contractor of the responsibilities of execution of the Work in accordance with the terms and conditions of the Contract.

All notices, instructions, orders, certificates, approvals and all other communications shall be given by the Company's Representative, save as otherwise provided in the Contract. The Company's Representative shall carry out such duties in issuing decisions, certificates and orders as specified in the Contract. All notices, information and other communications to be given by the Contractor to the Company under this Contract shall be given to the Company's Representative except as otherwise provided.

5.1.3 Engineer/Engineer's Representative

The duties of the Engineer/Engineer's Representative are to supervise and monitor the Works and to test and examine any materials to be used or workmanship employed in connection with the Works. He shall have no authority to relieve the Contractor of any of his duties, obligations under the Contract, except as expressly provided in this Clause or elsewhere in the Contract. He shall not also have any authority to order any Work involving delay or any extra payment by the Company or to make any alteration of or in the Works.

The Company's Representative may from time to time in writing delegate to any or all of the Engineer/Engineer's Representative any or all of the powers and authority vested in the Company's Representative and shall notify the Contractor in writing of all said delegations of his powers and authorities.



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Any instruction or approval given by an Engineer/Engineer's Representative to the Contractor within the terms of any delegation so notified (but not otherwise) shall bind the Contractor and the Company as though it had been given by the Company's Representative subject to the following provision:

Failure of any Engineer/Engineer's Representative to disapprove any Work or materials shall not prejudice the power of the Company's Representative thereafter to reject that Work or materials and to order, subject to Clause 5.9.6, pulling down, removal or breaking up of them subsequently to ensure that whether or not such works or materials are in accordance with the requirement of the Contract.

5.1.4 Contractor's Representative

The Contractor's Representative shall have all the power requisite for the performance of Works. The Contractor's Representative shall liaise with the Company's Representative/Engineer, Engineer's Representative for the proper coordination and timely completion of the Works and on any other matters pertaining to the Works. Such Contractor's Representative shall be available to the Company's Representative in the vicinity of each site during the execution of Works.

5.1.5 Consultant

Offshore Design Section shall be the Consultant for all technical matters under this work. This includes inter alia:

- a) Review of documents under Clause 5.1.7
- b) Review of following: Designs, Planning, Construction drawings and Specifications, Purchase requisition/specification, and engineering related to Fabrication, load out, installation, testing and hook-up, pre-commissioning and commissioning (wherever applicable as per bidding document) procedures, and Operating Manuals, etc. i.e. all issues related to the satisfactory completion of the Work as defined in the Bid package.
- c) Periodic reviews of Project Schedule established by the Contractor for the Company.
- d) Review of Change Orders prior to their approval by Company.

5.1.6 Certification & Third Party Inspection Agency

COMPANY shall engage Certification Agency (CA) and Third party inspection (TPI) / Certification agencies for inspection etc. for Engineering , Procurement, Fabrication, Construction, Erection, Testing, Hook-Up, Pre-commissioning, Commissioning during the execution of the project.

The reports of CA and TPI are to be submitted by the Contractor along with the supply/dispatch documents wherever applicable or periodically as required by Company.

5.1.6.1 Project Quality Assurance Audit

In addition to Inspection & Monitoring by Company appointed TPI & Certification Agencies, Company, at its discretion, shall also carry out Project Quality Assurance Audits during the execution of the project covering various project activities. Contractor shall make available all documents, drawings, procedures etc. as required by the Company's Quality Audit team and also facilitate the Quality Audits. Contractor shall take actions to comply and close out all the CARs (Correction / Corrective Action Requests) issued by the Audit team during the audits in a timely manner and submit compliance of the CARs to the Company.



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5.1.7 ENGINEERING

5.1.7.1 GENERAL

The design criteria, specifications and other engineering requirements and information supplied by Company are included in part IV, Description of Work, Spec. & Drgs. of the Bid package. The Contractor shall carry out complete engineering and detailing of these items. The Contractor will be responsible for developing such information as required to perform the survey, engineering, purchasing, fabrication, Anti Corrosion and Weight Coating, Load-out, Tie-down / Sea-fastening, Tow-out / Sail out, transportation, installation, hooking up, testing, modifications, pre-commissioning, start up and commissioning of the facilities.

It is the Company's intention to have the best equipment new and in first class condition, available for its facilities. The specifications contained within this bid package are to provide the Contractor with performance criteria for all major facility components and equipment. The Contractor may select unspecified equipment but will solicit Company approval in order to ensure compatibility with present equipment and trouble free operation.

5.1.7.2 REVIEW AND APPROVALS OF DESIGN AND ENGINEERING

Contractor shall submit to Company in OPMAC (System available with ONGC) for review and approval of all layout drawings, detailed construction and approval drawings, design specifications, detailed calculations and purchase specifications etc. for the Work and other information required by Company prior to issuing for Construction.

All drawings shall be made to a reasonable scale and in detail. If it is found that Contractor has not complied with Company's drawings or specifications submitted, then the necessary changes required shall be made by Contractor at no additional cost and time to Company. In no way does this relieve the Contractor of his responsibility to comply with all Contract specifications for this project unless Contractor receives from Company on a written request for the specific deviation or written authority to deviate from the specifications pertaining to the item in question. Contractor shall maintain a design and drafting schedule that will allow sufficient time for Company to review all drawings and any necessary changes to be made. Preliminary drawings shall not be used for construction purpose.

Company or its representative will review all facets of Contractor's design including design calculations in order to ascertain compliance with design criteria, specifications and conceptual design.

The Company or its representative will review for approval including, but not limited to, the following items.

- i) Structural designs, plans, elevations, material selection etc.



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- ii) Piping & Instrumentation flow diagrams including control, safety shutdown, alarms systems, and utility flow diagrams.
- iii) Piping GADs, Piping Isometrics, Equipment & piping support drawings, Instrument drawings and material take offs.
- iv) Protective systems including fire protection and navigational equipments.
- v) Platform and Equipment layout drawings, piping layouts, plan and structural drawings.
- vi) Electrical wiring diagram, inter connection drawings, lighting cables and earthing layouts.
- vii) Fire and gas detection, alarm and protection system layouts.
- viii) Design data sheets and/or drawings for equipment.
- ix) Instrument interconnection drawings including tubing/cabling layouts.
- x) Installation procedures for all structures, etc. including all analysis, design and detailing connected with fabrication, transportation and installation.
- xi) All purchase specifications including engineering connected with vendor item.
- xii) All modules of 3D intelligent modeling (online review) beginning with project setup to As-built.
- xiii) All engineering connected with Anti-corrosion and weight coating (Pre-install riser).
- xiv) Cathodic protection and painting.

Company or its Representative's review for approval of Contractor's design in no way relieves the Contractor of the responsibility to satisfy the design criteria and specifications set out herein and install a safe and operable facility.

5.1.8 REVIEW PROCEDURE

The following procedures will be utilized in Company's review:

- a) ONGC has appended standard DCI/ MCI indicating the time required for ONGC to review these drawings/ documents at Appendix C-8. Contractor shall generate project specific DCI (Document Control Index)/ MCI (Material Control Index) with their submission schedule based on the 'standard DCI/ MCI' provided at Appendix C-8. Contractor will forward copies of all preliminary drawings and specifications in accordance with the correspondence schedule and procedure. Distribution of all documents etc. is the responsibility of the Contractor.



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- b) In the event that Contractor does not receive Company's comments on items within the number of days mentioned in the DCI and MCI [(excluding intervening Saturday(s) and Sunday(s)] from the date of receipt by the Company / Company's Consultant then it may be assumed that there are no comments and the items may be issued for construction.
- c) Where marked-up drawings or comments on drawings and specifications are returned, Contractor shall make the corrections and obtain Company's approval before issuing the same for construction, transmitting copies in accordance with the correspondence procedure.
- d) Should any item shown on plans issued for construction be changed due to any reason whatsoever after the plans have been approved, new or corrected plans shall be made and new prints furnished for review and approval of Company. The above will also apply to site changes during fabrication and installation.
- e) PS Review & Approval Procedure:

The PS shall be approved in two stages as under:

1st Stage: Prelim PS:

Contractor shall submit the list of documents mentioned below as minimum for specification conformance check before the placement of Purchase Order by Contractor termed as "Prelim PS" consist of :

- Vendor Data sheet with relevant Vendor Information to be filled in and duly stamped and certified by Vendor along with proposed ITP.
- Performance curve for Rotary Equipment
- Compliance/Deviation Sheet with respect to Data Sheets and specifications in the TBP.
- Equipment General Arrangement Drawing.

2nd Stage: Final PS:

Contractor shall submit all the documents generated by vendor i.e. vendor data/drawing, ITP etc. and other documents (mutually discussed and agreed) duly reviewed and approved by Detailed Engineering consultant for its endorsement termed as "Final PS" as detailed below along with copy of RFQ:

- Approved Data sheet with relevant Vendor Information to be filled in and duly stamped and certified by Vendor
- Approved copy of prelim purchase specification
- Approved Quality Assurance Plan and Manufacturer's Quality Assurance Procedure duly stamped by Vendor and TPI.
- Technical Specifications and Performance Parameters / Design Basis / Design Calculations.
- Relevant approved process documents, PFD, P&ID
- List of commissioning spares construction/consumables spares and special tools and tackles.
- Vendor's offer (one copy in original duly signed by vendor including technical literatures / catalogues etc.



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5.1.9 DRAWING AND SPECIFICATION RECORDS

5.1.9.1 Drawing Schedule

Contractor shall furnish to the Company as soon as possible (First issue not later than 30 days from Notification of award of Contract), a complete list of all drawings which will be used. This schedule of drawings shall show the drawing number, title, revision number, and issue number together with the date issued. A revised Catch-up plan shall be furnished periodically at least on a monthly basis, (in case of delays) until the work is completed. The Contractor shall supply reduced size prints of AFC drawings as and when required by the Company / Company's Representative at no extra cost to the Company.

5.1.9.2 Specification and Data Sheets

An up-to-date list of all specifications and data sheets shall be furnished by the Contractor as soon as practicable after the work is started. The sheets shall show number, title, revision number and date so that a current summary of latest specifications will be available for reference. This list shall be revised and new distribution made in the same manner as the drawing schedule.

5.1.9.3 As Built Plans

Contractor shall design an intelligent 3D model of complete platforms in Intergraph's SP3D software (latest version) / PDMS software (latest version). The intent of generation of an intelligent 3D Model in SP3D / PDMS/E3D is to consolidate complete project "As-built" documentation in the soft copy with single source of data repository. The model shall have instant access to all Information (e.g. technical specifications, data sheets, design write-ups, installation manuals, Operation manuals, fabrication drawings, vendor details, maintenance history, safety Instruments etc.) to all items of the model. This information shall be made available on the click of a button and by selecting in the 3D model. Updation and maintenance of the Information stored in the 3D model shall be simple and automatic.

Complete project data, which includes reference data base, project directory, RIS dump files or equivalent files of project database, Design data base and reference database, customization done for equipment, cranes etc., and extraction of reports, orthographic, isometric etc. shall be made available along with the project.

ONGC has an existing setup of intelligent As-built documents retrieval system using Aveva-net software. Contractor shall deliver Aveva-net Compatible as-built deployment files. Contractor to load the intelligent as-built data in company server and demonstrate the data retrieval through existing system. For details refer Vol. II Section-I

A standard 19" rack mountable server of latest specification/ configuration shall be supplied. Minimum specifications are given below for reference:

DELL PowerEdge R430 Server or equivalent :



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- PowerEdge R430/ R530 Motherboard
- Intel Xeon E5-2630 v3 2.4Gz processor
- 2.5" Chassis with up to 8 Hot Plug Hard Drives
- Bezel up to 8 Drive Chassis
- iDRAC Port Card
- 8 GB RDIMM
- 1.2TB 10KRPM SAS 2.5 in Hot-plug Hard Drive
- DVD+/-RW SATA Internal
- Windows Server 2012R2 SE
- RAID 5 for H330/H730/H730P (3-8 HDDs or SSDs)
- 29" IPS Curved Display
- One USB Mouse
- One USB Keyboard

The server shall be upgradable with the following:

- 1.2 TB Hard disk X 4 Nos. to increase the storage space
- 8 GB Memory X 6 Nos. slots to increase the memory

If at any stage, bidder wishes to submit 2D drawings, the same shall be submitted using latest version of Autocad/ Micro-station format

5.1.9.4 Data storage formats

Contractor shall furnish as-built record on hard copy and soft copy on Portable Hard disc of adequate capacity which shall contain explicit details on following points over & above to the bid package requirement.

- i) Certified `As built' drawings
- ii) Name of the
 - Contractor (s)
 - Project Coordinator
 - Consultant
 - Certification Agency
- iii) Details such as
 - Water depth
 - Coordinates
 - Fabrication/Installation/Commissioning period
- iv) Critical areas like low fatigue/highly stressed members/joints and stress patter. Critical points as included in "Fatigue Analysis" Design Criteria.

Software for documentation

Contractor shall use latest version of MS Office XP for text documents and daily correspondences, reports etc.

5.1.9.5 Start-up and Operating Manuals



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Contractor shall prepare start-up and operating manuals for the facilities including the items shown in the list below and as specified in Part-IV.

- a) Introduction
Described objective of facilities.
- b) Production Process and Auxiliary Systems including Fire Fighting
Describe the equipment and systems details, operating conditions and interrelation of the operating variable.
- c) Preparation for Start-up
Describe how equipment is initially prepared for operation.
- d) Start-up
Describe in detail how equipment and system are brought to proper operating conditions, commissioning and subsequent start-ups.
- e) Shutdown
Describe in detail how the equipment and system are shutdown and prepared for maintenance under normal and emergency conditions.
Safety
Safe practices should be included in all procedures in each section of the manual. This Section itemizes and emphasizes these safe practices.
- f) Appendix
Necessary drawings and equipment schedules. (This section to also include reduced copy of flow schemes and P&IDs).

The objective of the Manual is to assemble under one bound cover all of the instructions, data and drawings necessary for the operation personnel to start, operate, control and shut down the systems under normal and emergency conditions in a safe manner. It is desired that the instructions be written with clarity and simplicity.

Contractor will submit for Company's review and approval a draft of the Operating Manual at least 150 days prior to completion of facilities for Operation. Company shall return comments to Contractor within 60 days after receipt of draft. The final copies shall be furnished to the Company at least 30 days prior to pre-commissioning/ commissioning of the work. Distribution of copies of draft and final records shall be in accordance with instructions in Correspondence Procedure.

5.1.10 PURCHASING

5.1.10.1 GENERAL

Contractor is expected to co-operate with the Company in the purchase of material and equipment, subject to the provisions of clauses 5.2.2 and 5.2.3. Company reserves the right to review and evaluate contractor's selection. In case, contractor's selection is found not acceptable to the Company as per the provisions of the Contract, Company shall advise contractor to make a suitable substitution, which the contractor shall abide by.

5.1.10.2 PURCHASING PROCEDURE

Handling of requisitions and purchase orders shall be accomplished in the following manner.



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a) Contractor shall prepare material and equipment requisition lists indicating the names of all vendors (from suggested vendor list) proposed to be issued with an RFQ and showing the description, quantities or number required, designation of use, size, catalogue or identification number, mill report, etc. along with Vendor's published literature or any other information which will provide a clear and thorough understanding of the items to be purchased for the facilities, construction, installation and operation requirements as defined in this Bid package.. When purchase requisition refers to a specification for detail, Contractor shall make certain that this specification (purchase specification) has been approved by the Company. Company has an unconditional option/right to approve / reject individual vendors for equipments / items which are in the firm scope of bidder's Work. The Contractor shall call the preferred vendor and arrange discussions with the Company in a satisfactory manner to the Company's Representative before final approval.

b) Contractor shall furnish copies of unpriced purchase orders for all material and equipment supplied including data on country of origin of the goods in accordance with the correspondence procedure. In addition, copies of unpriced purchase orders shall be included in the Manufacturer's data book for all items included in these data books.

5.1.10.3 EXPEDITING, INSPECTION AND TESTING

Contractor shall be responsible for all expediting and inspection. Copies of Contractor's expediting and inspection reports shall be forwarded periodically to Company for information. Contractor shall ensure the Company's right of inspection in suppliers' shops or mills during the manufacturing or fabrication of the project components. Contractor shall inform Company promptly of any problems encountered in regard to quality or delivery, and of steps taken by Contractor to overcome such problems. Any air-freighting undertaken by the Contractor to meet the project completion date shall be to Contractor's account. Contractor shall furnish schedule of dates for factory tests of vessels, pumps, and other major equipment in accordance with instructions as per Part-IV of these specifications.

5.1.10.4 MATERIAL AND EQUIPMENT DELIVERY

Contractor shall be responsible for material and equipment delivery, receipt and handling as well as the necessary inspection as to its condition when received from suppliers. Damage claims and replacement or repairs shall also be handled by the Contractor.

5.1.10.5 PURCHASING STATUS REPORT

By the tenth of each month, **along with monthly report** Contractor shall furnish Company with a status of expediting report covering purchasing progress as of the last day of the preceding month. This report shall indicate purchase order numbers, description of item, supplier, date of order, original promised delivery date, latest revised delivery date, the name of the carrier or shipper, name of the vessel and any other information pertaining to the purchasing status.



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5.2 Assignment/Sub-contracting and Procurement

5.2.1 Assignment

The Contractor shall not, except with the explicit prior approval in writing of the Company, transfer, sub-contract or assign his obligations or any benefit or interests in the Contract or any part thereof in any manner whatsoever. Any such assignment shall not absolve the Contractor from his obligations and responsibilities under this Contract.

5.2.2 Conditions of Sub-contracting

The following conditions shall apply as regards sub-contracting of any portion of the Work pertaining to design, engineering, procurement, fabrication, transportation, installation, topside modifications, pre-commissioning, start up and commissioning of Works entrusted to the Contractor:

- (i) The Contractor may sub-contract any portion of Work entrusted to him only with prior written consent of the Company, which shall not be unreasonably withheld. The extent to which the Contractor may sub-contract part of the Works shall be as stated in his bid and as accepted/approved by the Company prior to the opening of the price bid. All sub-contracting arrangements shall be finalised and sub-Contractors to be deployed shall be firmed up by the Contractor within three months from the date of placement of Notification of award by the Company. A signed copy of the detailed Agreement with prices blanked out or some similar document (indicating the scope of work of Sub-contractor) entered into between Contractor and Sub-contractor(s) to perform the work sub-contracted, shall be submitted to the Company within three months from the date of signing of the Contract between Company and Contractor .

- (ii) Any change in the sub-contractor(s) after the arrangement is firmed up as mentioned in 5.2.2 (i) above, will be made by Contractor only with the prior written approval of the Company which approval shall not be unreasonably withheld and only from amongst those sub-contractor(s) as proposed by the Contractor in his tender and as are found technically acceptable. However, under unavoidable /exceptional circumstances the contractor may offer substitute subcontracting arrangement having requisite experience and capabilities to execute the work. The desired changes shall be put up by the contractor well in time.

Company's decision shall be notified to the Contractor within fourteen (14) working days of receipt of request for such change along with all necessary documents in support of the requested change provided, however, that request for change is received at least one (1) month prior to the schedule start of the relevant activity.

- (iii) Sub-contracting as mentioned herein shall not relieve the Contractor of his obligations and responsibilities under this Contract. Also in no case sub-contractors shall pass on any claim/ liability to Company.
- (iv) Provided however that the sub-contractors listed in Contractor's tender, unless rejected by Company prior to opening of price bids or revised / adjusted price bid, if any, shall for all purposes of the Contract be deemed approved by Company, Contractor shall then be free to sub-contract with any of the already approved sub-contractors subject to Para (ii).



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- (v) In addition to performing Project Management himself, the contractor has agreed to perform the following main activity:
- a).....
 - b).....
- (vi) In case, the contractor's offer of new yard(s) [Other than the pre-qualified yards mentioned in the bid document] same shall be evaluated for acceptance and usage as per evaluation criteria specified at Appendix A-13 of Part III, Volume-I of the Bid Document.

5.2.3 Conditions for Procurement/Selection of Makes and Vendors

a) Based on Company's previous experience of equipment installed and working on various offshore installations of Company, a suggested vendor list for equipment & material is included in Part-III or Appendix A-11 of bidding document. Contractor to select equipment / material from the vendors indicated in the list. In case of exceptional / unavoidable circumstances the contractor may offer other make of equipment / substituted material having specifications equivalent / superior to those specified in the contract through submission of pre-qualification document thereof. Vendors proposed by the contractor and not included in the suggested vendor list will be evaluated and approved by the company according to their product specifications, length of experience in manufacturing a particular product, and availability of service organization along with operational performance experience gained by Company on the earlier procured equipment of the same vendor / manufacturer or other operator's experience.

However, in case, Company revises the suggested vendor list after the issue of NOA and brings it to the notice of Contractor, then

- i. Contractor shall be free to procure the item/equipment from any vendor appearing in the revised vendor list.
 - ii. In case any vendor who appeared in the suggested vendor list in the bid document is put on hold or deleted in the revised vendor list by the Company and provided that the Contractor has not yet placed any order on such vendors prior to the receipt of the revised vendor list, then no further procurement order shall be placed on such vendors who are put on hold / deleted for items for which the vendor is put on hold.
- b) In respect of certain critical equipment like turbines, compressor, Generator, main oil & water injection pumps & electric motors, etc., a recommended list of vendors for such equipment is included in Part-IV of bidding document. Contractor is required to select such critical equipment from the recommended list only.
- c) In case of plants/equipment/materials and other allied requirements to be procured for the Works covered under the Contract, the Contractor shall, subject to the limitation with regard to selection of Vendor(s), make(s) of plant/equipment/material as contained in a) & b) above, procure the required plant equipment/material from amongst the make(s) and Vendor(s) of the respective plant/equipment/ material which have been found to be acceptable and approved by the Company. The



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Contractor shall not procure plant / equipment / material of make(s) and from Vendor(s) other than those agreed and approved by the Company. Company's approval / comments for list of proposed vendors for critical equipment(s) will be given within 10 working days after submission of such list by Contractor during detailed engineering.

- d) For all plants/equipments/materials, for purpose of selection of the make(s) and vendor(s), the Contractor shall submit during detailed engineering the intended make(s) and vendor(s) from suggested vendor list provided in the document. Acceptance of Vendors or comments shall be issued by Company within 10 working days of receipt by Company of the documentation from the selected vendor. The Company shall have right to hold detailed technical discussion with the Vendor (s) and visit vendor's premises. The Company shall examine the details submitted by the Contractor and ascertain the suitability of the proposed make(s) and/or Vendor(s) capabilities to execute the Work. The Company shall have authority to disapprove or reject the proposed make(s) and/or Vendor(s), which do not meet the requirement of the Contract. The decision of the Company in this regard shall be final and binding on the Contractor. The Purchase Order will be issued by the Contractor only after written approval of the Company's Representative, from amongst make(s) and vendor(s), which have been approved by the Company which approval shall not be unreasonably withheld.
- e) Procurement of plants/equipment/materials from vendor(s) as approved by Company from the suggested vendor list shall not relieve the Contractor of his obligations and responsibilities under this Contract.
- f) Deleted

5.2.4 Approval

5.2.4.1 The approval for finalising sub-contracting arrangement and procurement of plant/equipment / materials shall be given by the Company only if the Contractor ensures the compliance to 5.2.2 & 5.2.3 above and following:

- (i) The Contract Price as contained in the Contract shall remain firm and unchanged except as otherwise provided in the Contract.
- (ii) The Contractor shall not be entitled for any time and cost compensation on account of observance of requirements given in Sub-Clauses 5.2.1 through 5.2.3 above. Cost benefits however accruing to the Contractor shall be passed on to the Company

5.2.5 A firm which has been engaged by ONGC to provide goods or works for this project and any of its affiliates are disqualified from providing consulting service for the same project. Conversely a firm hired to provide consulting services for the preparation or implementation of this project and any of its affiliates, are disqualified from subsequently providing goods or works or services related to the initial assignment for the same project.

Consultants or any of their affiliates will not be hired for any assignment, which by its nature, may be in conflict with another assignment of the consultants.

5.3 Miscellaneous



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- 5.3.1 The Company's Representative on behalf of the Company shall have full power and authority to supply to the Contractor or to instruct the Contractor to prepare further specifications, drawings or job instruction necessary for the proper and adequate execution of the Works in accordance with the Contract and the cost of such Work shall be deemed to be already included in the Contract Price. The Contractor shall carry out these instructions and be bound by them.
- 5.3.2 Unless otherwise specified, the Contractor shall pay all tonnage and other royalties, rent and other payments or compensation (if any) for getting stone, sand, gravel, clay or other materials required for the Works or Temporary Works.
- 5.3.3 All operation necessary for the execution of the Works and for the construction of any Temporary Works shall, so far as compliance with the requirements of the Contract permits, be carried out so as not to interfere unnecessarily or improperly with public convenience or the access to, use and occupation of navigable and other water, waterways, channels, roadsteads, harbors or harbor area, fisheries, natural harbors and anchorage and other places of shelter by sea or lands, public or private roads and footpaths or properties, whether in the possession of the Company or of any other person and the Contractor shall indemnify the Company against all claims, demands, proceedings, damages costs, charges and expenses whatever arising in relation to any said matters in so far as the Contractor is responsible therefore.
- 5.3.4 The Contractor shall use every reasonable means to prevent any of the highways, waterways or bridges, locks, docks, sea walls, harbor works or navigation marks, communicating with or on the routes to the Site from being damaged or obstructed by any traffic of the Contractor or any of its sub-contractors. The Contractor shall select routes, choose and use vehicles and vessels and restrict and distribute loads and cargo such that any extra ordinary traffic and material from and to the site will be limited as much as is reasonably possible and so that no unnecessary damage or injury may be occasioned to highways and the other facilities and areas aforesaid.
- 5.3.5 The Contractor shall in accordance with the requirements of the Company's Representative, afford all reasonable opportunities and access to the Works/Site to the Company or to any other contractors employed by the Company and their workmen and to the workmen of the Company and of any other duly constituted authorities who may be employed in the execution on or near the Site of any work not included in the Contract or of any Contract which the company may enter into in connection with or ancillary to the Works for carrying out their work. When instructed by the Company or its representative, the Contractor shall also liaise and coordinate with Company's other contractors for proper execution of the Works.

Subject to Section 5.19 of the Contract, in complying with the requirements of this section at written instruction of Company/Company's Representative, should Contractor be delayed in the construction schedule, or should Contractor incur additional costs, Company will compensate the Contractor only for the standby charges of the spread so affected and any additional infield movement so necessitated (as certified by the Company's Representative) at the rate as set out in the Contract and Contractor will receive an appropriate extension of time if it affects critical path of the Construction schedule and provided the Contractor had notified immediately to the Company about occurrence of such hindrance to their Works provided further and to the extent the delay or any part of it is attributable to the Company, its agents and other Contractors or any other duly constituted authorities who may be employed in the execution on or near the Site of any work not included in the



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Contract or of any Contract which the Company may enter into in connection with or ancillary to the Works. Should any aforesaid compensation become payable, such cost shall be backed up by detailed documentation, to the satisfaction of Company.

5.3.6 Unless otherwise specified, the Contractor shall at his own expense supply and provide all the Constructional Plant and Equipment, Temporary Works, materials, both for temporary and for permanent Works, labour (including the supervision of it) transport to and from the Site and in and about the Works, and other things of every kind required for design and engineering, procurement, fabrication, construction, load-out, tie-down, transportation, installation, hook-up, testing, pre-commissioning, start up & commissioning and making good of the works, including during the period of Guarantee for Works required to be performed by Contractor at his own cost in accordance with the provisions of the Contract.

5.3.7 **Deployment of Marine Spread**

The contractor will mobilize the Marine spread with prior approval of the company. Accordingly, the contractor shall establish technical suitability of spread for the project with supporting documents. The necessary supporting documents shall be put up by the contractor 6 months before the date of actual mobilization for Company's approval. Any delay in submission of documents or any other activity attributable to contractor pertaining to barge approval will be contractor's responsibility.

In case, the contractor offers barges without track record, the same shall be evaluated for acceptance and usage as per evaluation criteria specified at Appendix A-12 of Part III, Volume-I of the Bid Document.

If the marine spread deployed by the Contractor under this Contract are subsequently found to be inadequate to complete the Works including the optional items covered under this Contract, then the Contractor shall deploy additional and/or substitute spreads as required to complete the Works under this Contract within the Contract Price and without any time effect to the Company

5.3.8 Contractor shall keep informed the Company, of delays or likely delays for entry into/exit from ports, of supply boats and/or cargo ships carrying on board materials/equipments for the work. Any delay to Work pursuant to delays in entry to/exit from ports as aforesaid shall be to Contractor's account. The Company will also not accept any liability on account of aforesaid delays and the cost incurred by the Contractor, if any, in this regard shall be to Contractor's account. Company shall ensure that security check by Company's security personnel shall be carried out on board supply boats/vessels at 12 Victoria Docks and other 2 jetties (to be mutually agreed upon) as and when Contractor is required to operate their supply boats/vessels, with prior written notice from Contractor of not less than 24 hours. The Company's security personnel shall also carry out security check of the supply boats/vessels at anchorage area in case any material is to be dispatched to offshore site urgently or the supply boat/vessel is not in position to find berth on any of the agreed docks/jetties. It shall be Contractor's responsibility to provide to and fro transport between docks/ jetties and anchorage area for the purpose, without extra cost to Company.

5.3.9 On the Completion of the Works, the Contractor shall clear away and remove from the Site all Temporary Works, Construction Plant and Equipment, surplus materials, which he had provided, including any wreckage, debris and rubbish of every kind caused by Contractor or his Sub-contractor and leave the whole of the Site and Works clean and in a workman like and safe condition. If the Contractor fails to remove all such materials, debris and



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rubbish, the Company shall have the right to get them removed and any cost incurred by the Company in doing so shall be recovered from the Contractor.

5.3.10 The Contractor shall not dump any material in the sea especially in the vicinity of the existing facilities of the Company or the facilities which are being installed under the Contract.

5.3.11 It shall be the responsibility of the Contractor to fully comply with the following Security Provisions:

- i. Entry/Access to any Indian offshore field / facility is governed by rules & regulations formulated from time to time by the Government of India and / or its concerned departments / agencies, which are binding on the Company and its contractors etc. All such rules and regulations (including amendments if any) are to be complied without any time and cost impact to the Company. The present requirements in this regard are as follows:

For all the personnel (Indian/Foreigners) and vessel (Indian registered as well as foreign registered) of contractor and/or their subcontractors, the Procedure for security clearance as listed below will have to be strictly followed/complied with before entering the Work Site. Any subsequent changes/modifications as may be issued from time to time in this regard shall also have to be duly complied without any time and cost impact to the Company.

Company's security section has right to deny permission to any person/vessel to go to the Site in case either the required procedures are not complied with or any person/vessel comes without stipulated advance notice, and in that case the Company will not be liable for any cost and time impact.

Duty Passes for all the personnel are to be obtained well in advance from the Security Section of the Company after providing the prescribed Declaration Forms along with 2 stamp size photographs in respect of each person.

- (a) Indian nationals (excluding vessel crew): Before mobilising/deputing Contractor's persons (Indian nationals) at Site and/or its subcontractor/ vendor representative, etc. Contractor will submit minimum 2 weeks in advance a complete list of the persons along with necessary police verification to enable Company's security section to issue necessary non employee duty (NED) passes without which no person of Contractor/subcontractor or vendor is allowed to proceed to Site.

- (b) For Foreign nationals : At least 4 weeks in advance the Contractor will submit for obtaining necessary clearances from Ministry of Home Affairs (MHA) etc. a list of all foreign nationals required to be mobilised to site. Following information shall be provided :

- i. Full Name
- ii. Passport No. date and place of issue
- iii. Nationality
- iv. Date of Birth
- v. Parentage



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- vi. Present Address
- vii. Permanent Address
- viii. Validity of the passport
- ix. Details of the visa
- x. Date visited India last
- xi. Purpose
- xii. Duration of the last visit and
- xiii. Occupation.

Contractor is to ensure that only such expatriates who are having valid passports and valid business visas are deployed for work under the Contract. Expatriates having Tourists visas are not permitted to work in any of Company's projects.

Contractor's personnel (crew/workers) proceeding to offshore should not be in possession of any personal camera/photography materials, Arms/ ammunition, liquor, prohibited drugs etc.

Contractor is to ensure that all personnel display the Non-employee duty passes issued by the Security Section of the Company on work.

All non-employees duty passes issued for the Construction activities should be surrendered to security section of the Company promptly after construction activities are over in a particular working season.

Contractor is to ensure that all the personnel engaged by them abide by the Security & Discipline Rules prescribed from time to time by the Security Section of the Company.

Contractor and his sub-contractors/agents are to comply with any directive as may be prescribed/given by the Company from time to time in respect of Security matters.

- ii. For all vessels (Indian / Foreign flag) before they are allowed to enter Site, minimum 4 months in advance the Contractor must submit the details of the vessels along with the crew list (Indian/Foreign) and necessary valid certificates including registration / clarification of document to Company for obtaining MOD (Ministry of Defence) clearance, etc. Upon receipt of MOD clearances, the vessels shall be inspected by Indian Navy or any other authorised agency (as authorised from time to time to inspect the vessel) before they can be allowed to proceed to Site. The location of inspection and other procedures can be discussed with Company's Security Section before inspection.

Contractor is advised to give preference to Indian flag vessels for undertaking various operations off the Indian coast. The foreign vessels may be employed only when suitable Indian vessels are not available.

Liquor/Arms and ammunition on board any vessel/barge is strictly prohibited at offshore.

Before any vessels leave site, Company's Representative will have to be informed and the security procedure will have to be repeated once the vessel visits any area other than the identified site(s).



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On daily basis, movement of the vessel in field/out of the field shall be reported to the Head of Security Section of the Company (presently having his office at Mumbai) and Company's Representative etc.

- iii. Naval Security Clearance: Physical inspection of the barges / vessels by Indian Naval authorities for naval clearance by Command Intelligence Officer, Western Naval Command, Mumbai Docks shall be carried out at offshore Site for those barges / vessels which are going directly to offshore Site. However, the Contractor shall provide information of the barges / vessels (such as number of sailings) going directly to the offshore Site at least 4 (four) weeks prior to the start of the Construction Season.

Procedure for Naval Security Clearance of Vessels / Barges proposed to be deployed at offshore

1. Any vessel / barge, before being deployed at offshore, shall be offered by the Contractor for clearance by the Indian Navy and foreign flag vessel shall have clearance from Ministry of Surface Transport (MOST).
2. The Contractor shall apply to the Project Coordinator for Naval Security Clearance giving details such as technical specifications of the vessel along with various documents/certificates of the vessel, vessel photographs and its crew list.

The documents shall also include a certificate of Specified Period License/General Trading License issued by DG Shipping.

3. The Project Coordinator shall send all the details giving reference of the Contract to the office of the Chief of Security Section (Director (S&V) / General Manager (S&V)) giving the tentative date / dates of arrival of the vessel / barge concerned.
4. The Company shall forward all the relevant vessel documents received from the Contractor with a recommendatory letter to Ministry of Petroleum and Natural Gas (MOPNG) for onward endorsement to Ministry of Defense (MOD) for clearance of the vessel / spread. However, the responsibility of obtaining MOD Clearance will be that of the Contractor.
5. The Contractor shall also submit one additional copy of all the relevant documents to Naval Head quarters at the following mailing address.
The Chief of Naval staff
(for Director of Intelligence)
Naval Head Quarter
C/O Defence Head quarter post office,
New Delhi- 110011.
6. The Security Section would take up the matter with the Indian Navy for Naval Security Clearance upon receipt of Defense Clearance from Ministry of Defense (MOD).
7. The Contractor shall inform the Company of the arrival date of the spread / vessel at least a week in advance of its actual arrival. The Company will then arrange through its security section for fixing up the date and place for clearance of such vessel and transportation of



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the Inspection Team and any other naval requirement at the time of clearance. The inspection would be carried out at a point outside the field as per the convenience of the Contractor.

- 8 After inspection, Naval Security Clearance number will be given on the spot, which should be retained by the vessel / barge concerned throughout its stay at offshore. Subsequently, clearance certificate will be issued by the Naval authorities, which should be sent to the concerned Project Coordinator.
- 9 Any vessel leaving the Indian waters would lose its Naval Clearance and would be re-inspected for fresh clearance on its re-arrival.
- 10 Clearance for expatriates should be applied at least four (4) weeks in advance as set out in the procedure for clearance of foreigners as mentioned above.
- 11 Bidders should comply to latest terms and conditions of circulars issued by of D.G. Shipping, as applicable.
- iv. The schedule(s) prescribed in the foregoing paras for advance submission of details regarding vessel/personnel clearance is indicative only as the clearances are to be accorded by the concerned departments of the Govt. of India. Hence Company will not be liable for any time & cost impact due to any delays on this account or due to change of procedures etc. in this regard.

5.3.12 The Contractor shall ensure that none of his personnel / employees / representatives including personnel/employees/representatives of his sub-contractors / vendors carry out any type of cameras nor do any photography in or around any of Company's installations / facilities and also ensure that they shall hand over all films (exposed or unexposed) negatives and photographs to the Company's Representative before leaving for the Off-shore Platform / vessel and shall not retain any film (exposed or unexposed) negative or photographs after departure from Offshore. All employees/representatives of Contractor including employees / representatives of his vendors / sub-contractors shall sign a declaration as prescribed by the Company every time before their departure for/from Offshore. Photography on or around of location of work, as decided and approved by the Company can be undertaken. However any photography other than that required for the scope of work is completely prohibited. Any violation in this respect shall be treated as breach of security instructions of the Company and Contractor or his employees / representatives of his Vendors/subcontractors are liable for penal action under laws of the Country, besides any other action which the Company may decide to take against the Contractor such as sending the employees/representative(s) including employees / representatives of his vendor(s)/subcontractor(s) back and debarring them from entering into Company's installations / worksite for a period of two years at the sole discretion of the Company.

5.3.13 Contractor shall be required to submit all details/ drawings related to anchor patterns of his vessel/ barges at least 3 weeks prior to schedule start of offshore works and shall obtain prior approval of Company's Representative identified for this purpose before dropping/lifting the anchors in the vicinity of Company's existing facilities.

5.4 Surveys



5.4.1 Pre-Engineering Survey & Pre Construction/Pre Installation Surveys

i) Pre Engineering Survey

The Contractor shall at his own cost independently carry out pre-engineering survey of offshore site with his survey equipment like side scan sonar, multi beam echo sounder, sub-bottom profiler & magnetometer to verify the locations/ obstructions (if any) of the proposed facilities mentioned in the scope of work. If the location is in the vicinity of existing structures like platforms where the access to the survey area is constrained to carry out the survey, the contractor has to carry out ROV survey for the platform location to identify debris and other structures. Such verification shall include but not be limited to verification of site conditions i.e. water depth, seabed topography at the proposed location of Well Platforms as well as launch/ installation site etc. Contractor shall also carry out pre-engineering survey for modifications on existing platforms. Pre-Engineering survey shall be carried out well before design engineering. Details provided in the Bidding Documents are only indicative and in the event of some deviations observed by the Contractor the same shall be discussed with Company's Representative and mutually agreed. Contractor shall be fully responsible to complete the Work as per actual parameters found during this survey without any time and cost effect to the Company other than that indicated in succeeding paragraph. However, in case of substantial difference, if any, between the actual parameters and those given in the Survey details of Bidding Documents related to sub-soil conditions, suitable time (if it affects critical path) and cost effect will be compensated by the Company.

Notwithstanding the provisions of Clause 2.3.1.2 should any obstruction or physical condition be discovered during such pre-engineering survey making impossible or adversely affecting the performance of the Work, the Contractor shall immediately notify the Company. The Company shall have authority to decide the realignment / routing for which there shall be no time and cost impact to the Company except that the Contract price shall be adjusted for variations as per the provision of Clause 3.5.1 or as otherwise provided for in the Contract. Alternatively, should Company require the Contractor to remove obstructions or debris, Company shall pay the Contractor at appropriate schedule of rates and grant reasonable extension of time if such removal affects the critical path.

ii) PRE-CONSTRUCTION / PRE-INSTALLATION SURVEY

The Contractor shall, at his own cost, independently carry out pre-construction / pre-installation survey of the Sites with his survey equipment before start of offshore construction / installation. It shall be the sole responsibility of the Contractor to suitably mark all the existing submarine pipelines, wellheads etc. to enable him to proceed with the Work. The Contractor will use Side Scan Sonar, multi beam survey and Sub-bottom Profiler or any other equipment approved by the Company's Representative to locate and mark all submarine pipelines, well heads etc. before dropping anchors etc. and will also constantly check and monitor the position of such anchors due to possible drift or anchor dragging. The Contractor shall be fully responsible for any damage caused by the



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Contractor or his sub-Contractors to the existing facilities in accordance with the provisions of the Contract. However the Contractor shall not be responsible for the condition of the existing facilities as it existed at the time of starting of pre-engineering survey.

- iii) All time and cost effect due to obstructions and physical conditions including debris, if any, making impossible or adversely affecting the performance of Works which were not reported during or immediately after pre-engineering survey and are encountered and reported during pre-construction/pre-installation survey and/or during installation shall be to the Contractor's account except that Contract Price shall be adjusted for variation as per the provision of Clause 3.5.1 or as otherwise provided in the Contract.

The Contractor shall report the presence of any debris, at the Site(s) during pre-engineering survey. Notwithstanding anything contained in the foregoing paragraph, Company shall not be liable for any time and cost effect in respect of debris, found during pre-construction/pre-installation survey, unless the Contractor proves with evidence to the satisfaction of the Company that such debris occurred for the reasons not attributable to the Contractor and his sub-contractors and same was not existing upto the time pre-engineering survey was carried out and the same is found to be there at the time of pre-construction, pre-installation survey.

The Contractor shall show the video to establish the presence and quantity of debris noticed during pre-engineering and pre-construction/pre-installation surveys, duly witnessed by Site representative of the Company while carrying out such surveys.

However, if the debris or unwarranted material is proved by the Contractor to be attributable to the Company or its other contractor, the Company shall compensate the removal of these in accordance with the Contract.

- iv) Failure to visit the Site, review the drawings and acquaint himself with all conditions will not relieve the Contractor, in any way, from furnishing any material or performing any work in accordance with the Contract.

5.4.2 While carrying out the Scope of Work under this Contract, Contractor may be required to open / dismantle / realign / modify any facilities or instrument or piping equipment of the existing facilities to carry out the Work. The same shall be carried out without any time and cost effect to the Company. It will be the total responsibility of the Contractor to, test and re-commission all such facilities during and after the completion of work in accordance with the Contract. The same shall be carried out without any time and cost effect to the Company.

5.4.3. **Post Installation Survey**

The Contractor shall carry out "as installed" / "as laid" surveys as applicable for the facilities created under the project. If any debris or unwanted material which was not found and reported by Contractor to the Company during the pre-construction survey is observed during post installation survey the same shall be removed by the Contractor without any



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time and cost effect to the Company. However, if the debris or unwanted material is proved by the Contractor to be attributable to Company or Company's other contractors, the Company shall compensate the Contractor for removal of those in accordance with the Contract.

5.5. Accommodation and Other Facilities for Company's Representative/ Engineers/ Engineer's Representative

The Company shall post Company's Representative(s) at each work site. Contractor is required to submit design documents/ drawings etc. at the Company's designated office at Mumbai for its review/approval, in case Company's Representatives are not posted at the work site. If required, contractor shall arrange for discussion between its engineers & Company's representative(s) / Engineers(s) for any clarification etc. either in person or through video conferencing / or at an extension of the design office in India. The Company may also depute its Engineers(s)/Representative(s) at Contractor's design center for review of critical documents. Contractor shall arrange to send the design documents/ drawings at the Company's designated office at Mumbai for its review. The documents drawings shall be reviewed by the Company at Mumbai. The cost incurred in dispatching the documents / drawings by fast courier service to and fro between Contractor's design center(s) / office(s) and Company's office(s) shall be borne by the Contractor and the time taken in transit shall also be to Contractor's account. The Contractor shall provide certain facilities for Company's Representative to perform whatever services are deemed necessary by the Company as given in Clauses 5.5.1, 5.5.2 & 5.5.3.

5.5.1 Throughout the execution of work on onshore site, the office space, stationery, secretarial services with, computers (3 nos. with internet facility), photocopying / reproduction facilities, communication facilities shall be provided for a maximum of 10 persons (during design review) / 20 persons (at each site during fabrication assembly and equipment specification) at no extra cost to Company. The communication facilities shall include, but not be limited to, Indian and overseas telefax, fast courier service for official mail / documents and telephone facilities (i.e. minimum 1 direct telephones with overseas calling facilities, 1 fax machines, etc.). In case of more than one engineering / design office, the conditions mentioned above shall apply to each office. Bidder's lumpsum price shall be inclusive of all the above charges.

5.5.2 Through out the execution of work at offshore site, contractor shall furnish living and boarding accommodation, office space with adequate furnishing, stationery, photocopying/ reproduction and computer facilities for company persons (upto 10 during installation phase and upto 15 during hookup / commissioning phase) on each marine spread at no extra cost to the Company. Accommodation and mess services shall be equal to that provided to Contractor's senior staff personnel. Infield boat transportation to be mutually agreed based upon requirements of the Work shall also be provided by Contractor as required for the Company's / Engineer's representative to adequately monitor and inspect the works. Offshore telephone, offshore telefax facilities from barges through satellite communication for official communications shall be provided to company's Representative/ engineers' representative / inspector at no extra cost. The Contractor shall also provide independent and accessible at all times to the Company's representatives / Engineer's representatives, the V-sat, SSB Radio Communication, VHF set for communication with the Company's base station onshore and 2(two) Walkie-Talkie sets on all the barges the Contractor has deployed



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for the works. Food provided shall be Indian and as agreed with the Company's Representative. Bidder's lumpsum price shall be inclusive of all the above charges.

- 5.5.3 During the fabrication & assembly, reasonably accessible space will be made available at site if necessary, for testing or inspection of works.

5.6 Pile Remedial Works

- 5.6.1 Pile Remedial Works – ~~deleted~~.

5.7 Support Diving

The Contractor shall at his own cost provide all equipment facilities and personnel needed to perform diving operation required for performance of the Works or for the inspection of the Works carried out. Besides saturation diving, other special diving equipment shall also be provided by the Contractor at his own cost to take care of any sub-sea work during execution of works including provisions of facilities for Video Monitoring and Underwater Ultrasonic testing of Welds if required to carry out scope of work covered under the Contract. Contractor shall mobilise an RCV or Diver held Video Equipment and show the necessary video tape to Company's Representative when required by him to satisfy about underwater works carried out by Contractor.

5.8 Workmen

5.8.1 Facilities for Workmen

- 5.8.1.1 The Contractor shall make his own arrangements for the engagement of all workmen, local or otherwise, and for their transport, housing, feeding and payment.
- 5.8.1.2 The Contractor shall provide at Site adequate supply of drinking water and other water for use at Site.
- 5.8.1.3 If any illness of an epidemic nature breaks out, the Contractor shall comply with and carry out whatever regulations, orders and requirements are imposed by the Government or the local medical or sanitary authorities for the purpose of promptly dealing with and overcoming it.
- 5.8.1.4 The Contractor shall at all times take all reasonable precautions to prevent any unlawful riotous or disorderly conduct by or amongst the persons deployed for the works at site and for the preservation of peace and the protection of persons and property in the neighborhood of the work.
- 5.8.1.5 The Contractor shall ensure that the provisions of this Clause 5.8 are complied with by his sub-contractors also.

5.9 Materials and Workmanship

5.9.1 General



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All materials and workmanship shall be as specified in the Contract and in accordance with the requirements of the Contract.

In the event of any revision(s) in the Codes and Standards which become effective after the date of submission of techno contractual bid, the cost effect shall be borne by the Company subject to such change(s) being effected with prior approval of the Company.

All materials and workmanship shall be subjected from time to time to tests, inspections which the Company's representative may direct as per the Contract either at the place/ agency of manufacture or fabrication or at the site or at such other place(s) or agency (ies) as may be required for execution of the Works as per contract without any time and cost effect to Company.

The Contractor shall provide assistance, instruments machines, labour and materials which are normally required for examining, measuring and testing any work and the quality, weight or quantity of any material used and shall supply samples of materials before incorporation in the Works for testing, as may be selected and required by the Company's/Engineer's Representative. The Company's/Engineer's Representative or duly authorised inspector shall be entitled to attend the said tests and/or inspection. Company shall bear all costs and expenses incurred in connection with traveling and boarding & lodging expenses except as otherwise provided in the Contract. In case the tests/inspections are not performed during the period or at the time mutually agreed for reasons other than those directly attributable to Company / its agents / its other Contractors then Company's Representative shall have the right to get the tests, inspections attended or performed through an independent agency (ies) or any other authorised inspector(s) and all costs incurred by the Company's Representative in doing so shall be recovered from the Contractor. Before any material is incorporated used in the Works Contractor must obtain necessary approval from the Company's Representative. If the Company's inspector fails to attend the test and or inspection at the time mutually agreed or if it is agreed between the parties that the Company's inspector shall not do so, then the Contractor may proceed with the test and/or inspection in the absence of the Company's inspector and provide the Company with a third party certified report of the results thereof.

Tests of materials, equipment, systems and workmanship shall include but are not limited to the tests referred to in and required by the Contract Specifications.

The testing of all welders/other workmen as required by the Contract Specifications shall be to the sole account of the Contractor, including but not limited to the time spent by workmen engaged upon such tests or re-tests and the provisions of all materials, equipment and supervision required for the performance of such tests or re-tests to the satisfaction of the Company's Representative in accordance with the Contract. The Contractor agrees that neither the execution of a test and/or inspection of Materials or any part of the works nor attendance by the Company's Representative/ authorised inspector nor the issue of any Test Certificate pursuant to Cl.5.9.6 hereof shall absolve the Contractor from his responsibility of execution of the Works in accordance with the Contract.

5.9.2 Samples

All samples shall be supplied by the Contractor at no extra cost to Company if their supply is provided for by the Contract specifications.

5.9.3 Cost of Tests



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The cost of conducting any and all tests provided for in the Contract specifications and to meet the requirements of Contract shall be borne by the Contractor.

- 5.9.3.1 The Contractor will establish and maintain continuous radiography service facilities and personnel skilled in their use for the testing and inspection of welds or base metal in Contractor's and sub contractor's work sites and also ultrasonic, magnetic particle and Dye Penetrant tests/inspection services, as and when required by the Company's Representative in accordance with the Contract.
- 5.9.3.2 The Contractor will also make available, as and when required by the Company's Representative the necessary special equipment and skilled personnel for the operation of radiography. Service facilities for the testing and inspection of the Works as stated in the Contract Specifications.
- 5.9.3.3 The Costs of all Radiography, Ultrasonic, Magnetic particle or other inspection of weld or base metal, as provided for in sub-clause 5.9.3.1 and the costs of all other testing and inspection as provided for in the sub-clause 5.9.3.2 upto the limits prescribed in the Contract Specifications shall be to Contractor's Account.
- 5.9.3.4 ONGC has right to carry out Sample test for bulk items and contractor has to carry out the same without any time and cost impact. Unless otherwise specified cost of all Works/tests etc. as specified in Contract are deemed to be included in the lumpsum Price of the Contract.

5.9.4 **Additional Tests**

If any additional test is ordered by the Company's Representative which either:

- a) is not provided for in Contract specifications

or

- b) though provided for in the Contract specifications, is ordered by the Company's Representative to be carried out by an independent person/agency at any place /agency other than the Site or at the place/agency of manufacture or fabrication of the materials

the costs and time effect of the test shall be borne by the Contractor if the test shows that workmanship or materials are not in accordance with the provisions of the Contract. If the tests show that workmanship or material are in accordance with the requirement of the Contract then actual cost related to tests shall be borne by the Company and appropriate time extension will be granted to the Contractor in the event that project critical path is affected. Should project critical path not be affected only cost impact will apply.

5.9.5 **Access for Inspection/Tests**

The Company's Representative/Engineer or any person authorised by him, shall at all times, have access to the Works and to the Site and to all workshops and places or where the Works are being executed or machinery are being obtained for the works to inspect the progress and the manner of manufacture or construction.



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Whenever the Contractor is ready to carry out any such test or inspection, the Contractor shall give reasonable advance notice of such test and or inspection and of the place and time thereof. The Contractor shall obtain from any relevant third party or manufacturer necessary permission or consent to enable the Company's Representative/authorised inspector to attend the test and/or inspection. The Contractor shall provide every facility for and necessary assistance in obtaining the right of access for the Company's personnel including Company's Representative and Engineer/ Engineer's Representative. All accesses to works in at site provided by the Contractor shall in all respects be protected and safe.

The Contractor shall provide the Company's Representative with a certified report of the results of any such test and/or inspection.

5.9.6 Opportunity for Inspection of Works

5.9.6.1 Any part of the Works shall not be covered up or put out of view without the approval of the Company's Representative or the Engineer/Engineer's representative and the Contractor shall give reasonable notice and provide full opportunity to the Company's Representative or the Engineer/Engineer's Representative to examine and measure any work by providing the facilities for examinations and measurement including the equipment required for them, which is about to be covered up or put out of view or installed below the surface of the sea and to examine any part of the work before other part of the work is placed. The Contractor shall give reasonable notice to the Company's Representative or Engineer/Engineer's Representative whenever any work is ready or about to be ready for examination and the Company's Representative or Engineer/ Engineer's representative shall without unreasonable delay, unless he considers it unnecessary and advises the Contractor accordingly, examine/measure/inspect the works. Contractor shall mobilize vendor representative during pre-commissioning/commissioning as per bidding document requirements.

5.9.6.2 The Contractor shall uncover any part of the Works or make openings in or through it as the Company's Representative from time to time directs and shall reinstate and make good such part or parts to the satisfaction of the Company's Representative in accordance with Contract.

5.9.6.3 If any part uncovered or opened pursuant to Clause 5.9.6.2 has been covered up or put out of view after compliance with the requirements of Clause 5.9.6.1 and after inspection is found to be executed in accordance with the Contract the expenses for uncovering making openings in or through, reinstating and making the same good shall be borne by the Company and appropriate time extension shall be granted to the Contractor in the event that project critical path is affected. Should project critical path not be affected only cost impact will apply. But in any other case all the expenses shall be borne by the Contractor and time affect, if any, shall be to Contractor's account.

5.9.6.4 FIELD INSPECTION

Contractor shall have, at all times during the performance of the Work, a competent Superintendent or Foremen on the premises, and any instructions given to such Superintendent or Foremen shall be construed as having been given to Contractor.

5.9.6.5 Fabrication



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Company reserves the right to inspect all phases of Contractor's operations including field and shop fabrication equipment assembly, testing, packing and load-out, operation etc. to ensure conformity to the specifications. Company will have an engineer, inspector (3rd party inspection Agency) or other duly authorized representatives, made known to the Contractor, present during progress of the Work and such Company's Representatives are to have free access to the Work at all times. The presence or absence of a Company's Representative does not relieve Contractor of the responsibility for quality control in all phases of the Work. In the event that any of the work being done by Contractor or any Sub-contractor is found by said Company's Representative to be unsatisfactory or not in accordance with the plans and specifications, the Contractor shall, upon verbal notice confirmed in writing immediately of such discrepancy or deficiency, take immediate steps to revise the Work in a manner to conform to said plans and specifications.

5.9.6.6 Erection and Installation

Company will have engineers, inspectors or other authorized representatives present who are to have free access to the work at all times. If a Company's Representative notifies the Contractor's Superintendent or foreman of any deficiency or recommends action regarding compliance with these specifications. Contractor shall make every effort to carry out such instructions in the fullest degree consistent with best industry practice and the prevailing conditions at the time.

5.9.7 Removal/Replacement of Improper Work and Materials

5.9.7.1 During the progress of the Works the Company's Representative shall have the power to order:

- i) the removal from site of any materials which are not in accordance with the Contract and which are supplied by the Contractor. The material shall be removed by the Contractor at his own expense.
- ii) the substitution of proper and suitable materials according to Contract Specifications.
- iii) the removal and rectifications of any work (notwithstanding any previous test thereof or interim payment therefore) which in respect of material or workmanship is not in accordance with Contract.

Such orders shall be issued by the Company's Representative in writing.

5.9.7.2 In case of default on the part of the Contractor in carrying out an order pursuant to Cl. 5.9.7.1 the Company shall be entitled to deploy other person/agency to carry out such works and all expenses directly related thereto shall be recoverable from the Contractor by the Company. Company will notify the Contractor of the amount, with details, so incurred by it. If the Contractor fails to pay the amount to the Company within 30 days from the receipt of the invoice with the required back-up documents the amount may be deducted by the Company from any money which is due or which may become due to the Contractor.



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- 5.9.7.3 In the event Contractor propose substitution of any materials/equipment, it shall be the Contractor's responsibility to prove to the Company's Representative that the materials/equipment offered by him are equivalent or better in specifications than those specified in the Contract.

Cost savings, if any, arising out of any substitution of materials/equipment shall be passed on to the Company. Cost increase if any, due to substitution shall be borne by the Contractor. No extension of time on this account shall be granted to the Contractor. The Contractor shall obtain prior written approval from the Company's Representative for resorting to substitutions of materials/equipment etc. It will be Contractor's responsibility to submit all relevant documents including Vendor quotation/ invoice to establish reasonability of cost savings with details proposed to be passed on to the Company.

5.10 **Certificate of Completion and Acceptance of the Work**

Certificate of Completion and Acceptance of the Works or part of the Works shall be issued by the Company subject to the provisions of following Clause 5.10.1, through 5.10.5.

- 5.10.1 When the whole of the Works have been completed in accordance with the Contract and have satisfactorily passed tests prescribed in the Contract and are ready for final inspection, the Contractor shall notify the Company in writing enclosing all the required documents and reports for review and acceptance by the Company's Representative. The Contractor will also notify the Company's Representative in writing within 7 days in advance regarding the likely completion date of the Works. The contractor shall certify that all positive change orders with respect to the complete works of the project have been submitted for the review of company and no additional change order shall be raised by the contractor with respect to this contract neither to the company nor to OEC /Arbitration/Legal recourse.

As the work progresses, the Contractor shall continue to provide the required details and data for review by the Company's representative to assist in the expeditious inspection of the Works when completed. The Company's Representative shall review promptly and revert within 14 days after receipt of such notice. If the works are found to be complete in all respect and carried out in accordance with the Contract then the Company shall issue a Certificate of Completion and Acceptance as provided for in Clause 5.10.2. If some defects and/or deficiencies are noticed in the Works, the same shall be notified to the Contractor's in writing within 14 days after receipt of Contractor's notice. Such defects and/or deficiencies attributable to the Contractor's work and workmanship, shall be rectified promptly by the Contractor at his own expenses for which no extension shall be granted. The Contractor shall thereafter repeat the procedure for giving notice as stated above. Should the Company fail to notify such defects and deficiencies to the Contractor within the said period, the Works shall be deemed to have been completed and accepted by the Company without comments.

- 5.10.2 If the Company is satisfied that the entire Works have been completed as specified in the Contract and have successfully passed all tests provided in the Contract then the Company shall issue a Certificate of Completion and Acceptance which certificate shall be effective from the completion date which the Contractor had notified to the Company subject to the Company's Representative certifying that the entire Works were completed by the Contractor without any defect on the said notified completion date except for the Punch List items.



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- 5.10.3 The Company may accept at its discretion either for flowing oil or gas or any other use any work which has been substantially completed to the satisfaction of the Company's Representative at site and shall issue a part Certificate of Completion and Acceptance before issuing a final Certificate of Completion and Acceptance referred to in 5.10.2 above. Such part of the Works shall then be considered as completed by the Contractor except for any outstanding item for that part of the Work which the Contractor shall agree to complete before completion and acceptance of the entire Works. No extension of time or increase in cost will be acceptable to the Company on this ground.
- 5.10.4 The Contractor shall not use or occupy any part of the Works unless its use or occupation has been agreed to by the Company in writing.
- 5.10.5 Company's acceptance of the Works shall not operate as a waiver of the Company's rights under guarantees in the Contract herein contained as to any short supply specified in the Punch List and defects and deficiencies under Clause 6.1 of GCC.
- 5.10.6 Hydrocarbons (other than lubricating oils and the like) shall not be introduced to the Work until Contractor has received Company's approval in writing to do so.
- 5.10.7 The final completion certificate referred to in 5.10.2 above shall be issued only after the contractor furnishing a certificate that "All positive change orders with respect to the complete works of the project have been submitted for the review of the company and no further change order shall be raised by the contractor with respect to this contract either to the Company or to OEC/ Arbitration / Legal recourse."

5.11 Constructional Plant and Equipment, Temporary Works and Materials

5.11.1 Constructional Plant and Equipment brought to Site

All Constructional Plant and Equipment, Temporary Works and materials provided by the Contractor shall, when brought on the Site, be deemed to be exclusively intended for the Construction and completion of the Works and the Contractor shall not remove them or any part of them (save for the purpose of moving them from one part of the site to another) without the written consent of the Company's Representative, which will not be unreasonably withheld or delayed, subject, however, to the provisions contained in the Contract. Unless otherwise specified in the Contract, upon completion of the Work the Contractor shall remove from the Site all Constructional Plant and Equipment brought by the Contractor on to the Site and any surplus materials.

5.11.2 Constructional Plant and Equipment Breakdown

- a. It is expressly understood that breakdowns of Contractor's Constructional plant and Equipment on land or at offshore location during the execution of Works shall not be regarded as physical conditions which could not have reasonably been foreseen by Contractor and as such, the costs of such breakdowns and any resultant delays and costs thereof will be to Contractor's account, unless such breakdown are caused by an event of Force Majeure. In this case, the provision stated on Cl.7.5.2 of GCC shall be applied.



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- b. The Contractor shall ensure that the Constructional Plant and Equipment brought by him to the Site are in good working condition. The Company would need a certificate from the Contractor that this Constructional Plant and Equipment before mobilisation at Site are adequate and in good working order to carry out the Works. The Company reserves the right to inspect such Constructional Plant and Equipment upon its mobilization to the site and the Contractor shall intimate to Company well in advance of mobilization of such Constructional Plant and Equipment to Site to enable Company to arrange inspection. However such an inspection by Company will not relieve the Contractor of his responsibilities about the adequacy and fitness of Constructional plant and equipment.
- c. The Contractor shall schedule repair and maintenance of his constructional plant and equipment in such a way that constructional plant and equipment breakdown will not delay completion of Works beyond the scheduled completion date. If the Contractor's constructional plant and equipment experience breakdown of such frequency and type that delay in completion of the Works beyond the scheduled completion date is probable, the Contractor shall take immediate action, and replace such constructional plant and equipment and/or mobilise suitable additional constructional plant and equipment in a timely manner at no additional cost to Company so as to prevent delay in completion beyond the scheduled completion date.
- d. If due to the occurrence of breakdown to Contractor's constructional plant and equipment, the execution of the Works is suspended or adversely affected for a period of 30 continuous days and Contractor has not taken an appropriate action to remedy the condition to the satisfaction of the Company, the Company shall enforce provisions of clause 6.3.2 of GCC.
- e. If during the course of execution of works, it is considered by Company's Representative that the constructional plant and equipment/marine spread etc. are found not adequate/sufficient, Contractor at his own cost shall mobilise additional constructional plant and Equipment/Marine spread etc. to complete the works in time.
- f. The Contractor will not demobilise any equipment, marine spread etc. deployed for the Works without prior written approval of the Company which approval shall not be unreasonably delayed or withheld.

5.11.3 Customs/GST Clearance Assistance

- 5.11.3.1 The Contractor shall acquaint himself with all the formalities and procedures of Indian Governmental agencies such as Customs, GST, licensing authorities etc.

It shall be sole responsibility of the Contractor to get the materials, equipment, constructional plant and Equipment and other things required for the Works cleared from all Governmental Agencies including but not limited to, Customs/GST and pay all duties/taxes / charges/fees/expenses including fines/penalties imposed, if any, except where otherwise expressly provided in the Contract to be paid by the Company. The Contractor shall be responsible for import of said Constructional Plant and Equipment, material, equipment or other things etc. save allowing bringing of heavy equipment such as jacket/piles/deck/equipment/material etc. loaded on the Marine Spreads/barges and Constructional Plant and Equipment directly to Offshore Site for installation even before Customs clearance, the Customs clearance will have to be obtained by the Contractor as



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per Customs Law irrespective of whether Customs Duty is applicable or not applicable. As regards examination of goods at site, the same shall be carried out by Customs Officer on receipt of information. However, IGM and Bill of Entry shall be filed by the Contractor with the Customs Authority well in advance of arrival of heavy equipment mentioned above at offshore site. The Contractor shall also be responsible for re-export of said Constructional Plant and Equipment and any unused materials within 15 days after completion of the Works and contractor shall be required to submit a certificate stating that all the construction plants, equipment and any unused material etc has been re-exported. Accordingly, response received from contractor may be conveyed / submitted by company to DGH / customs authority and any customs liability arising out of company's above action shall be to the risk & cost of the contractor.

The Contractor shall obtain any and all necessary Governmental Clearance required for such import/re-export, Company shall upon request from the Contractor along with necessary details, provide recommendatory letter(s) as per DGH's prescribed proforma for obtaining necessary Certificate from Directorate General of Hydrocarbons for availing the concessions/exemptions for import of materials, consumables and spares for the Works etc., if applicable. However, the responsibility of obtaining necessary Certificate will be that of the Contractor. Company shall also forward clarifications to DGH's queries, if any, with regard to issuance of Essentiality Certificate after receipt of the same from the Contractor. Rendering of such assistance will not make the Company liable for any time and cost effect.

- 5.11.3.2 The Contractor shall schedule all activities in advance, taking into account any possible delays in complying with the aforesaid requirements. No extension of time shall be granted to the Contractor on this account.
- 5.11.3.3 The Contractor shall defend and indemnify the Company against all claims, charges and expenses whatsoever which arises on account of not obtaining requisite import/re-export permit clearance and/or on account of not re-exporting his belongings including but not limited to Constructional Plant and Equipment, unused materials, consumables, components etc., expeditiously after completion of Works, in accordance with the Contract.
- 5.11.3.4 In the event of any part of the Works being damaged / lost subsequent to payment of customs duty due to reasons not attributable to the Company, it shall be the Contractors responsibility to make good the same through fresh import and to pay and bear the Customs Duty applicable. However, recommendatory letter to the DGH for obtaining fresh necessary certificate for replacement items will be furnished by company, if so requested by the contractor along with proper justification for fresh import, without assuming any liability. In case the said part of the works is not imported afresh as a result of mutual agreement between the Contractor and the Company, the Company shall be entitled to recover the Customs Duty already paid/ reimbursed to the contractor for such parts of the works from any money due or which become due to the Contractor. In case the deficiency is restored satisfactorily by the Contractor without recourse to fresh import, then Company will not recover Customs Duty on such a loss or damage.

As regards import of items required for permanent incorporation in the works and consumable for repair/replacement during the warranty period. Company shall provide the



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Contractor without assuming any responsibility and liability with the recommendatory letter to DGH to enable Contractor to obtain Essentiality Certificate from DGH, if applicable.

5.11.4 The operation of Clause 5.11.3 shall not be deemed to imply any approval by the Company's Representative of the material or equipment or other matters referred to therein nor shall it prevent the rejection of any materials or equipment at any time by the Company's Representative.

5.11.5 **Liability for Contractor's Constructional Plant and Equipment**

The Company shall not at any time be liable for the loss of or injury to any of the Constructional Plant and Equipment, Temporary Works or materials, except as otherwise expressly provided for in the Contract.

5.12 **Procedures for Measurement of Works**

5.12.1 Payment of works or part thereof whose price is subject to adjustment shall be based on measurement of quantum of work executed and measured as stipulated herein. The measurement of works shall be based on the "as installed" drawings which shall be prepared based on latest revision of approved AFC and shop drawings and shall specifically, include all the changes incorporated during the execution of the entire works with their reasons for changes duly approved by Company. These drawings are required to be submitted along with weight calculation sheets within 90 days of completion of installation of respective items.

5.12.2 The Company's Representative shall ascertain and determine by a measurement the value in accordance with the Contract, of Work done pursuant to the Contract.

The Company's Representative shall give notice to the Contractors' authorised representative when he wants any parts of the Works to be measured. The Contractor shall forthwith attend or send a qualified person to assist the Company's Representative or the Engineer/ Engineer's Representative in that measurement and shall furnish all particulars of measurement by either of them. Should the Contractor not attend or neglect or omit to send representative then the measurement made by the Company's Representative or approved by him shall be taken to be correct.

5.12.3 Works shall be measured on "as installed" basis net of all loss and wastage of materials for the purpose of payments under the Contract notwithstanding any general or local custom, unless otherwise specifically prescribed in the Contract.

5.12.4 The mode of measurement shall be in Metric System and the quantity shall be calculated in kilograms and rounded off to 2nd decimal place. All the drawings and Specifications prepared by the Contractors shall be in the Metric System.

5.12.5 Weight calculations of all structural members for purpose of measurement shall be as per Part-V, Section 9.2 (Code of Standard Practice for Steel Buildings & Bridges) of AISC Manual of Steel Construction/latest Edition.



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- 5.12.6 The Contractor shall submit all Approved for Construction and Shop drawings and detailed structural Bill of Material for each structural drawing to the Company's Representative at the fabrication yard.
- 5.12.7 Payments to the Contractor shall be based on above measurements from the approved bill of materials, and in accordance with the agreed milestone payment formula and unit adjustment rate provided in Appendix A-3 of the Contract.

5.13 & 5.14 Performance of Contract/Discharge Certificate

- 5.13 No certificate other than the Discharge Certificate referred to in Clause 5.14.1 shall be deemed to constitute approval of any Work or other matter in respect of which it is issued or shall be taken as an admission of the due performance of the Contract or any part of it or of the accuracy of any claim or demand made by the Contractor or of extra Work/Change Order having been ordered by the Company nor shall any other certificate conclude or prejudice any of the rights of the Company.
- 5.14.1 The Contract shall not be considered as completed until a discharge certificate has been signed by the Company's Representative on behalf of the Company and delivered to the Contractor stating that the Works have been completed and made good to the satisfaction of the Company's Representative in accordance with the Contract.
- 5.14.2 The Discharge Certificate shall be issued by the Company's Representative within (28) twenty eight days after the expiration of Guarantee period (or if different guarantee periods become applicable to different parts of the Works then, without prejudice to the Company's Representatives' rights upon the expiration of the latest of those periods) or as soon thereafter as any Works ordered during that period have been completed to the satisfaction of the Company's Representative in accordance with the Contract.
- In case Company fails to issue such Discharge certificate within the period prescribed herein above without any reason having been notified to the Contractor in writing, the Discharge Certificate shall be deemed to have been issued on the expiry of the above said period.
- 5.14.3 This clause (5.14) in its entirety shall have effect notwithstanding that the Company has entered on or taken possession of the Works after completion or any part of the Works by virtue of any agreement with the Contractor.
- 5.14.4 Neither the Company nor the Contractor shall be liable to the other for any matter or thing arising out of or in connection with the Contract or doing of the Works unless the party asserting the liability has given the other party written notice of its claim before the issuance of the last Discharge Certificate under this clause.
- 5.14.5 Notwithstanding the issue of the Discharge Certificate, the Contractor and the Company shall (subject to sub-Clause 5.14.4 of this clause) remain liable for the fulfillment of any obligation incurred under the provisions of the Contract before the issue of the Discharge Certificate which remains unperformed at the time the certificate in question is issued, and for the purposes of determining the nature and extent of any said obligation the Contract shall be deemed to remain in force between the parties.

5.15 **Marking, Packing, Loading and Securing**



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The Contractor shall comply with the instructions for handling and storage, marking and loading, etc., as detailed in the Contract and any other instructions which may be issued by the Company in this behalf.

5.15.2 The Contractor shall load and stack the material in seaworthy condition conforming to the prescribed standards in force to withstand land / ocean journey and insuring the safety of cargo en-route and also arrival of material at ultimate destination in good condition. Each package shall have on its outer side the following marking in English in indelible paints.

- i) Port of loading
- ii) Name of Contractor
- iii) Port of destination
- iv) Consignee particulars in brief

5.15.3 In addition to the markings stated above, each package approved by the Company's Representative shall carry a serial number or other appropriate indelible marking/identification indicating the Company's Representative's certificate of quality and/or the Contractor's certificate of quality and/or the Contractor's certification of inspection and other documents as may be issued with reference thereto. The Company may also require that such marking / identification shall be applied or affixed by the Contractor in the presence of the Company's Representative. If the spare parts / additional items on arrival in India, are found not conforming (except transit damage) to prescribed specification or are deficient in quality or quantity, Contractor shall replace the same at his own cost.

5.15.4 The Contractor shall ensure that no packages are shipped unless marked to comply with all the instructions of the Company.

5.15.5 Markings shall be correlated in invoices, packing list and on bill of lading, express receipt of mailing certificates exactly as they appear on the equipment/ materials.

5.16 Supply of loose items, Spares and Consumables

5.16.1 Supply of one year's Spare Parts (not covered in Contract Price)

The Contractor shall submit to the Company a list of one year spare parts recommended by the equipment / machinery manufacturer for one year operation alongwith the price list (which will be firm without any escalation) of the equipment/machinery manufacturer before placement of the supply order. The Company shall review the list for spare parts and give clearance for procurement of spares required by Company within eight weeks of the receipt of list of recommended spares for all equipment. The Contractor shall submit list of part nos. together with part catalogues etc. to enable Company to do codifications.

Immediate action shall be taken thereafter by the Contractor to order these items so as to ensure the delivery of the same to the Company at Mumbai before scheduled completion date of Works.



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- 5.16.2 The Company shall pay to the Contractor in addition to the Contract Price, the cost of the ordered spare parts on the basis of imported or indigenous Equipment Manufacturer's (EM) or Original Equipment Manufacturer's (OEM) (or his authorised dealers where EM/OEM does not sell directly) the ex-works price (ex-works price excluding GST for indigenous spares) less applicable discount, if any, plus the percentage fee of 7.5% thereon to meet all expenses incurred by him for supply of these items up to FOB delivery at port of despatch in case of spares for imported equipment and FOR (destination) in case of spares for indigenous, equipment. The above fee covers for engineering, procurement, inspection, expediting, handling, packing, forwarding, inland freight and insurance & any other miscellaneous charges upto FOB port of Despatch / FOR (destination) as applicable.
- 5.16.3 GST on Indigenous Spares as paid by the Contractor to their vendor shall be reimbursed by the Company against documentary evidence (tax invoice).
Ocean/Air Freight whichever is economical and insurance cost, all duties, taxes, as well as any other cost charges and fees in India for spares for imported equipments shall be arranged and paid by the Company directly at actuals. Contractor shall arrange dispatching on "Freight to collect at destination" basis, preferably on Indian Flag Vessel or through Conference Line Vessel as explained hereunder. However, if charge of air freight is less than the charge of ocean freight the Contractor may despatch on air freight basis through Air India or the Company's appointed Consolidation Agent. Provided however, that, if some parts are small and susceptible to damage and are considered to be more practical and safe to be sent by air, the Contractor may despatch by air on freight collection basis subject to prior approval of the Company.
- 5.16.4 Spare parts shall be consigned as given below:
- 1) Port Consignee :
Officer-in-Charge, Transport & Shipping Section,
Oil & Natural Gas Corp. Ltd,
6th Floor, Quadrant-3, NBP Green Heights, Bandra Kurla Complex, Mumbai-400051.
 - 2) Ultimate Consignee: Officer-in-Charge, ONGC, ONGC Nhava Stores, Mumbai
- Note: One advance copy of the Contractor's Invoice shall be given to the Company's authorised representative at the following address:
- 1) Project Co-ordinator, " **Part Replacement Pipeline Project (PRPP)** "

Offshore Works Division-ES,
Oil & Natural Gas Corporation. Ltd,
Mumbai Region,
11 High, 4th Floor, Bandra Sion Link Road,
Mumbai - 400 017. INDIA.



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In the event of shipment to the Company, one advance set of shipping document as detailed at 5.16.5 shall be sent by the Contractor, to the **Project Coordinator – Part Replacement Pipeline Project (PRPP)** including Port Consignee and Ultimate Consignee so as to notify well in advance about the shipment made. The Contractor shall also ensure that shipping documents including Box-wise packing list complete in all respects are received by Company at Mumbai at least ten days in case of Ocean freight and three days in case of Air freight before the spare parts arrive at Mumbai port so that Company does not incur demurrage charges due to incomplete/late receipt of documentation.

If any demurrage charges are incurred by the Company due to the incomplete/late receipt of documents, the same shall be recovered from the Contractor.

5.16.5 LOOSE ITEMS, SPARES & CONSUMABLES

5.16.5.1 In respect of loose item and consumables spare parts intended for one year operation and lubricants / chemicals as brought out at Clause 5.16, the Contractor shall furnish the following:

- a) Copies of the priced purchase orders for all spares parts in accordance with the Correspondence Procedure.
- b) Proper coding and referencing of the spare parts so that later identification with appropriate equipment will be facilitated.
- c) Five copies of a composite SPARE PARTS LIST DATA BOOK, which shall include the following:
 - 1) Itemized parts list for all equipment furnished under the Contract for the purpose of codification. This shall be separate and distinct from the consolidated list of recommended one year spare parts and shall include catalogues and drawings of the respective equipment.
 - 2) List of recommended spare parts for initial one year of operation, including source and price of each part.
 - 3) Interchangeability of spare parts between different items of the equipment.
 - 4) Reprints of the lubrication information compiled.

The above shall be in addition to the consolidated one year spare parts list to be submitted for Company's review and approval in accordance with Clause 5.16.1.

5.16.5.2 Spare parts for initial one year of operation shall be delivered by the Contractor in accordance with Clause 5.16 Part-II GCC. The following details shall be furnished in respect of shipment of one year spare parts consignments.

1. Contract number against which the spares are being sent
2. Bill of Lading / Airway Bill number & date
3. FOB price.



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4. Vendor's invoice.
5. Certificate of inspection / list from the manufacturer.
6. Warranty / Guarantee certificate, if applicable.
7. Packing list (box wise).
8. ETD of vessel from the port of dispatch.
9. ETA of vessel at Mumbai Port.
10. Certificate of origin.
11. Name of the Vessel.
12. Total number of packages and/or cases with weight and dimension of each.

5.16.5.3 Spare parts and consumables for commissioning and lubricants / chemicals / consumables for testing and pre-commissioning / commissioning shall be shipped onboard the Contractor's cargo barge carrying materials / equipment to the Site so as to be available prior to pre-commissioning activities. These items shall be delivered directly at the offshore Site.

All spare parts furnished by the Contractor shall be wrapped and packaged so that they will be preserved in original and as-new condition under normal conditions of storage to be anticipated in India and shall be properly tagged and coded so that later identification as to its intended equipment usage will be facilitated. They shall be packaged separately and clearly marked as "Spare Parts" and shipped in accordance with the Company's instructions.

5.16.5.4 MATERIALS SHIPMENT TO INDIA

The procedure to be followed by Contractor in shipping materials for the Works will be communicated by the Company to the Contractor after the award of Contract.

5.16.6 **Pre-Commissioning / Commissioning Spares**

The Contractor shall provide a list of pre-Commissioning/ Commissioning spares item wise within a period of 6 - 9 weeks of placement of order for each equipment. Contractor shall ensure availability of all the spares at the offshore Site at respective platforms before commencement of pre-commissioning/ commissioning of all facilities. The Contractor shall supply the pre-Commissioning/ commissioning spares and maintenance tools at no extra cost to the Company. The Company shall provide the Contractor without assuming any responsibility and liability, with the recommendatory letter to Director General of Hydro-Carbons to enable Contractor to obtain necessary Certificates from Director General of Hydro-Carbons.

5.16.7 **Lubricants and Chemicals**

The Contractor shall be responsible for furnishing at the offshore Site or at Company's warehouse at Mumbai as per the option of the Company within the Contract Price, six months requirement of all chemicals, lubricants and consumables but excluding chemicals,



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such as demulsifier, oil corrosion inhibitor, gas corrosion inhibitor, halon, diesel fuel, jet fuel.

The Contractor shall be responsible for furnishing all chemicals including, Demulsifier, oil and gas corrosion inhibitor, lubricants and consumables required for testing, trial runs, flushing, pre-commissioning and commissioning of the platforms and also the initial fill to maximum capacity at no extra cost to the Company.

5.17 Supply of loose items.

The contractor shall ensure delivery of loose items at respective platforms at offshore as detailed in bidding documents at start of offshore installation works at no extra cost to the Company.

5.18 Use of Company's Facilities

Notwithstanding anything contained elsewhere in the Contract, the Contractor shall make its own arrangements for all the facilities/resources required to carry out the work including but not limited to crane and material handling, living accommodation, power supply etc. Company's platform deck crane and any other hoists, living accommodation, etc. shall not be available for Contractor's use. However, if the same can be spared then the Company at its discretion may permit their use by Contractor on chargeable basis. The rates applicable shall be same as given in Contractor's rental rate schedule. In case rates are not available in Contractor's rental rate, charges shall be recovered as per the rates applicable from time to time or as decided by Company.

All charges for use of Company's facilities by the Contractor like helicopter services (including trial landing of helicopter), supply boats/vessels, overseas telephone calls etc. shall be recovered from the Contractor as per rates applicable from time to time.

Company shall furnish to the Contractor the details of recoveries (for use of Company's facilities) made from the Contractor's Invoices upon receipt of such request from the Contractor in writing.

5.19 Diversion of Marine Spread

Notwithstanding anything contained elsewhere in the Contract, the availability of the Work front shall be finalized by the Contractor in consultation with the Company. Planning of offshore activities shall accordingly be made without affecting the overall schedule of completion. It is likely that the other contractors/ agencies may by carrying out their offshore activities during the same working season in the site. It is imperative that the contractor shall coordinate with other contractors/ agencies if required and necessary as and when instructed by the Company in writing.

Accordingly, if required by the Company, Contractor shall divert its barges / vessels and develop offshore work schedules covering the entire scope entrusted to him. These schedules shall be discussed with other contractors/ agencies along with Company's representative and should it become necessary to further modify the schedules, to avoid/ minimise interference, needful shall be done without jeopardising the overall completion schedule.

The Contractor shall be entitled for time and cost compensation in accordance with provisions of clause 5.3.5 only if his barges/vessels remain on standby for want of an available work front despite the Contractor's having made of such re-scheduling of works and diversions of barges/vessels.

The Contractor shall make such diversions inter site(s) movements of barges/ vessels as per Company's representative's instructions in accordance with clause 5.3.5.



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If drilling is in progress at the well platform during the contractor's offshore activities, the contractor shall plan his activities in a manner so that there is no effect on Company's drilling activities. The Company shall not demobilize the drilling rigs for contractor to carry out riser installation at the platform or for any other offshore activity.

In case the Company fails to make work front available, the Company shall also compensate for any additional infield movements till it comes back at the stand by rate of marine spread specified in the Contract price schedule.

5.20 Compliance with Local Laws & Regulations

5.20.1 The Contractor shall comply with all the laws, rules and regulations including but not limited to those related to security matters (Clause 5.3.11) Contract Labour (R&A) Act, Minimum Wages Act etc. and shall keep the Company harmless and indemnified for any action brought against it for any violation/non-compliance of any of the acts etc.

5.20.2 The Contractor shall give all notices and pay/bear all duties, taxes, charges, fees and expenses except where otherwise expressly provided in the Contract required to be given or paid by any national or state statute, ordinance or other law or any regulation or by-law of any international, local or other duly constituted authority in relation to the performance of the works or of any temporary works and by the rules and regulations of all public bodies and companies whose property or rights are affected or may be affected in any way by the works or any temporary works. The Contractor shall acquire all permits, approvals and or licenses from all local, state or central government authorities or public sector undertakings in the country where the site is located, which such authorities require the Contractor to obtain in his name and which are necessary for the performance of the Contract including import licenses for materials and visas for the Contractor's and sub-contractors personnel and entry permits for all imported constructional plant and equipment and shall acquire all other permits, approvals and/or licenses which are not the responsibility of the Company and which are necessary for the performance of the Contract.

However, Company shall assist Contractor and/or sub-contractor upon receiving written request from Contractor to acquire the necessary permit, approvals and/or licenses including work permit, visas and import licenses from all local, state or central govt. authorities or public sectors to the extent of issuing recommendatory letters and documents mandatorily required to be submitted by company to the concerned authorities without assuming any liability whatsoever.

5.20.3 The Contractor shall comply with and conform in all respects, and shall ensure that all his sub-contractors also comply with and confirm in all respects with the provisions of any statute, ordinance or law as aforesaid and the regulations or by laws of any international, local or other duly constituted authority which may be applicable to the works or to any temporary works and with such rules and regulations of public bodies and companies as aforesaid and shall be responsible for all costs arising from compliance and/or violation of the same and shall keep the Company indemnified against all penalties and liabilities of every kind for breach of any statute, ordinance or law, regulations or bye-law.

5.20.4 Without limitation of the generality of clause 5.20.3 the Contractor shall observe and comply with and shall ensure that all his sub-contractors also observe and comply with the laws, regulations or requirements of any states which are littoral states with respect to any sea areas comprised at the site and of any international authority or international convention or other rule of international law or custom applicable thereto for establishing or regulating freedom of navigation on the high seas, conservation and protection of fisheries, policing and jurisdiction in territorial water and exercise of sovereign rights over the sea-bed.



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- 5.20.5 The Contractor shall keep informed the Company and appropriate Indian authorities reasonably in advance, of all obstructions in the waters of the Arabian sea and any other area of the continental shelf within Indian jurisdiction and adjacent waters and the approaches to them which the Works will involve. The Contractor shall have regard to all warnings and information issued by the statutory authorities.
- 5.20.6 Subject to provisions of the Contract, the Contractor shall defend, indemnify and hold the Company harmless from and against all penalties, liabilities, damages, claims, fines and expenses of whatever nature arising out of or resulting from the violation of such laws or rules or regulation having the force of law within the scope of clause no. 5.20.3, 5.20.4 and 5.20.5 by the Contractor or his sub-contractors including their personnel.
- 5.20.7 All fossils, coins, articles of value of antiquity and structure and other remains or things of geological or archeological interest discovered at the site or during the works shall be the absolute property of the company. the contractor shall take reasonable precautions to prevent its workmen or any other persons from removing or damaging any said article or thing and shall immediately on discovery thereof and before removal acquaint the Company's representative of the discovery and carry out at Company's cost the disposal of it at the Company's Representatives orders at rates to be mutually agreed where such rates are not available in the Contract.
- 5.20.8 Contractor shall take all necessary steps in order to equip themselves to avail of all concessions/ exemptions permissible under the statutes including the benefits under GST Legislations 2017 failing which they will have to bear extra cost where Contractor does not avail concessional rates/ exemptions of levies like Customs duty, GST etc. on input service / capital goods.
- 5.20.9 Contractor to comply with the latest DG Shipping Circular regarding norms for engaging Indian crew on board foreign flag Vessels.
- 5.21 **Certification and TPI Agencies**
- The Contractor shall meet the requirements of the Certification and TPI agencies and their back up consultants and shall also be responsible to co-ordinate with the Certification and TPI agencies in supplying to them in a timely manner, specifications, drawings, plans, calculations and all such other information relating to the Work as may be required by the certification and TPI agencies from time to time including assistance at the appropriate Sites to carry out their Work.
- The Contractor shall ensure at his own cost quick supply of required copies of documents / drawings to the Certification and TPI agency as well as Company and consultants by fastest courier service available.
- 5.22 **Shutdown requirements:** Refer clause 2.3.4.2 above.

5.23 INTERFACE WITH CONCURRENT OTHER JOBS AT SITE:

Contractor to note that Company has planned the following projects for execution in the same period and may have interface with the current project:

- i. PRP-VI
- ii. PRP-VII
- iii. PRP-VIII
- iv. NLRNC-RT2
- v. PCWPP-III
- vi. LEWPP-I



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- vii. LEWPP-II
- viii. PCPP-I RT
- ix. BBBLRP-IV
- x. PMPP-I & PMPP-II
- xi. DUDP
- xii. DSF-II
- xiii. MHRD-V & BS-17
- xiv. CTRP
- xv. STB WHP removal by Shell near TPP.Cluster-9 Facilities and Extension of MSP Flare Bridge Project
- xvi. Repairing and strengthening of three jackets- TPP, PG and PB.
- xvii. Any other project under execution and awarded after present job

Bidder to note that the work for above mentioned projects are likely to be in progress in offshore construction seasons 2023-24.

Besides these projects there may be other scheduled / unscheduled activities such as repair, survey, maintenance and other production / drilling related activities. ONGC may also award additional work which may run concurrently with above listed projects and this project. Bidder to note the above and plan their offshore installation activities considering the execution schedule of above projects / activities.

Bidder to note that the work for these projects may require rescheduling some project activities which shall be complied by the Contractor without any time and cost impact to Company.

Bidder to note the following to avoid any ambiguity at post award stage of the contract:

- a) Contractor shall submit the offshore installation schedule at the outset and during the pre-installation meeting which shall be held one month prior to commencement of offshore works and shall be attended by all the Contractors. The schedule shall be discussed with other contractors and should it become necessary to modify/rearrange the schedules, to avoid/minimize interference, contractor shall do the needful without any time and cost impact. Contractor shall agree to advance /postpone any particular offshore installation work to suit the overall completion of project subject to provisions of clause 5.19. Company shall have right to seek periodic updated schedules from the contractor based on the modifications suggested in the installation schedule.
- b) It shall be endeavour of both the contractors and Company to resolve any dispute of any nature and adjust the schedule to avoid interface delays and corresponding cost impact. Periodic meetings convened by Company to discuss the interface issues shall be attended by both the Contractors. Minutes of the meeting shall be recorded and binding on all parties.
- c) With all these arrangements it will be ensured that no Contractor will claim any extra cost or time. In case any claim is preferred on account of interface issues same shall be resolved mutually by the contractors without any cost/time impact to Company.
- d) Contractor shall agree to provide timely and complete data/drawing of the facilities required by Subsea Pipeline contractors.



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- e) Interface requirement as listed out in the technical bid document shall also be followed.
- f) In case of any conflict between both the contractors with regard to access to site, the Platform contractor shall have right of first access for installation of jackets and decks in the event of such a situation that it is not possible to accommodate simultaneous working of both the contractors.

6.0 GUARANTEES AND LIABILITIES

6.1 Guarantee and Warranty Conditions

6.1.1 The Contractor agrees to ensure that all materials, equipment and components used in execution of the works under this Contract, shall be new and unused (not reconditioned) and of recent manufacture which shall in no case be of a date of manufacture older than one year from the date of delivery. (This delivery date shall be effected after Notification of Award) at the yard/site as the case may be and however, structural steel shall in no case be of a date of manufacture older than 2 years from the date of delivery at the yard/site as the case may be. The Contractor shall warrant that every Work executed under this Contract shall be free from all defects and faults in design and engineering, materials workmanship and handling etc., and shall be consistent with established and accepted standards for materials and workmanship of the type ordered and in full conformity with the design, drawings, specification, or sample, if any, and shall if operable, operate as per design, drawings, specifications and samples if any, and other stipulated conditions in accordance with the Contract. This warranty shall survive inspection of, payment for and acceptance of the plant, machinery and equipment and shall be valid for a period of 12 months from the date of issue of Certificate of Completion and Acceptance or 12 months from the date of issue of part Certificate of Completion and Acceptance of the respective part(s) of the works accepted and taken over by the Company as per provisions of Clause 5.10.3. The 12 months for the punch list items will start from the date of completion of Punch List.

6.1.2 If during the aforesaid period, the said plant machinery and equipment be discovered not to conform to the description and quality aforesaid or have deteriorated otherwise than by fair wear and tear or than by Company's act or omission, the Contractor shall promptly and at its cost repair/replace or otherwise make good such defects as well as any damage to the works caused by such defect. If the Contractor fails to replace/repair such defective plants, machinery, equipment within a reasonable time depending upon exigency of the situation, then the Company will be entitled to deploy other agencies to carry out the same after

advising Contractor of its intention and if such Work which was the liability of the Contractor to do at his own expense under the Contract, then all actual repairing/replacement cost and also physical damage sustained on account of such defective material by any other associated or allied plant, equipment and structures and other facilities forming part of the Works shall be recoverable from the Contractor.

The Contractor agrees to make payment against such claim within 30 days of receipt thereof. If the Contractor fails to pay the amount to the Company within 30 days from the receipt of the invoice then amount may be deducted by the company from any money which is due or may become due to the Contractor including Company's right to encash the performance guarantee furnished by the Contractor in accordance with provision of Clause 3.3.



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6.1.3 The period of guarantee for any part of the works shall be as specified in clause 6.1.1. If the works or any part thereof cannot be used by reason of such defect / damage and/or making good of such defect, and/or damage the warranty period of the works or such part thereof as the case may be shall be extended by a period equal to the period during which the works or such part thereof cannot be used by the Company due to any of the aforesaid reasons. The Contractor shall arrange for the performance guarantee to remain valid until the expiration of the extended warranty period with respect to such part of the works.

6.1.4 To the intent that during the period of guarantee the Works shall remain in as good condition (fair wear and tear excepted) as they were at the beginning of the period of guarantee and that all plant, machinery, equipment, thing or process shall continue to perform or operate (fair wear and tear excepted) during the period of guarantee in accordance with all relevant Contract specifications or Contract conditions. The Contractor shall do all repair, amendment, reconstruction, rectification and making good of defects, imperfections, shrinkages and settlements, including where necessary the repair or, if repair proves impossible, the replacement of any plant, machinery, equipment thing or process, which the company requires of the contractor in writing during the guarantee period or within fourteen days after the expiration of the period of guarantee as a result of any inspection make during the period of the guarantee.

As regards import of required items as specified in list 33 for repair or replacement during warranty period, Company shall provide Contractor without assuming any responsibility and liability, required certificate and/or undertaking on request by Contractor.

6.1.5 The Contractor shall ensure that all guarantees or warranties issued by manufacturers of critical plant, machinery, equipment supplied by Contractor or by Contractor's sub-contractors and covering the performance of the said material and equipment supplied by them be issued in the joint name of the Contractor and the Company such that the Company enjoys the same benefits and protection provided by any such guarantees or warranties as does the Contractor. The issuance or existence of any such guarantees or warranties shall however in no way relieve the Contractor of his obligations under the Contract, in particular with reference to the provisions of this section.

6.1.6 The Contractor shall be and remain responsible during the period of guarantee for making good with all possible speed any defects arising from Contractor's defective design and engineering (other than a design made, furnished or specified by the Company and for which the Contractor has disclaimed responsibility in writing within 15 days' time after receipt of the Company's instruction) of the aforesaid structure, pipeline plant, equipment or process which may develop under the conditions provided for in the Contract and under proper use in the works or any portion thereof.

6.1.7 The Contractor shall carry out all the works and supply and install all replacement materials and equipment pursuant to this section at no additional cost to the Company including the cost of timely transport of materials and equipments to site if the need for the work is due to poor workmanship or faulty materials, plant, equipment or process supplied by the Contractor or due to the use of materials or equipments not in accordance with the Contract or specifications or due to neglect or failure of the Contractor to comply with any obligations.



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6.1.8 In case of spare part supplied under the Contract the Contractor shall be fully responsible during the warranty period for the correctness of the parts and their proper fitment to the machine for which the same are ordered. The Contractor shall replace such parts which may require replacement under the warranty clause free of the cost to the Company within the shortest possible time. In case of supply of plant, machinery and equipment, the Contractor shall use its best endeavors to ensure that vendor will supply spare parts as and when required for an agreed period. the agreed basis would be:

- a) agreed discount to be given on the published catalogue price.
- b) before going out of production for spare parts vendor should give adequate advance notice to the company so that the company may decide on procurement of the balance of the life time requirement of spares.

6.1.9 During the guarantee period if the Contractor is requested by the Company to visit the offshore site for checking and carrying out remedial work of facilities and equipments, all expenses towards personnel, traveling to and from the site, living and accommodation etc. while in India for remedial works shall be borne by the Contractor unless such defects are caused by the Company or Company's agents/other contractors.

6.1.10 No warranty other than what is mentioned in 6.1.1 to 6.1.8 expressed or implied is made by Contractor and all such warranties are hereby specifically excluded. Company specifically waives any right to assert such claims for any other warranties not provided for in this "Section 6" irrespective of the basis for such claims.

6.1.11 The above warranty condition shall not apply for the part of the works in the event that the structures/ facilities have been modified without consent of the Contractor and/or equipment have been used/operated by the Company disregarding operating instructions provided by the Contractor and/or equipment manufacturer.

6.1.12 Deleted

6.2 Consequential Damages

6.2.1 Subject to provisions of clause 6.3.2 neither the Contractor nor his sub-contractor shall be responsible for or liable to the Company or any of their affiliates for consequential damages which shall include but not be limited to loss of profits, loss of revenue, loss or escape of product (hydrocarbons) or facilities downtime, suffered by the Company or any of its affiliates, and the Company shall protect, defend, indemnify and hold harmless the Contractor and his sub-contractors from such claims even if such liability is based or claimed to be based upon:

- i) Any breach by the Contractor or sub-contractor of his obligations under the Contract.
OR
- ii) Any negligent act or omission in whole or in part, of the Contractor or of any of his affiliates or Sub-contractor or their personnel or any of them in connection with the performance of the Works.

6.2.2 The Company or its other contractors or their personnel shall in no event be responsible for or liable to the Contractor or his Sub-contractor for consequential damages suffered by the contractor or his sub-contractor including without limitation to business interruption or



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loss of profits etc. The Contractor shall protect, defend, indemnify the Company, its employees, appointed representatives, agents and other Contractors, etc., from such claims even if such liability is based or claimed to be used upon:

i) Any breach by the Company of its obligations under the Contract,

OR

ii) Any negligent act or omission on the part of the Company or any of its employees, agents or other Contractors or appointed representatives in connection with the performance of the Works.

6.3 Completion, Failure and Termination

6.3.1 Completion

6.3.1.1 The scheduled completion date for works pertaining to all facilities described in the bidding documents as under:

Overall completion of PRPP	15.05.2024
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Bidder shall develop a detailed project schedule to accomplish above completion date and submit it along with his offer.

6.3.1.2 Contractor agrees that time shall be the essence of the Contract and subject to any requirement(s) in the Contract Specifications as to the time of completion of any part(s)/ stages of activity (ies) of the Works before completion of the whole of the Works, the whole of the Works shall be completed within the Scheduled Completion date as mentioned above or the extended date (as may be extended as per provisions of the Contract) of completion of the Works.

Notwithstanding the above provisions, the Company reserves in itself the right, if the exigencies of the project under consideration so required, to phase out the completion of any part of the Works by mutual agreement.

6.3.2 Liquidated Damages:

Time is the essence of the contract. If the Contractor fails to complete the entire specified scope of work by the scheduled completion Date as brought out as 6.3.1.1, ONGC may without prejudice to any other right or remedy available to it as under the Contract or Law:

i) Recover from the Contractor as ascertained and agreed liquidated damages and not by way of penalty as under,

a) In case of delay in overall **completion of all pipeline segments and tie-ins of under PRPP**, certain percentage of Contract price with progressive escalation of percentage as per the table given below, for each week of delay occurred or part thereof beyond the scheduled completion date **i.e. 15.05.2024**, subject to a maximum of 10% of the total Contract Price of **PRPP works**, even though ONGC may accept delay in Completion of work after the expiry of the Scheduled completion date of 15.05.2024.

If before completion of **PRPP** works under the Contract, any part has been ready for use and taken over by the Company pursuant to clause 5.10, the liquidated and ascertained Damages shall for any



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period thereafter shall be certain percentage of Contract price per week or part thereof for delayed part of the works with progressive escalation of percentage as per the table given below subject to a maximum LD of 10% (Ten Percent) of the Contract Price of the delayed portion of work.

Table: Progressive escalation of percentage of LD

Sr. No.	Project Delay Time Slabs	LD per Week of the contract price of relevant works
a	0 to ≤ 10 weeks	0.1%
b	Above 10 to ≤20 weeks	0.2 %
c	Above 20 to ≤ 30 weeks	0.3 %
d	Above 30 weeks	0.4 %

However, for offshore construction projects, rate of LD applicable for the Monsoon period (from 16th May to 15th October-both days inclusive) shall be 50% (fifty percent) of applicable LD percentage of the corresponding slab per week, for each week of delay occurred or part thereof.

The amount towards Liquidated Damages shall become leviable from the original completion date for Group or Group B in the project, as per contract or from expiry of the extension, if any, given by Company without levy of LD. Applicable LD amount shall be recovered as under:

Applicable LD amount shall be recovered as under:

- (i) If LD commences when financial progress is less than 80% - progressively from balance due payment on pro-rata basis
Or
- (ii) If LD commences when financial progress is more than 80% - To be recovered fully as and when LD is applicable.

Note:

- Notwithstanding the foregoing, the Maximum Liquidated Damages for i(a) shall not exceed 10% of the total contract price for Group A or Group B portion of the works, excluding duties and taxes.
- For the purpose of calculation of LD, contract price for pipelines replacement under **PRPP** shall be calculated based on break up of prices at Appendix A-3.
- Common items not directly identifiable to the above shall be allocated on prorata basis.

AND/OR

ii) Terminate the Contract or a portion or part of the Work thereof. ONGC shall give 14 days notice to the contractor of its intention to terminate the Contract and shall so terminate the contract unless during the 14 days notice period, the Contractor initiates remedial action acceptable to ONGC.

In case the Contractor is unable to complete the work by the schedule completion date, it may request ONGC before expiry of the scheduled completion date, to allow further time for performance of the contract indicating its willingness to pay the LD amount as agreed at (i) above. ONGC may at its discretion allow further time as requested by the Contractor with or without levy of LD.



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The parties agree that the amount of LD provided herein is a genuine pre-estimate of the loss/damage which will be suffered on account of delay on the part of the Contractor and the said amount shall be payable on demand without there being any proof of the actual loss or damage caused by such delay/ breach.

Note: Accordingly, the liquidated damages shall be recovered from the contractor.

6.3.3 Calculation and mode of recovery of LD

LD will be calculated on the basis of contract price excluding duties and taxes, where such duties/taxes have been shown separately in the contract.

If before completion of whole Works under the Contract any part has been ready for use and taken over by the Company pursuant to clause 5.10, the liquidated and ascertained Damages shall for any period thereafter **shall be calculated as per GCC clause no. 6.3.2** for the delayed portion of work.

The amount towards Liquidated Damages shall become leviable from the original completion date as per contract or from the expiry of the extension, if any, given by ONGC without levy of LD. **Applicable LD amount be recovered as stipulated at para 6.3.2 above.**

ONGC may without prejudice to its right to effect recovery by any other method, deduct the amount of Liquidated Damages from any money belonging to the Contractor in its hand (which includes ONGC's right to claim such amount against Contractor's Performance Security / Security deposit) or which may become due to the Contractor. Any such recovery of Liquidated Damages shall not in any way relieve the Contractor from any of its obligations to complete the Works or from any other obligation and liabilities under the Contract.

6.3.4 Bank Guarantee towards Liquidated Damages

In case of delay in completion of the Project, if the Contractor so desires, then Company may accept a Bank Guarantee /Electronic Bank Guarantee from the Contractor in lieu of levy of LD for an amount, which has been deducted / proposed to be deducted. In case the contractor submits a BG in lieu of LD which has been deducted / proposed to be deducted, the amount withheld on account of LD would be released/LD would not be deducted. The unconditional and irrevocable Bank Guarantee/Electronic Bank Guarantee shall be drawn in favour of the Company as per the Performa given at Appendix-B-15. The Bank Guarantee/Electronic Bank Guarantee shall be initially valid from the date of submission upto a period of one year beyond the revised completion date and shall be kept valid till the final settlement is arrived mutually or through Conciliation / Arbitration / Court. Upon submission of the Bank Guarantee/Electronic Bank Guarantee and its acceptance by Company, the amount withheld on account of Liquidated Damages as per Clause No. 6.3, shall be released to the Contractor.

The contractor will give Bank Guarantee/ Electronic Bank Guarantee from any of the following categories of Banks:



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- (a) Any Scheduled Bank incorporated in India, Bank Guarantee issued by foreign branches / foreign offices of such Scheduled Banks be counter guaranteed by the Indian Branch of any scheduled Bank incorporated in India.
OR
- (b) Any branch of an International Bank situated in India and registered with Reserve Bank of India as scheduled foreign bank.
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.

After final settlement of the issue regarding levy of LD as per the provisions of the contract, the applicable LD shall be remitted by the Contractor to ONGC, failing which the amount of LD shall be recovered by invoking the Bank Guarantee/Electronic Bank Guarantee.

6.4 Indemnity

6.4.1 Indemnity by Contractor:

Contractor shall indemnify and keep indemnified Company, its other contractors and/ or sub-contractors and its/their employees from all actions, proceedings, suits, claims, demands, liabilities, damages, losses, costs, charges, expenses (including without limitation, wreck or debris, removal costs, where wreck or debris removal is ordered by a competent authority) judgments and fines arising out of or in the course of, or caused by the execution of work under the Contract or other obligations hereunder directly or indirectly associated herewith including but not limited to:

- a) personal injury, illness or death of:
- i) any of Contractor's or subcontractor's personnel (even if caused by or contributed to by the negligence or fault of Company); and
 - ii) subject to clause 6.4.4 (a) (i) any other person to the extent the injury, illness or death is caused by the negligence or fault of the Contractor or Contractor's personnel or subcontractors or subcontractors' personnel and
- b) loss or damage to:
- i) any property owned, hired or supplied by Contractor or Contractor's personnel or subcontractors or subcontractors' personnel including Constructional Plant (even if caused by, or contributed to by, the negligence or fault of Company); or
 - ii) subject to clause 6.4.4 (b) (i) any other property to the extent the loss or damage is caused by the negligence or fault of the Contractor or Contractor's personnel or subcontractors or subcontractors' personnel.

6.4.2 The Contractor shall defend and indemnify the Company against all claims and proceedings for or on account of infringement of any patent rights, design, trade mark, or name or other protected rights in respect of any plant equipment, construction plant and equipment, machinery, works, materials or process used for or in connection with the Works or



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Temporary Works or any of them and against all claims, proceedings, damages, costs, charges and expenses whatever in connection with works or temporary Works.

6.4.3 The Contractor shall defend and indemnify the Company against any liability for damages on account of noise or the disturbance created during or in carrying out the works and against all claims, demands, proceedings, costs, charges and expenses whatsoever in that connection.

6.4.4 Indemnity by Company:

Company shall indemnify and keep indemnified Contractor (which expression in this clause includes, unless the context otherwise requires, Subcontractors of any tier and its and their employees) from all actions, proceedings, suits, claims, demands, liabilities, damages, losses, costs, charges, expenses and fines arising from :

- a) personal injury, illness or death of
 - i) any employee of the Company (even if caused by or contributed to by the negligence or fault of Contractor);
 - ii) subject to clause 6.4.1(a) (i) any other person to the extent that the injury, illness or death is caused by the negligence or fault of Company; and
- b) any loss or damage to:
 - i) any property owned, hired or supplied by Company (even if caused by or contributed to by the negligence or fault of Contractor); except to the extent that such property is in the care or custody of Contractor in connection with the work under the Contract.
 - ii) Subject to clause 6.4.1(b) (i) any loss or damage to any other property to the extent the loss or damage is caused by the negligence or fault of Company

6.4.5 Indemnification for existing properties of the Company

Notwithstanding anything contained in any provision of this Contract, Company shall defend, indemnify and hold Contractor harmless from and against any losses, damages, cost or claims relating to Company's existing property except in case of gross negligence or willful misconduct of the Contractor, its Sub-Contractor their agents or employees, in which case the Contractor shall be liable to bear any loss or damage occurring to the Property of the Company as a result of its gross negligence or willful misconduct , provided however, that such liability shall be limited to 100 % of the Contract Price.

6.5 Design, Patents and Royalties

If any materials used or methods or processes practiced or employed in the course of execution of Work or otherwise for adopting the material to conform with the requirements of the Contract is/are covered by a patent in respect of which Contractor is not licensed, the Contractor shall, before using the material, method or process, as the case may be, obtain such license(s) and pay such royalty (ies) and license fee (s) as may be necessary. The Contractor shall keep the Company indemnified from / against any and all damages,



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demands, losses, costs and expenses that Company may suffer as a result of any infringement or alleged infringement of any patent, registered design, trademark,

copy right or other intellectual property right registered or otherwise by reason of claims, actions, demands and proceedings whatsoever brought or made against the Company on the basis of any patent or infringement thereof claimed or otherwise relating to and arising from any method or process employed or matter or thing done to or in connection with any Work executed by the Contractor under the Contract and the Contractor shall, at his own risk and expenses, defend any suit for infringement of patent or like suit brought against the Company (whether with or without the Contractor being a party thereto) and shall pay any damages and costs awarded in such suit and keep the Company indemnified from and against all costs and other consequences thereof.

6.6 Limitation of Liability:

Notwithstanding any other provisions, except only in cases of gross negligence or willful misconduct and/or criminal acts,

- a) Neither the Contractor nor the Company (ONGC) 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 the Contract, in tort or otherwise, shall not exceed the 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."

7.0 RISK DISTRIBUTION

7.1 Transfer of Ownership

7.1.1 Ownership of materials shall be transferred to the Company upon the date of issuance of certificate towards part completion or completion and acceptance of works.

7.1.2 Ownership of the construction Equipment used by the Contractor and its sub-contractors in connection with the Works shall remain with the Contractor and its sub-contractors.

7.2 Unforeseen Conditions

If, during pre-construction/pre-installation survey the Contractor observes that the Site conditions are at variance to what has been provided in the Contract, the time and cost effect shall thereupon be governed by clause 5.4



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7.3 Insurance and Liability

7.3.1 Within 45 (30 days for submission of certificate of Insurance and 45 days for submission of policies) days of placement of NOA or before commencement of execution of Works, which ever is earlier, the Contractor without restricting in any manner any other provisions of the Contract, and in particular any such provision pertaining to his obligation, liability or responsibility shall take out and keep in force at his expenses the various insurance policies specified herein for the benefit of and in the joint names of the Company and the Contractor against all risks with the exception of those war risks(in respect of which insurance cover is not available even with payment of additional premium) for physical losses or damages suffered by Works and Temporary Works or part of the Works upto the contract value thereof or such additional sum as may be specified in the Contract in such a manner that the Company and the Contractor are covered,

- i) from the commencement of the Works until the date of issue of Certificate of Completion and Acceptance (excluding the value of the part of the Works which are taken over by the Company pursuant to clause 5.10.3 for the period when such part of the Works is in custody of the Company) for loss or damage arising from a cause, occurring prior to the date of issue of Certificate of Completion and Acceptance, and for any loss or damage occasioned by the Contractor in the course of any operations carried out by him.
- ii) during the guarantee period against any loss or damage arising from either the Contractor complying with his obligations under the Contract or for completing any outstanding work.

OR

for loss or damage in respect of the works completed by the Contractor prior to the commencement of the guarantee period.

7.3.2 The Contractor shall take out and keep in force adequate Insurance to cover all risks. (a) In respect of their personnel deputed to work under the Contract. (b) In respect of their own as well as hired equipment (to the extent of their insurance interest) tools, materials, marine spreads, vessels, barges, crafts, ships and operational facilities used during the entire period of their engagement in connection with the Contract to the insurable value of such constructional plant, equipment and other things. Company shall have no liability whatsoever in this regard.

7.3.3 Contractor shall suitably insure his constructional plant and equipment and other things brought to the Site including floating craft against the risk of removal of wreck under statute. Such policy/cover should be extended to include removal of wreck/debris in the event Company requires Contractor to do so. Any limit of liability specified by such policy shall not relieve the Contractor from any enhanced actual liability in carrying out his obligations.

7.3.4 Under the Company's package policy, privilege is granted to the Assured to release any individual, firm or corporation for whom or with whom the assured is performing operation or who is performing operations for the Assured, under the Contract or otherwise, from liability for loss or damage (1) caused by an accident or occurrence taking place after the granting of said release and (2) arising out of or in connection with said operations.



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When privilege above is exercised by the Assured Insurers hereunder hereby waive their rights of subrogation against such individual, firm or corporation, their subsidiaries factors, or assigns, but only with respect to loss or damage to which the above release of liability applies

- 7.3.5 a) Contractor shall include in his respective contracts with their sub-contractors such clause(s) pertaining to insurance, indemnity and waiver of subrogation that appear in the Contract with the Company. This, however, shall not relieve Contractor from his responsibilities under this Contract.
- b) Without limitations of the Contractor's obligation and responsibilities, if the Contractor sub-contracts any part of the work, the responsibility and insurance provisions of each sub-contract shall be consistent with the Contract and the sub-contractors shall not carry any insurance which would duplicate any insurances provided by the Contractor or the Company. The Contractor shall be responsible for ensuring that sub-contractors maintain insurance as required in the sub-contracts during the course of Sub-contractor's operation.

7.3.6 **Policies to be taken Out by Contractor**

The Contractor and the Company shall be covered by insurances to be taken out and maintained by the Contractor as set forth below:

i) Cargo Transit Insurance:

Covering loss or damage of (a) materials & equipment etc. forming part of the works, occurring whilst in transit from the Contractor's, sub-contractor's, Vendor's/Manufacturer's works and/or warehouse until arrival at the site and (b) constructional plant & equipment to be provided by the Contractor or its Sub-contractor(s). The Contractor shall comply with all warranties stipulated by his insurers in the marine transit policy including but not limited to the approval of tug(s) and tow(s), towage arrangement, stowage, sea-fastening, packaging, marking, lifting, shifting, loading, unloading, skidding and launching at his own risk and cost.

- ii) Contractor's All Risk Insurance (including offshore & Onshore Terrorism Cover):
Covering physical loss or damage to the Works at the site, occurring prior to Acceptance of the Works or part there-of with an extended maintenance coverage for the Contractor's liability in respect of any loss or damage occurring during the warranty period when the Contractor is on the site for the purpose of performing its obligations during the warranty period.

iii) Third Party Liability Insurance

Covering bodily injury or death suffered by third parties and loss or damage to third party property occurring in connection with execution of the Works. Before commencing the execution of the Works the Contractor, but without limiting his obligations, liabilities and responsibilities under the provisions of the Contract shall insure at his expense against his liability for any third party material or physical damage, loss or injury which may occur to any third party property or any person by



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or arising out of the execution of the Works or in the performance of the Contract. The insurance so provided shall specify as follows:

- a) Liability for property damage US\$ 500,000 (Five Hundred Thousand US dollars) per claim limited to US\$ 5,000,000 (Five Million US Dollars) in total for any one accident or occurrence.
- b) Liability for personal loss or injury US\$ 500,000 (Five Hundred Thousand US dollars) per person or US\$ 5,000,000 (Five Million US Dollars) in total for any one accident or occurrence.
- iv) Motor Vehicles Package Policy which includes Third Party Liability. Covering use of all automobiles and transport such as cars, trucks, aircraft, launches, tugs, barges etc. used by the Contractor or its sub-contractors (Whether or not owned by them) in connection with the execution of the Works.
- v) Workman's Compensation
In accordance with the statutory requirements applicable.
- vi) Such other insurances at actual cost to Company as may be specifically agreed upon by the parties to the extent Insurable risks not covered by the above policies (where the Company shall be the beneficiary) providing coverage for all direct loss caused by defective design, material or workmanship (including defective construction or erection) within the control of the Contractor or his subcontractor. Specific insurance for bodily injury and personal liability insurance (excluding that to third parties) and endorsements for such items as elevator and hoist liability etc. may also be included.

7.3.7 The Company and the Contractor's sub-contractors shall be named as additional insureds under all insurance policies taken out by the Contractor specifically for this Contract pursuant to the above sub-clauses except for the Workmen's Compensation and Employer's Liability Insurances, and all insurer's right of subrogation against such additional insureds for losses or claims arising out of the performance of the Contract shall be waived under such policies.

In the event there is any misrepresentation, non-disclosure, breach of express/implied warranties, unlawful activity, breach/non-fulfillment of any terms and conditions of the policy or any willful misconduct on the part of the Contractor which may result in automatic termination, expiry, or penalty under the policy, the Contractor shall be solely responsible for the same, and bear all such consequences. Further in the event of the Contractor has failed to insure (for whatever reason), or has inadequately insured, he alone shall bear the consequences of not being insured or protected fully by insurance.

The contractor shall take policy with minimum deductible as prescribed for the policy (ies). That portion of any loss not covered by insurance provided for in this article solely by reason of deductible provision in such insurance policies shall be to the account of the CONTRACTOR.

7.3.8 The Contractor shall prior to commencing any relevant part of the Works deliver to the Company, copies of the Insurance Policies as evidence that the required policies are in full force and effect.



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It shall be the responsibility of the Contractor to pay the premium in time and to keep the policies of insurance, as required by the Contract, valid throughout the period of execution of Works including extended period at their cost. The Contractor shall wherever required produce to the Company the policy(ies) of insurance. Provided always that in respect of any person employed by and Sub-contractor, the Contractor's obligation to insure as aforesaid under the sub-clauses shall be satisfied if the Sub-contractor shall have insured against the liability in respect of such persons in such manner that the Company is indemnified under the policy but the Contractor shall require such sub-contractor to produce to the Company or the Company's Representative when required such policy for insurance and the receipt for the payment of the current premium. The policy (ies) shall provide that not less than 21 days written notice shall be given to the Company by all insurers prior to any cancellation of material modification of the policy (ies).

The Contractor shall produce a certificate from insurance company to the effect that all premia under the policy have been paid and indicating validity of the policy.

Such insurance shall be effected with an insurance company incorporated and registered in India. The insurance cover shall apply even when the loss or damage might have occurred due to the negligence of the Company, its authorised representative or its workmen or any consultancy inspection, Certification or third party agency working for the Company. The contractor shall, in all respects comply with any conditions stipulated in the Insurance policies which are required to take out under the Contract.

Note: Policies of insurance shall be provided in respect of those policies taken out specifically for this project. With regard to those other Corporate policies of Insurance in respect of bidder's worldwide cover, Certificates of Insurance from the Insurance company shall be provided. Also bidder shall provide certified statements from the Insurance Company that premia have been paid and policies are in force.

7.3.9 Remedy on Contractor's Failure

Should the Contractor fail to take out and/or keep in force the insurance policies referred to above, or any other insurance which he may be required to effect under the terms of the Contract then the Company may at its option take out and keep in force insurance considered appropriate and necessary in the circumstances and pay such premium or premia as may be necessary for that purpose and from time to time deduct the amount so paid, by the Company as aforesaid with interest from any monies due or which may become due to the Contractor or recover the same as a debt due to the Contractor. However, if the policy lapses due to any reason, then the loss, damages and all liabilities on account of the policy having lapsed shall be to the account of the Contractor, nothing in this clause shall be construed by the Contractor as a waiver of his obligations to insure as required under the Contract. Further nothing in this clause shall impose upon the Company any obligation to insure on behalf of the Contractor. The Company may exercise its option to do so as stated herein but failure to exercise such option shall not entitle the Contractor to seek damages from the Company or eschew responsibilities under the Contract including his duties to insure and keep valid insurance policies.

7.3.10 Approval by the Company of any insurer or terms of insurance proposed by the Contractor shall not relieve the Contractor of any of its obligations or liability under or arising from this Contract or generally at law.



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7.3.11 The terms of insurance shall include a provision whereby in the event of any claim being brought or made against the Company in respect of which the Contractor would be entitled to receive indemnity under the policy, the insurer will indemnify the Company against such claims and any costs charges and expenses in respect thereof.

7.3.12 The Contractor shall prepare and follow-up any claims made under the policies effected as required under the contract at the Contractor's risk and cost. The Contractor shall not give any release or make any compromise with the insurer without the prior written consent of the Company, in respect of the insurance claims in which Company's interest is involved, which consent shall not be unreasonably withheld.

7.3.13 **Checklist for Insurance Policies.**

1. List of Policies to be taken:

- (a) Contractor's All Risk Insurance (including Onshore & Offshore Terrorism cover).
- (b) Cargo Transit Insurance.
- (c) Third Party Liability Insurance.
- (d) Motor Vehicles Package Policy which includes Third Party Liability.
- (e) Workmen's Compensation Insurance / Employer's Liability Insurance.
- (f) Insurance Policy for Contractor's Constructional Plant and Equipment and such policy to include removal of Wreck / debris.
- (g) Deleted

Note: In cases where Contractors content that their Corporate Policies with worldwide coverage meets the insurance requirements of the contract in respect of Policies from (b) to (f), Contractor needs to ensure that all the conditions mentioned in the contract in respect of insurance are complied with.

2. Principal Assured

The following are to be included as Principal Assureds in the Insurance Policies (except in case of Workmen's Compensation / Employer's Liability Insurance):

- (a) Oil & Natural Gas Corporation Limited, and Contractor's name (as appearing in the bid document / NOA)
- (b) Parent and/or Subsidiaries and/or Affiliated and/or Associated and/or inter-related Companies of the above as they are now or may hereafter be constituted and their Directors, Officers and Employees, while acting in their capacities as such.

3. Additional Insured

The following are to be included as Additional Insured in the Insurance Policies (except in case of Workmen's Compensation / Employer's Liability Insurance):

- (a) Any other company, firm, person or party (including Contractors and/or Sub-contractors and/or manufacturers and/ or suppliers) with whom the below mentioned persons have entered into written contract(s) directly in connection with the Project:
 - (i) Oil & Natural Gas Corporation Limited,



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- (ii) Parent and/or Subsidiaries and/or Affiliated and/or Associated and/or inter-related Companies of the above as they are now or may hereafter be constituted and their Directors, Officers and Employees, while acting in their capacities as such.
- (iii) Project Managers
- (iv) Contractor

4. **Waiver of Subrogation**

Except for the workmen's Compensation / Employer's Liability Insurance for workmen engaged under this contract which have been obtained by the contractor as their Corporate policy/rules and applicable statutory provisions, where ONGC is neither required to be present as principal Assured or additional Assured, all policies should have Waiver of Subrogation against Principal Assureds (as mentioned in point 2 above) and Additional Insured (as mentioned in point 3 above) and Contractor.

5. **Location of the Proposed Project** (in Contractors All Risk Policy).

6. **Project Description (Name)** (in Contractors All Risk Policy).

7. **Sum Insured** (Physical Damage portion of Contractors All Risk Policy). Not less than Estimated Final Contract Value as per NOA/Contract distributed in all currencies as mentioned in NOA/Contract.

8. **Period of Insurance** (Contractors All Risk Policy)

To be valid up to scheduled completion date of contract, with provision for an extended maintenance coverage for Contractor's liability in respect of any loss / damage occurring during the warranty period.

9. **Deductibles**

The contractor shall take policy with minimum deductible as prescribed for the policy (ies).

That portion of any loss not covered by insurance provided for in this article solely by reason of deductible provision in such insurance policies shall be to the account of the CONTRACTOR.

10. **Loss Payee Clause**

The Insurance Policies should mention the following in Loss Payee Clause:

"In respect of Insurance claims in which ONGC's interest is involved, written consent of ONGC will be required."

11. **Compliance with Sec 25(1) of 'The General Insurance Business (Nationalization) Act, 1972'**

Section 25(1) of 'The General Insurance Business (Nationalization) Act, 1972' is reproduced below:

"No person shall take out or renew any policy of insurance in respect of any property in India or any ship or other vessel or aircraft registered in India with an insurer whose



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principal place of business is outside India save with the prior permission of the Central Government”

The above requirement of aforesaid Act needs to be complied with by the Contractor wherever the aforesaid provisions of Act apply, and compliance confirmation submitted.

12. Written Notice

All Insurance Policies should provide that not less than 21 days written notice shall be given to the ONGC by the Insurance Company prior to any cancellation or material modification of the Policy (ies)

13. All insurance policies should mention the following:

“Notwithstanding anything to the contrary elsewhere in the Policy, it is understood and agreed that Insurance cover shall apply even when the loss or damages might have occurred due to the negligence of the ONGC, its authorized representative or its employees or its workmen or any consultancy inspection or Certificate Agency working for the company”.

7.3.14 Taking out various insurance policies.

After the award of the contract, the contractor will be required to take insurance policy as per the provisions of the contract and the insurance should come in to force from the date of commencement of works

The Contractor will be also required to submit a declaration along with cover note that Insurance Policies have been taken as per contractual terms.

7.3.15 a) Delayed receipt of insurance policy in case of services and projects will be avoided. Wherever the contractor is required to take various insurance policies before commencement of works, it should be ensured that the required insurance policies are taken in time and are in full force and effective, as per the requirement of contract.

b) In case due to the delay in taking insurance policy, safety of the operations can be affected, the operation should be stopped.

c) At the start of the project as per contract terms, wherever the responsibility of taking specific insurance policy is from the contractor, the contractor should take the same and provide an undertaking that the appropriate insurance policy meets all the contract requirements. Payment for the insurance policy should be as per terms mentioned in the contract.

7.4 War Risks

7.4.1 In the event the Contractor is given written notice by the Insurance underwriters, that, because of impending hostilities or war like operations, piracy, civil war, revolution, rebellion, insurrection or civil strike in the Indian Territorial Waters, Indian Exclusive Economic Zone, the said Insurance underwriters intend to cancel the Contractor's war risk, confiscation insurance and detention cover in respect of the Contractor's offshore Constructional Plant & Equipment deployed at the Site, the Company agrees to indemnify



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(reimburse) and hold the Contractor harmless for any loss arising from the said risks beginning on the effective date as per the insurer's notice provided that the Contractor gives the Company immediate notice of such action proposed by the insurance underwriters (with photocopy of the insurer's notice) of the said cancellation. Alternatively, the Company shall have the option to suspend the Contract and direct the Contractor to demobilize his offshore Constructional Plant and Equipment, in which case the Contractor shall discontinue the work in accordance with Company's instructions and demobilize and the foregoing indemnity shall terminate upon Contractor's offshore Constructional Plant and Equipment leaving Indian Exclusive Economic Zone. Upon the Contractor's underwriters electing to increase the insurance premium for the said additional insurance risks, the Company, may instead of terminating the Contract, direct the Contractor to demobilize his Offshore Constructional Plant and Equipment to a safe location, or agree to compensate the Contractor for his additional insurance premium on production of proof of actual payment thereof.

- 7.4.2 Should the Contractor be prevented from performing the Work under the Contract on account of above said demobilisation, the Force Majeure Clause in the Contract shall come into force. The foregoing provisions of this Clause shall not be construed to prevent the Contractor / Company from invoking the provisions of Force Majeure clause when the conditions stated in Clause 7.4 occur. Any demobilization and remobilization ordered by the Company under the provisions of this Clause 7.4 shall be to Company's account, provided that the details of such demobilisation and remobilisation including the place, duration and cost of such demobilisation shall be mutually discussed and agreed between the parties.

Any additional cost incurred by the Contractor in protecting and preserving the Works prior to the Contractor leaving the Site under this Clause 7.4 and time lost as a result of any suspension under this Clause 7.4 shall be to the sole account of the Company.

7.5 Force Majeure

- 7.5.1 The term "Force Majeure" as employed herein shall mean Act of God, floods, tempest, war, civil riot, fire and Acts, Rules and Regulations of respective Governments of the two parties, namely the Company and the Contractor directly affecting the performance of the Contract.
- 7.5.2 In the event of either party being rendered unable by Force Majeure to perform any obligation required to be performed by them under this Agreement, the relative obligation of the party affected by such Force Majeure shall, upon notification to the other party be suspended for the period during which such cause lasts.
- 7.5.3 Upon the 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.
- 7.5.4 Time for performance of the relative obligation suspended by the Force Majeure shall then stand extended by the period for which such cause lasts.
- 7.5.5. If Performance under the contract are suspended by the Force Majeure conditions lasting for more than (2) two months, the Company shall have the right to terminate this Agreement by giving 15 days' notice.



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7.5.6. Deleted

7.6 **Subsequent Legislation.**

7.6.1 In the event of introduction of any new legislation or any change or amendment or enforcement of any Act or Law, rules or regulations of Government of India or State Government(s) or Public Body which becomes effective after the tender closing date for this CONTRACT and which results in increase in rate of taxes and duties on the supply of services to ONGC under the CONTRACT (other than personnel and Corporate taxes), the CONTRACTOR shall be indemnified for any such increased taxes and duties by the COMPANY subject to the production of documentary proof to the satisfaction of the COMPANY to the extent which directly is attributable to such introduction of new legislation or change or amendment as mentioned above and adjudication by the competent authority & the courts wherever levy of such taxes / duties are disputed by COMPANY.

7.6.2 Similarly, in the event of introduction of new legislation or any change or amendment or enforcement of any Act or Law, rules or regulations of Government of India or State Government(s) or Public Body which becomes effective after the tender closing date for this CONTRACT and which results in any decrease in the rate of taxes and duties on the supply of services to ONGC, (other than personnel and Corporate taxes), the CONTRACTOR shall pass on the benefits of such reduced cost, taxes or duties to the COMPANY, to the extent which is directly attributable to such introduction of new legislation or change or amendment as mentioned above.

7.6.3 All taxes & duties (except where otherwise expressly provided in the Contract) as may be levied / imposed in consequences of execution of the Services or in relation thereto or in connection therewith as per the Acts, Laws, Rules, Regulations in force on the tender closing date, for this CONTRACT shall be to CONTRACTOR's account. Any increase / decrease in the rate of such duties, taxes after the tender closing date, but within the contractual completion date as stipulated in the CONTRACT will be to the account of COMPANY.

7.6.4 Any increase in the rate of taxes & duties after the contractual completion date during the extended period will be to the contractor's account, where delay in completion period is attributable to the CONTRACTOR. However, any decrease in the rate of taxes and duties after the contractual completion date will be to COMPANY's account.

7.6.5 The Contract Price and other prices given in the Schedule of Prices are based on the applicable tariff as indicated by the CONTRACTOR in the Schedule of Prices. In case this information subsequently proves to be wrong, incorrect or misleading, COMPANY will have no liability to reimburse/pay to the CONTRACTOR the excess duties, taxes, fees, if any finally levied / imposed by the concerned authorities. However, in such an event, COMPANY will have the right to recover the difference in case the rate of duty/tax finally assessed is on the lower side.



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7.6.6 The above provisions would be applicable only in case of variation in rate of taxes and duties on supply of services to ONGC and not applicable on taxes and duties on input (goods and services).

(i) Deleted

(ii) Deleted

7.6.7 Notwithstanding the provision contained in clause 7.6.1 to 7.6.4 above, the CORPORATION shall not bear any liability in respect of :

- (i) Personal taxes on the personnel deployed by CONTRACTOR, his sub-contractor / sub-sub contractors and Agents etc.
- (ii) Corporate taxes and Fringe benefit tax in respect of contractor and all of their sub-contractors, agents etc.
- (iii) Other taxes & duties including Customs Duty, and GST in addition to new taxes etc. in respect of sub-contractors, vendors, agents etc of the CONTRACTOR.

7.6.8 Any claim or reduction on account of change in law shall be accompanied with undertaking that the provisions of anti-profiteering clause under GST Act have been complied with.

8.0 **VARIATION IN CONTRACT ELEMENTS**

8.1 **Alteration/Variation**

8.1.1 The Contractor agrees that the requirements given in drawings, specifications of the Bidding Documents are minimum requirements and are in no way exhaustive and guaranteed by the Company. It shall be the responsibility of the Contractor to meet all the requirements of Design criteria contained in the Bidding Documents and any upward revisions and/or additions of quantities, specifications sizes given in specifications and drawings etc. of the Bidding Documents required to be made during execution of the works shall not constitute a change order and shall be carried out without a change order and shall be carried out without any time and cost effect to Company. Further upward revisions and/or additions required to make Contractors' selected equipment and installation procedures to meet Bidding Documents requirements expressed and to make entire facilities safe, operable and as per specified codes and standards shall not constitute a change order and shall be carried out without any time and cost effect to Company. Any upward revisions and/or additions consequent to errors, omissions, ambiguities, discrepancies in the specification and drawings etc. of the Bidding Documents which the Contractor had not brought out to the Company's notice in his tender shall not constitute a change order and such upwards revisions and/or addition shall be carried out by contractor without any time and cost effect to Company.

8.1.1.1 **Change Order**

Subject to provisions of Clause 5.3.1, a change order will be initiated only in case:

- (i) the Company directs in writing the Contractor to include any addition or deletion to the scope of work.



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- (ii) Contractor requests to delete any part of the Work which will not adversely affect the operational capabilities of the facilities and if the deletions proposed are agreed to by the Company.
- (iii) the Company directs in writing the Contractor to incorporate changes or additions to the Design Criteria requirements covered in the Contract.
- (iv) Any other contractual change leading to cost benefit as per contract terms (negative change order).

8.1.1.2 Any changes required by the Company over and above the minimum requirements given in the specifications and drawings etc. included in the Bidding Documents before giving its approval to detailed design or engineering for complying with design criteria and changes required to ensure systems compatibility and reliability for safe (As per codes, standards and recommended practices referred in the Bidding Documents) and trouble free operation shall not be construed to be change in the Scope of the Work under the Contract.

8.1.1.3 In case any item / equipment / component / part specified in the scope of work is substituted by another item / equipment / component / part of the same category, such change due to obsolescence / non-availability/no response received from vendors / manufacturers of such items/equipment /component / part shall be considered as a change order where value shall be determined based on the differential cost implication, provided that such changes are authorized /approved by the Company.

8.1.1.4 i) Any change order as stated in 8.1.1.1 comprising an alteration which involves change in the cost of the Works (which sort of alteration is hereinafter called a "Variation") shall be the subject of an amendment to the Contract by way of an increase or decrease in the Contract price and adjustment of the construction schedule if any.

ii) If the Contract provides applicable rates in accordance with Appendix A-3 of the Contractor for the valuation of the variation in question the Contract price shall subject to 8.1.1.4 (iii) be increased or decreased in accordance with those rates.

iii) If parties agree that the Contract does not contain applicable rates or that the said rates are inappropriate or the said rates are not precisely applicable to the variation in question, then the parties shall negotiate a revision of the Contract Price which shall represent the change in cost of the Works caused by the Variations. Any change order must be duly approved by the Company in writing.

8.1.1.5 If there is a difference of opinion between the Contractor and Company's Representative whether a particular Work or part of the Work constitutes a change order or not, the matter shall be handled in accordance with the procedures set forth in Clause 8.1.1.7(h).

8.1.1.6 Within ten (10) working days of receiving the comments from the Company on the drawings, specification, purchase requisitions and other documents submitted by the Contractor for approval, the Contractor shall respond in writing which item(s) of the Comments is/are potential changes(s) in the Scope of Work covered in the Contract and shall advise a date by which change order (if applicable) will be submitted to the Company.

8.1.1.7 Procedure for Change Orders

- a) During detailed engineering and subsequently, if the Contractor observes that any new requirement which other than that required for meeting the design criteria is not



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specific or intended by the Contract has been stipulated by the Company, while approving the specifications, calculations, purchase requisitions, drawings, other drawings, other documents etc. he would discuss the matter with Company's Representative.

- b) In case such requirement arises from the side of the Contractor, he would also verbally discuss the matter with Company's Representative giving reasons thereof.
- c) In either of the two cases as explained in (a) and (b) above, the representatives of both the parties will discuss on the new requirement for better understanding and to mutually decide whether such requirement constitutes a change order or not.
- d) If it is mutually agreed that such Requirement constitutes a "Change Order" then a joint memorandum will be prepared and signed by the Contractor and Company to confirm a "Change Order" and basic ideas of necessary agreed arrangement.
- e) Contractor will study the Work required in accordance with the joint memorandum under (d) and assess subsequent schedule and cost effect, if any.
- f) Upon completion of the study referred to above under (e), the results of this study along with all relevant details including the estimated time and cost effect thereof with supporting documents would be submitted to the Company to enable the Company to give a final decision whether Contractor should proceed with the change order or not in the best interest of the Works.

The estimated cost and time impact indicated by Contractor shall be considered as a ceiling limit and shall be provisionally considered for taking a decision to implement change order.

The final cost will not exceed the initial estimated cost. Initial estimated time/COST impact indicated by Contractor shall be considered as a ceiling limit and shall be provisionally considered for taking a decision to implement change order. However, in case of negative change order/cost benefit, the initial cost benefit so indicated shall be considered as the datum & final cost shall not be lower than the same.

The time impact applicable to the Contract shall be mutually agreed subsequently on the basis of the detailed calculations supported with all relevant back up documents.

In case Contractor fails to submit all necessary substantiations/ calculations and back up documents, the decision of the Company regarding time & cost impact shall be final and binding on the Contractor.

- g) If Company accepts the implementation of the change order (f) above in writing, which would be considered as change order, then Contractor shall commence to proceed with the relevant work stipulated in the Change order pending final agreement between the parties with regard to adjustment of the Contract Price and the Construction Schedule.
- h) In case, mutual agreement under(d) above, i.e. whether new requirement constitutes the change order or not, is not reached, then Contractor in the interest of the Works, shall take up the implementation of the Work, if advised in writing to do so by Company's Representative pending settlement between the two parties to the effect



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whether such requirement constitutes a change order or not as per the terms and conditions of Contract documents. The time and cost effects in such a case shall be mutually verified and recorded. Should it established that the said work is constituting a change order, the same shall be compensated taking into account the records kept and in accordance with the Contract.

The Contractor shall submit necessary backup documents for the change order showing the break-up of the various elements (e.g. Engineering, Procurement, Fabrication, Installation, etc.) constituting the change order for the Company's review. If no agreement is reached between the Company and Contractor within 60 days after Company's instruction writing to carry out the change concerning the increase or decrease in the Contract Price and all other matters described above, either party may refer the dispute to arbitration pursuant to Clause 1.3.3 of GCC hereof.

- i) If proposed change order involves purchase of material than prior to finalizing purchase, the contractor should provide at least 3 offers in respect of the material proposed to be procured for approval of ONGC. In case less than 3 offers are provided, adequate justifications shall be given as to what are the reasons for the same.

8.1.2 Change order on Day Work Basis

8.1.2.1 The Company's Representative, if in his opinion it is necessary or desirable, may order in writing that any change order/extra work shall be done on a day work basis. The Contractor shall then be paid for that work as per the rates set out in the schedule of prices/rental rate schedule of the Contract.

8.1.2.2 For all work done on a Day Work basis, the Contractor shall furnish receipt of Vendor or other vouchers as may be necessary to the Company's Representative to prove the amounts paid and before ordering materials shall submit to the Company's Representative, quotations for his approval. Such approval shall not be unreasonably withheld.

8.1.2.3 In respect of all work done on a day work basis the Contractor shall, during the continuance of such work, submit each day to the Company's Representative an exact list, in duplicate, names, discipline and time of all workmen deployed on such work and a statement also in duplicate showing the description and quantity of all materials and plant utilised for extra work. The Company's Representative shall sign and return to the Contractor one copy of each list and the statement if correct or when agreed. At the end of each month the Contractor shall deliver to the Company's Representative a priced statement of the Labour, materials and plant (except as aforesaid) used. Whenever any dispute exists of any day work voucher, submitted for the Company's Representative's approval as to costs allocation between the Contractor and the Company, the voucher shall nevertheless be signed by the Company's Representative as a record of time worked and materials used. Lists and vouchers so signed will be the subject of negotiations between the Company and the Contractor regarding their costs allocation.

8.1.2.4 Should the quantum of extra work/change order if any, which the Contractor may be required to perform by the Company, fairly entitles the Contractor to extension of time beyond the scheduled completion date for completion of either the whole of the Works or for such Extra work only, the Company and the Contractor shall mutually discuss and decide the extension of time, if any, to be granted to the Contractor.



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8.1.3 Variation of Quantities

8.1.3.1 The written advice to this effect shall if so required be issued by the Company upto 8(eight) weeks prior to the due date of supply of such plants / equipment / material to the Contractor as may be specified in the PERT chart to be agreed. In case of increase in quantity, the Contractor agrees to carry out such additional quantity of work at the rate and terms and conditions as provided in the Contract except for the appropriate extension of time to be allowed for obtaining delivery of such extra equipment. In case of decrease in quantities the Contractor shall give a reduction in price at the rate given in the Contract corresponding to decrease of quantity. In case applicable unit rates for the increase /decrease in plants / material /equipments are not available in the Contract, then such variation in quantities shall constitute a change order and the rates as may be mutually agreed shall apply. Contractor shall not be entitled to any claim by way of change of price, damages, losses, etc. Contractor shall be compensated at actual for any cancellation charges provided the claim is duly supported by documentary evidence of having incurred cancellation charges, which results from Company's action in reducing / canceling Scope of work.

8.1.3.2 In case of variation of quantities during the execution of the contract for executing the contracted scope of work and if unit rates for such items are available in the contract, then such variation in quantity shall not be considered as change order and the Company shall have the option to increase or decrease the quantities of such items.

8.1.3.3 All new / fresh works or any additional work not appearing in the scope of work defined in the contract shall be considered as change orders.

8.1.4 Conditions for Extra Work/Change Order

The provisions of the Contract shall apply to extra work performed as if the Extra Work/Change Order has been included in the original Scope of Work. However the Contract price shall increase/decrease and the construction schedule shall be adjusted on account of the Extra Work/Change orders as may be mutually agreed in terms of provisions set forth in Clause 8.1.1 through 8.1.3 above. The Contractor's obligations with respect to such work remain in accordance with the Contract.

The extra work shall not be included in the Contract Price for the purpose of calculations of liquidated damages under Clause 6.3.2. For Extra Works/ Change Order if implemented on day work basis, cost of testing shall also be payable by the Company.

8.1.5 For all claims including those which relate to change order/ extra works and for which Company has been notified, the contractor must submit his claims along with complete documentation within six months of the date on which the claim arises, failing which company may not entertain such claims. This time period is irrespective of the fact that work identified under punch point is still to be completed which shall be governed separately.

8.1.6 Payment Schedule:

8.1.6.1 The payment schedule for change orders will be linked to individual milestones similar to the manner in which payments are made for normal contracts.



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8.1.6.2 The payment schedule can only be made after the complete change order has been approved and the negotiations on price for the change order have been completed with the suppliers / contractors.

8.1.6.3 In case cumulative change orders value/ ceiling value cause the contract value to increase by more than 15% of original contract value, then Performance Security should be obtained for higher amount within 15 days of giving go-ahead to the Contractor for execution of the change order.

However, if the cumulative change orders value/ceiling value cause the contract value to increase Up to 15% of original contract value, then further Performance Security is not required to be taken.

In case if a contractor does not submit additional PBG for the incremental amount within 15 days of giving go-ahead notification by ONGC, ONGC would withhold the equivalent amount of additional PBG to be submitted by the contractor against the change order from any payments due to the contractor against the subject contract and release the same after submission, verification and acceptance of the additional PBG.

8.2 Suspension of Work by Company

8.2.1 The Company may by notice in writing to the Contractor order the contractor to suspend performance of all Works or part of the Works under the Contract. Such notice shall specify all Works or part of the Works of which performance is to be suspended, its effective date and the reasons therefore. The Contractor shall thereupon suspend performance of such Works or part of the Works until ordered in writing to resume such performance by Company.

8.2.2 The Contractor shall during such suspension properly protect and secure the Work so far as is necessary in the opinion of the Company's Representative in accordance with the Contract. During the period of suspension the Contractor shall not remove from site any material, any part of the plant or any Constructional plant and Equipment without prior written consent of the Company. If the Contractor's performance on all Works or part of Work is suspended pursuant to this Clause, then the time for completion of the Works shall be extended and additional cost incurred by the Contractor in giving effect to the Company's Representative instructions under this Clause shall be borne and paid by the Company unless the suspension is:

i) Otherwise provided for in the Contract.

OR

ii) Necessary by reason of some default or breach of the contract on the Part of the Contractor.

iii) Necessary for the proper performance of the Work in accordance with the Contract.

iv) Necessary for the safety of the Works or any part thereof in so far as such necessity does not arise from any act of defaults by the Company or Company's Representative or any other property of the Company directly or indirectly relating to the Works for reasons not attributable to Company.



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8.2.3 For the purpose of calculating costs incurred by the Contractor during the suspension of Work as mentioned above, day rate or rental rate schedules specified in the Contract shall be applied and details of the Contractor's spread affected by such suspension pursuant to this clause be recorded and submitted to the Company. If the progress of the Works or any part thereof is suspended at offshore site for a period(s) in excess of 90 days in aggregate on the written order of the Company's Representative otherwise than by reasons given in (i) through (iv) above and if permission to resume Work is not given by the Company's Representative, then at any time there after and provided that at that time such performance is still suspended, the Contractor may give a written notice to the Company's Representative requiring that the Company within 7 days of receipt of the notice either order the resumption of the Works or that part thereof in regard to which progress is suspended and if such order or resumption is not granted within that time, the Contractor by a further written notice so served may elect to treat the suspension where it affects a party only of the works as a deletion of such part in accordance with Clause 8.1 of GCC hereof or where it affects the whole of the Works as termination of the Contract by the Company. If the Contractor opts to terminate the Work or part of the Work upon such termination the provisions of Clause 8.3.1 and 8.3.2 shall apply.

8.2.4 In the event that Company suspends the progress of Work for any reason not attributable to Contractor for a period in excess of 30 days in aggregate, rendering Contractor to extend his performance guarantee then Company shall bear only the cost of extension of such bank guarantee /Electronic Bank Guarantee for such extended period restricted to the normal bank rates as applicable in the international banking procedures subject to Contractor producing the requisite evidence from the bank concerned.

8.3 Termination

8.3.1 The Company may at any time terminate the Contract as per Clause 8.2, 7.5.5 and/or 7.4 by giving the Contractor a notice in writing to that effect. Upon termination under Clauses 7.4, 7.5.5 and/or 8.2 or upon receipt of the Termination Notice the Contractor shall either immediately or upon the date specified in the termination notice:

- a) Cease all further Work, except for such Work as the Company may specify in the Termination Notice for the sole purpose of protecting that part of the Works already executed.
- b) Terminate all sub-contractors except those to be assigned to the Company pursuant to paragraph d) (ii) below.
- c) Remove all Constructional Plant and Equipment from the Site and repatriate the Contractor's and its Sub-contractor's personnel from the Site, remove from the Site any wreckage and debris of any kind and leave the whole of the Site in a clean and a safe condition.
- d) Subject to the payment specified in clause 8.3.2 below.
 - i) deliver to the Company the parts of the Works executed by the Contractor up to the date of Termination.



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- ii) Assigns to the Company all right, title and benefit of the Contractor to the Works as at the date of Termination, and, as may be required by the Company in any sub- Contract(s) concluded between the Contractor and his sub-contractors and
- iii) deliver to the Company all drawings, specifications, and other documents prepared by the Contractor or his sub-contractors as at the date of Termination in connection with the Works.

8.3.2 In the event of termination of the Contract under clause 8.3.1 the Company shall pay to the Contractor the following amount:

- (a) The Contract price properly attributable to the parts of the Works executed by the Contractor in accordance with the Contract as at the date of Termination.
- (b) The costs incurred by the Contractor in protecting the Works pursuant to paragraph (a) of clause 8.3.1 above as mutually agreed.
- (c) Reasonable demobilization charges as may be ascertained by the Company if Contractor has Constructional Plant and Equipment at offshore site at the time the termination becomes effective.
- (d) Cost of any materials or equipment already purchased and/or ordered by the Contractor, the delivery of which the Contractor must accept, such materials or equipment will become property of the Company upon payment by the Company of the actual Cost of the materials or equipment.
- e) All reasonable cost of canceling/terminating any subcontract(s)
- f) All reasonable cost on cancellation or orders for material, etc., which the Contractor may have committed for the project.

8.3.3. In case of termination of the Contract under the provisions other than Clause 7.4, 7.5 and Clause 8.2 of Contract, the recourse as mentioned in the relevant clause under which the termination has become effective shall be applicable.

8.3.4 There shall be no liability for the Company to compensate the Contractor for loss of work or loss of profits or any other claim of similar nature on account of Termination.

8.3.5 In the event Company fails to pay invoiced amount due or communicate the reasons for its objection to any disputed amount in an invoice in accordance with Sub-clause 3.2.3 within a period of 90 days, the Contractor shall be entitled to terminate the Contract after giving fourteen (14) days prior written notice to the Company. Upon termination under this Clause Contractor shall be entitled for the compensation as per Clause 8.3.2.

8.3.6 Consequences of Termination.

In case of termination of Contract herein set forth, except under clause 7.4, 7.5 & 8.2 of Contract and / or annulment of the contract due to non-submission of Performance Security, following actions shall be taken against the Contractor:

- i. ONGC shall conduct an inquiry against the Contractor and consequent to the



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conclusion of the inquiry, if it is found that the fault is on the part of the Contractor, then they shall be put on holiday [i.e neither any tender enquiry will be issued to such a Contractor by ONGC against any type of tender nor their offer will be considered by ONGC against any ongoing tender(s) where contract between ONGC and that particular Contractor (as a bidder) has not been concluded] for a period of two years from the date the order for putting the Contractor on holiday is issued. However, the action taken by ONGC for putting that Contractor on holiday shall not have any effect on other ongoing contract(s), if any with that Contractor which shall continue till expiry of their term(s).

- ii. Pending completion of the enquiry process for putting the Contractor on holiday, ONGC shall neither issue any tender enquiry to the defaulting Contractor nor shall consider their offer in any ongoing tender

8.4 Remedies of Company

8.4.1 Remedies

8.4.1.1 If the Contractor:

- i) becomes bankrupt or has a receiving order made against him or presents his petition in Bankruptcy or makes an arrangement with or assignment in favour of his creditors or agrees to carry out the Contract under a committee of inspection of his creditors or (being a corporation) goes into liquidation (other than a voluntary liquidation for the purposes of amalgamation or reconstruction)
OR
- ii) has an execution levied on his goods,
OR
- iii) assigns the Contract without the previous written consent of the Company,
OR
- iv) has to the detriment of good workmanship or in defiance of the Company's Representative's instruction to the contrary sub-contracted for any part of the Contract,
OR
- v) repudiates or abandons the Contract,
OR
- vi) without reasonable excuse fails to commence the Works or suspends the progress of the Work for (30) thirty days after receiving from the Company's Representative, written notice to proceed,
OR
- vii) fails to remove materials from the Site (removal of material means removal from immediate vicinity of Work) or to pull down and replace Work or initiate remedial action acceptable to the Company for (30) thirty day after receiving from the Company's Representative, written notice that the said materials or Work have been condemned and rejected by the Company's Representative under these conditions of Contract.
OR
- viii) despite previous notice in writing by the Company's Representative is not executing the Works in accordance with the Contract to the satisfaction of the Company's representative or is persistently or flagrantly neglecting to carry out his obligations under the Contract;



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then the Company may after giving notice of 10 days in writing, to the Contractor forthwith enter upon the Site and the Works and expel the Contractor from there without thereby making the Contract void or releasing the Contractor from any of his obligations or liabilities under the Contract or affecting the rights and powers conferred on the Company by the Contract and may at the risk and cost of Contractor complete the Works itself or deploy any other Contractor to complete the Works and the Company or that other Contractor may use for the completion of Works as much of the Constructional Plant and Equipment, Temporary Works and materials which have been deemed to be reserved exclusively for the construction and completion of the Works under the provisions of the Contract as it or they think proper.

Note: In case Company takes over Contractor's marine spread, it will continue to be operated by the same personnel manning the barge under directions from Company supervisor, will be used specially for the completion of this project and will return to the Contractor on completion of the Works.

8.4.1.2 If the Company enters and expels the Contractor under this clause it shall not be liable to pay the Contractor any money on account of the Contract until the costs of completion and making good damages for delay in completion (if any) and all other expenses incurred by the Company have been ascertained provided however that Contractor shall only be liable for the said costs and expenses that Company may sustain on this account upto a maximum amount of twenty percent (20%) of the Contract value. The Contractor shall then be entitled to receive only the sum or sums (if any) which would have been due to him on due completion by him after deducting the sum due to the Company as aforesaid, regard being had to the sums representing the value of the work actually done by the Contractor by the time of his expulsion and to represent the price of any said unused or partially used materials, any Constructional Plant and Equipment and any Temporary Works as well as for the use of marine spread by Company for completion of works as provided for in the note and Cl.8.4.1 above.

8.4.1.3 If the sum so due to the Company exceeds the sum which would have been payable to the Contractor on due completion by him then the Contractor shall on demand pay to the Company the excess amount and it shall be deemed a debt due by the Contractor to the Company and shall be recoverable accordingly.

8.4.2. **Remedies Under Emergencies**

If by reason of any accident or failure or any other event occurring to, in or in connection with the Works or any part of them either during the construction of the Works or during the Guarantee period any remedial or other Work or repairs is, urgently necessary for security, safety and for the other purpose of performance of work, which justifies immediate remedial action and the Contractor is unable or unwilling at once to do that Work or repair, the Company may on its own or through other workmen do whatever Work or repair to the extent necessary for such purpose. If the work which was the Contractor's duty to do at his own expenses under the Contract, all costs and charges properly incurred by the Company in so doing shall on demand be paid by the Contractor to the Company or may be deducted by the Company from any money due or which may become due to the Contractor or recover by any other means at the Company's discretion. The Company's Representative or the Engineer's Representative (as the case may be) shall inform Contractor forth with of an emergency occurrence of and shall as soon as may be



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reasonably practicable after the occurrence of any emergency as aforesaid, notify the Contractor of it, in writing.

9.0 CORRESPONDENCE

9.1 GENERAL

The objective of this section is to establish a flow of correspondence on this project in order to direct the various forms of correspondence through desired channels thereby keeping all concerned informed as to detailed construction progress. Correspondence will normally be exchanged between Company's Offshore Works Division, Company's Finance Department and Company's Material Management section, Company's Consultant, Certification Agency, Third Party Inspection Agency and the Contractor. The Contractor shall be responsible for quick dispatch / distribution of all documents to all the parties involved directly or indirectly.

Abbreviations for the above offices used throughout this procedure are as follows:

- OW - ONGC Offshore Works Division-ES, 11 high, Mumbai, India.
- OP -ONGC Materials Management Department, OWD-ES, 11 high, Mumbai, India.
- CON - Company's Consultant, ODS / Others
- C -Contractor.
- TPIA - Third Party Inspection Agency
- TPCA - Third Party Certification Agency.
- OF - ONGC Finance & Accounts Department, OWD-ES, 11 high, Mumbai
- OA - ONGC B&S Asset, Vasudhara Bhavan, Mumbai.
- IGT - Institute of Oil & Gas Production Technology (IOGPT), Panvel, Mumbai
- IEOT – Institute of Engineering & Ocean Technology, Panvel, Mumbai
- IMR - Inspection, Maintenance & Repair Department (IMR), 11 high, Mumbai

9.2 ADDRESSES

The complete addresses are as follows:

OFFICE STREET ADDRESS MAILING ADDRESSES

- OW - 4th floor, 11 High, ONGC, Bandra Sion Link Road, Sion(W),Mumbai- 400017.
- OP - 4th floor, 11 High, ONGC, Bandra Sion Link Road, Sion(W),Mumbai- 400017.
- CON- 4th floor, 11 High, ONGC, Bandra Sion Link Road, Sion(W),Mumbai- 400017.
- C - To be filled by Contractor
- TPIA - To be informed
- TPCA - To be informed
- OF – 4th floor, 11 High, ONGC, Bandra Sion Link Road, Sion(W),Mumbai- 400017.
- OA – ONGC, MH Asset, 2nd Floor, Vasudhara Bhavan, Bandra(E), Mumbai-400051
- OB – ONGC, NH Asset, 2nd Floor, Vasudhara Bhavan, Bandra(E), Mumbai-400051
- IGT – IOGPT, ONGC, Panvel, Raigarh Dist, Pin code-410 221
- IEOT – Institute of Engineering & Ocean Technology, ONGC, Panvel, Raigarh Dist, Pin code-410 221
- IMR – IMR/Pipeline Group (PG), 7th floor, 11- high, ONGC, Bandra Sion Link Road, Sion (W), Mumbai- 400017

9.3 CODING

The following chronological typical letter coding will also be required for ready reference, checking and filing of the correspondence as follows:

From To Letter / Fax Code



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OW C OWC-1, 2 etc.
C COW COW-1, COW-2 etc.

9.4 HEADING

A uniform system of correspondence heading is suggested as follows:

Office of PC- Part Replacement Pipeline Project (PRPP) 11 High, ONGC Complex, Bandra-Sion Link Road, Mumbai – 400 017	Telephone No.
	e-mail: prasad_sonam@ongc.co.in
From: : Sonam Prasad	File Ref.
	Date:
To:	

9.5 DISTRIBUTION

Originals and copies of correspondence including attachments, tables, etc. will be distributed as shown on the following chart. Other copies may be furnished as required (To be confirmed by Company).

S.No.		OW	CON	TPI	CA	IGT/IEOT	OA	IMR
1.	General Correspondence							
	a) Commercial	1**	-	-	-	-	-	-
	b) Technical	1**	1**	1	1	-	-	-
2.	Detailed Calculation drawings.	1*	1**	-	1	-	-	-
3.	a) Construction specification & drawing including Vendor data /drawings.	1*	1**	1	1	-	-	-
	b) Shop drawings.	++	-	1	1	-	-	-
4.	Material Requisition & Purchase Lists/Specifications & Others.	1*	1**	1	1	-	-	-
5.	Progress Reports, Schedules etc.	1**	1	-	1	-	-	-



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S.No.		OW	CON	TPI	CA	IGT/ IEOT	OA	IMR
6.	Load out/transportation, hook-up, pre-commissioning procedures & installation manuals.	1	-	1*	1	-	-	-
7.	Change Orders	1	1	-	-	-	-	-
8.	Start-up and operating manual (draft)	1	1	-	-	-	1	-
9.	Start-up and operating manual (Final) Note-6	1*	1*	-	1	1*	1****	-
10.	Manufacturer's data books along with test reports. Note-6	1*	1*	-	1*	1*	2****	-
11.	a) As-built drawings & purchase specifications. The soft copies (including intelligent as well as editable SACS models) in single Hard Disk with capacity to accommodate total As-built information. Note-6	1*	1*	-	-	1*	2****	1*
	b) deleted	-	-	-	-	-	-	-
	c) Certified full size as-built drawings of pipelines.	1*	1*			1*	-	1* (PG)
	d) Bound sets of certified as-built drawings in A3 size.	-	-	-	-	-	2	-
	e) Final in-place analysis of platforms. (including SACS model)	-	1*	-	-	1*	-	1*
12.	a) Field record of pile driving data and installed piling make-up.	1*	1*	-	1*	1*	-	1*
	b) Field record of pipeline/riser installation and testing.	1*	1*	1*	1*	1*	1**	1* (PG)
13.	Recommended Spare parts list and Catalogue.	1*	1*	-	-	1*	1****	-

Notes:

- The above distribution does not include correspondence distribution at Design Centre(s), fabrication yard (s) and offshore.
- * indicates distribution of soft copy.



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3. ** indicates distribution of soft copy.
4. *** indicates distribution of two soft copy
5. ++ indicates intimation about issuance to Company.
6. Contractor shall make Operation Manual, Maintenance manual, Vendor data books, spare part list, as built drawings & documents like P&IDs, SLDs, Loop drawings, fabrication drawings etc. available on Company's OPMAC repository. All correspondences and submissions shall be through OPMAC platform.

10.0 Health, Safety and Environment

10.1 Health, Safety & Environment (HSE) Compliance

- a. The Contractor shall comply with the HSE requirements detailed in GCC and elsewhere in bidding documents. The Contractor shall also be responsible to comply with code requirements of International Maritime Organization (IMO), International Convention of Safety of Life at Sea (SOLAS), Occupational Safety & Health Administration (OSHA), ISO-14000 series, American Petroleum Institute (API) RP-14A, 14B, 14C, 14D, 14E, 14F, 14G, 14H, 14J, and other international practices. In case of conflict between the requirements of the various specifications and/or the requirements specified in the bid document, the more stringent requirement shall be followed.
- b. During installation, hook-up, pre-commissioning, start up and commissioning of new platforms and modification works on existing platforms, Contractor shall ensure compliance of various activities related to Safety, Health & Environment as per applicable codes and submit the compliance report.
- c. Contractor shall conduct a Safety Studies Methodology which shall be completed and submitted to Company within 30 days of Contract Award. Further, the Contractor shall implement the findings of the Safety Studies without impact on Schedule or Contract Price.
- d. Doctor on Board: Contractor should also mobilize minimum MBBS qualified allopathic medical practitioner on board whose service should be available at all time.

10.2 SAFETY/FIRE PROTECTION

Contractor shall take all necessary measures to protect the work and Workmen against accidents and occupational disease. They shall observe and comply with all Governmental safety regulations as well as Company's and accepted industry safety practices as required for this work.

10.2.1 The Contractor will be required to demonstrate that:

- i. the management systems and the installation are adequate to ensure that the design and the operation of the installation and the equipment are safe;
- ii. the potential hazards of the installation and the risks to personnel and environment have been identified and appropriate controls provided;



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- iii. adequate provision is made for ensuring, in the event of a major emergency affecting the installation, the safe evacuation and rescue of personnel and
- iv. the statutory and Company requirements relating to safety and pollution control measures are complied with.
- v. Safety Officer On each barge, a safety officer adequately trained and having certificate from reputed institute should be available.

10.3 RULES AND REGULATIONS

Contractor shall observe national and local laws, ordinances, rules and regulations pertaining to the Works and shall be responsible for extra costs arising from violations of same. The Contractor shall not do any exploratory excavations, including drilling/boreholes, without the previous written permission of the Company's Representative.

10.4 Watching and Lighting

The Contractor shall, in connection with the Works provide and maintain at his own cost all lights, guards, fencing, buoys, navigation lights, markers and watching when and where necessary or required by the Company for the protection of the Works or for the safety and convenience of the Public or others.

10.5 Safety Audits:

10.5.1 Contractor shall within 30 days of commencement of Contract and also once every three months thereafter submit a safety report as per Appendix-C-1 attached, to the head of the Safety and Environment Management of the Company at Mumbai with a copy to the Project Coordinator

10.5.2 In the event of any accident or dangerous occurrence the Contractor shall forthwith send a notice of accident in the proforma at Appendix-C-2 to the head of the Safety and Environment Management of the Company at Mumbai with a copy to the Project Coordinator.

Contractor shall maintain a record of the relevant statutory and Company requirements relating to safety and pollution control measures and compliance.

The Contractor shall be responsible for following the proper procedures, as outlined below, in reporting accidents or incidence.

- 1) The Company's Safety Engineer located in Mumbai will be immediately notified by fastest means possible (Radio) of any accident which involves the following:
 - a) Death from any cause whatsoever.
 - b) A fractured skull, pelvis, arm, thigh or spine, forearm or leg.
 - c) A dislocated shoulder.
 - d) The amputation of an arm or hand, or of one or more fingers of the same hand, or of a leg or a foot.



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- e) The loss of sight of an eye.
 - f) Any other serious bodily injury, including internal bleeding or burns or asphyxia where such injury is likely to endanger life, cause permanent incapacity, or temporary incapacity of 5 days or more.
- 2) In case of death, the Contractor shall be responsible for immediately notifying the nearest Indian police so that they can make the proper investigation in accordance with the law.
- 3) Also in case of death, the Contractor shall immediately notify the Labor Officer of the Federal Ministry of the area in which the death occurred.

10.6 SAFETY PROCEDURE:

Contractor should submit a safety procedure prior to start of the offshore activities for Company review. The procedure should include the safety measures to be taken during offshore work, fire fighting / safety equipment available at barge which will be provided to platform in case of any emergency, number of safety / fire officers and their role, periodical exercise on awareness of workers towards safety. Familiarization of workers with safety equipment, teams for fire fighting etc. In case of any emergency, Contractor should immediately mobilize all resources to combat the emergency and co-ordinate with Company suitably.

Contractor should ensure that all the contractor's personnel being deployed at Offshore shall have to undergo following trainings:-

1. Basic Sea Survival.
2. Elementary First Aid.
3. Fire Fighting.
4. Helicopter Under Water Escape training(if going by helicopter)

In case of any accident at offshore causing injury to personnel, Contractor shall inform Company's Representative immediately. Contractor shall also arrange for pickup and immediate medical attention for the injured personnel.

10.6.1. Anchor Handling Procedure.

Contractor shall ensure the following prior to start of the offshore activities:

- i) ONGC to share updated data for pipeline and sub-sea installation with the Contractors, for areas/ fields pertaining to the scope of work of the respective Contractors.
- ii) Contractors are required to submit the proposed anchor patterns of the Barges along with catenary calculations etc. based on Mooring analysis, to ONGC in advance of the deployment of marine spread, for necessary approval. The Contractors shall also mark the entry and exit points, 'Safe Parking' & 'No Parking' Zones in their Fields of operation, and near all Platforms / Process Complexes in their anchor patterns proposal, for approval of ONGC.
- iii) Minimum anchor wire length of Hook-Up Barges shall be 1000 M to enable them to lay longer anchor line.



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- iv) Deployment of DP [Dynamic Positioning] diving support vessels for specific operations only, such as riser clamps, crossings, free span corrections etc. excluding 'Riser Installation'. Deployment to be decided by ONGC on a Case-by-Case basis.
- v) Deployment of anchors for Derrick and Hook-Up Barges with DP [Damage Prevention] Buoy to maintain a clear gap of a minimum 10 meters between sub-sea installation (pipelines/ pipeline appurtenance/ cables) and anchor wire. In exceptional cases, a joint decision shall be taken by the Marine Survey Group, Project Group and the Representatives of the Contractor, on a Case-by-Case basis.
- vi) Weather anchor of Barges should be of a higher capacity anchor than the other anchors of the Barge or an additional Piggy-back Anchor to be used. Decision for deployment of Piggy-back anchors shall be taken jointly by the Marine survey Group, Project Group and the Contractor.
In bad weather, AHT (Anchor Handling Tug) to be connected to the tow line of barge to reduce the load on the anchors and to mitigate any possible drag on the anchors. *{All Barges would therefore have a piggy back anchor when sail to offshore}*.
- vii) Original HHP [High holding power] Delta Flipper Anchors to be used, on all the barges.
- viii) Anchor plots indicating movement if any, to be submitted by the Contractors to ONGC on a weekly basis for all vessels deployed by them at offshore.
- ix) Latest technology for survey equipments, i.e. Multi beam Echo Sounder, Pipe line Profiler, Magnetometer, Side Scan Sonar etc. are to be used for Pre-engineering/ Pre-installation survey. The survey should cover the entire safe / clearance area of proposed anchor drop of the Barge for each anchor. The survey reports should also be handed over to ONGC along with Anchor Patterns Proposal, for necessary approval.
- x) DGPS (Differential Global Positioning System) & BMS (Barge Management System) to be available and fully operational at the Barge. The System to be calibrated prior to commencement of setting-up on location. Independent Primary & Secondary Positioning Systems to be used concurrently. Anchor position will be checked at frequent intervals to monitor any drag.
- xi) Immediately after laying of the pipelines, the 'As-laid data' [alignment details] be communicated by Contractors [progressively as and when the lines are laid] to ONGC on a weekly basis, during the Interface Meetings.
- xii) Contractors shall be prepared for barge deployment with crossing of anchors in case more than one barge is required to be deployed at any location. Decision shall be taken jointly by the Marine survey Group, Project group and the Contractor, after carefully examining the catenary calculations of the interfering anchor wires of the subject Barges.
- xiii) Anchor plots in case of pipe laying barges shall be prepared considering all subsea pipelines, wellheads, PLEMs & Manifolds, SSIVs and other subsea assets; to be submitted for the total route of the Pipeline.
- xiv) To avoid dragging of Anchors, upon completion of running all anchors, pre-tension the same in excess of the expected maximum tension needs to be carried out for all the anchors as a Proof Test, as per relevant codes. Anchor line tensions will be constantly monitored at the barge tower to alert for any drag.
- xv) Complete retrieval of the anchors on to the Barge deck be made during intra/ inter-field movement. For Pipelay barges also, the anchors should be fully retrieved on the decks of the Barges / AHTs during shifting / repositioning of Anchors.
- xvi) The following clearance is required to be maintained for the anchor from the Pipelines / other subsea assets-



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- a. When anchor line is perpendicular to a pipe line:
 - i) 150 Mts along the line of pull, in the direction of pull and
 - ii) 50 Mts opposite to the direction of pull.
- b. When anchor line is adjacent / parallel to two pipe lines:
80 Mts on either sides of the anchor.

In case this minimum clearance is not becoming feasible, a joint decision shall be taken by the Marine Survey Group, Project Group and the Contractor after careful examination of all safety aspects.

- xvii) Holding capacity test, Periodical in position survey, Post Installation Survey and Post retrieval survey to be carried out in respect of all anchors, to ensure that subsea pipelines and assets are safe.
- xviii) Installation of Mooring Buoy capable of handling barges in future process complex, to be taken up by ONGC.
- xix) Pre-setting of the Anchors for Pipelay and Construction/ Hook-up Barges in congested fields like MH and Neelam & Heera – on a Case-by-Case basis, to be taken up by ONGC.
- xx) Sub-sea installation like valves, X-mass tree / flanges to have suitable protective cage(s) of adequate strength, preferably of hemispherical shape to avoid damage from Anchor/ Anchor wire.
- xxi) Services to be outsourced for review of anchor pattern and onsite monitoring of the Anchors on Barges, wherein qualified persons shall be acting on behalf of the Company as Certified Deck Officers. These outsourcing shall be done through TPI agency. The TPI scope would broadly be:
 - a) One Master Mariner to be stationed at base for review of Anchor Patterns and associated documents, for further approval by ONGC.
 - b) Certified Deck Officer will be deployed at each Barge who shall monitor the anchor drops & Barge positioning as per approved Anchor Patterns.
 - c) Ensure that the anchors are fully retrieved on to Barge / AHT during shifting of anchors.
 - d) Witness the Holding Capacity Tests, In Position Survey, Post Installation Survey and Post retrieval surveys.

ONGC will deploy its own TPI agency for review of Anchor patterns and onsite monitoring of anchor.

10.7 **Hot Work Permits**

Notwithstanding anything contained elsewhere in the Contract, to take up hot work for carrying out the required modification at offshore on existing operating platforms, the contractor shall be fully responsible to design, engineer, procure, supply fabricate, coat wrap (incase of rigid pipeline) transport, install, lay pipeline, pre-commission, test, commission (wherever applicable) making the related area of platform/ worksite gas free, clean and flushing with steam and/or chemicals of the complete system and whatever is necessary. The modification works shall be completed in shortest possible time and in a safe manner. The Company shall issue hot work permits only between dawn to dusk on Contractor's request keeping in view company's production programmes safety requirements and the Contract with the provision that the Company reserves the right to divert the Contractor's activities involved in his work programme.



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It is an essential requirement that there shall be no shutdown of the operating platforms unless the situation so demands subject to approval of Company and Clause 2.3.4.2 hereof.

The Contractor shall be responsible for devising methods and developing detailed procedure to realize this objective and carry out the modifications in orderly manner. The details and procedures shall be subject to Company's approval.

Contractor shall strictly comply with all safety requirements of Hot work permit during permit duration failing which Company's representative will have the right to stop Hot work and all Cost and time effect thereof shall be to Contractor's account.

Company shall not issue hot work permit at Site when critical activities such as well perforation, production testing, docking in/out of the rig or any other operation during which Contractor's working may be detrimental to the safety of the facilities are being carried out.

Any delay, rescheduling or interruption of already approved Work programme for modification works, attributable to Company on account of delay in issuing the Hot Work Permit, after the contractor having met the requirement of the hot work permit save for safety reasons of company's facilities and personnel, shall be to Company's account in respect of cost and time effect (if it affects the critical path) as per the provision of the Contract. Company shall be responsible for the shutdown of operating platforms and depressurization of hydrocarbon systems related to the approved shutdown.

All hot works job shall be carried out in presence of the contractor's safety officer, who shall be directly responsible for carrying out the hot work job in a safe and orderly manner.

10.8 SAFETY AUDIT BY COMPANY:

Company may conduct safety Audits at any stage of project execution and before taking over the facilities. The audit shall be based on a protocol that covers elements which can affect the safety during execution or the safe operation of the facilities in the contractor's scope of work. The protocol shall cover documentation, process hazard analysis, fire detection and suppression system, life saving appliances and escape routes, operating procedures, pre-startup safety review, safe work practices, safety and shut down devices, management of change, assurances of quality and mechanical integrity, emergency response control investigation of accidents, personnel protective equipments, audit team which could be conducted by the company's personnel or any agency appointed by the Company for the purpose, accord full access to site and provide all relevant information, comply with the observations and recommendations of the audit. An indicative description of the information which may be required to be submitted by the contractor for / during the safety audit is enclosed as per the Appendix C-3.

10.9 The Contractor should be required to:

- Have in place a Safety Management System, approved by a recognized, approved authority.
- Prepare a project-specific Safety Plan for each Site, e.g. jacket fabrication site, offshore installation Site, Completion Sites.
- Implement the Safety Plans.



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- Ditto the above for Environmental Management

Contractor should submit the above for the approval of the Company considering the requirements for the Safety and Environmental plans for execution of the Work.

10.10 Quantitative Risk Analyses (QRA) - If applicable

Contractor shall carry out the Quantitative Risk Analyses (QRA) of the complete facilities as per scope of work for integrity and safety of the entire works for its design life including implementing the recommendations of such QRA at all stages of project implementation. Such QRA shall be carried out through an agency of international repute approved by Company. Some of the Company approved agencies are listed below:

1. Agencies as approved by Company
2. LRS
3. Noble Denton

10.11 Offshore Pollution Responsibility

In the performance of any and all services and the Works hereunder by the Contractor or his sub-contractors, the Contractor shall accept full responsibility for compliance with all applicable laws and Governmental orders, rules and regulations as amended from time to time relating to pollution and any extra cost resulting there from will be allocated between the parties in accordance with Cl. 7.6. Contractor and his Sub-contractor(s) shall also comply with any additional provisions as may be notified to the Contractor by the Company. Without in any way limiting the generality of the preceding sentences, it is specifically agreed that the Contractor shall comply with the following:

- i) Solid waste, such as tins, bottles or any form of trash must be transported to shore in appropriate containers.
- ii) Solid combustible waste may be burned and the ashes may be disposed of into the sea.
- iii) Edible garbage which may be consumed by aquatic life without harm may be disposed of into the sea.
- iv) All waste oil and greases shall be placed in containers and taken ashore for disposal. The Contractor shall either curb all areas subject to contamination and connect these to a collecting tank or sump or provide drip pans under any equipment or area where pollutants might logically originate and connect these pans to a sump.
- v) Care will be taken to secure all deck cargo in such a manner as to ensure that the cargo, its covers (plastic or tarpaulins) or its fastenings will not be lost into the sea.

- 10.11.1 The Contractor agrees to inform himself and his supervisors of such laws, orders and regulations and to make all his employees and the sub-contractors fully cognizant of their responsibilities thereunder.

The Company's Representative may discuss interpretations and applications of the laws, orders and regulations referred above with the Contractor's Representative or Construction



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Superintendent, but such discussion shall not in any way relieve the Contractor of his responsibility hereunder. In addition and without in any way limiting, restricting or prejudicing any of the Company's other rights and remedies, whether arising under any other provisions of this Contract or under any rule of law, the Contractor shall:

- i) Clean up and remove any pollution resulting from its non-compliance with the provisions of this section, at his cost and expense; and
- ii) If the Contractor fails to do so, the Company may clean up and remove the pollution in which case the Contractor shall reimburse the Company upon receipt of bill therefore from the Company the cost of such clean up and removal.

Such costs and expenses set forth in (i) and (ii) above shall be subject to the limitations set forth in the following paragraph:

10.11.2 Notwithstanding anything herein to the contrary, Contractor and his Sub-contractors shall have a maximum liability for claims against Contractor for any pollution or contamination of US\$ 500,000/- (United States Dollars Five hundred thousand only) per incident with a maximum aggregate liability of US\$ 1,000,000/- (United States Dollars One million only) irrespective of whether such pollution or contamination arises out of breach of this Contract or the sole negligence of Contractor or his sub-contractors or the unseaworthiness of any vessel owned or operated by Contractor or his sub-Contractors. Company hereby agrees to protect, defend, indemnify and hold Contractor, and sub-contractors free and harmless from and against all claims against Contractor or its sub-contractor exceeding US\$ 500,000/- (United States Dollars Five hundred thousand only) per incident or US\$ 1,000,000/- (United States Dollars One Million only) in the aggregate, which arises out of pollution or contamination caused by the discharge or escape of oil or other pollutants or contaminants in any way sustained or alleged to have been sustained in connection with or by reason of the performance of Work by Contractor or its sub-contractor, howsoever caused including, without limitation, whether caused in whole or in part by the breach by Contractor of its contractual obligations hereunder or by any negligent act or omission in whole or in part of Contractors, its sub-Contractors, or their respective agents or persons deployed by them or due to the unseaworthiness of any vessel owned or operated by Contractor or its sub-Contractors or the defect or deficiency of any equipment owned or operated by Contractor or its sub-contractor. However, the Contractor shall be solely liable for hydrocarbon pollutants emanating directly from Contractor's offshore Constructional Plant and Equipment.

The contractor shall provide relevant information about pollution control of barges and submit the information as per Performa at Appendix- C6

The Contractor shall keep the Company informed as to any such pollution or contamination claims, demands, or suits made against the Contractor involving such claims or demands.

11.0 PLANNING PACKAGE and Progress monitoring

11.1 Project Monitoring



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i) The entire Project Management should be done by using Microsoft Project Professional management software, considering all the realistic project data, dates and contract stipulated periods of performances. The contractor shall submit his project planning package within 45 days of receipt of NOA. The planning package shall contain all the project milestones to be achieved from date of NOA till proposed date of completion. The first report shall be Milestone WBS (Milestone WBS should be the first WBS created in the schedule), which shall be reviewed and approved by ONGC and would be treated as the 'Base Line Chart' till project completion. No change in the base line chart shall be made without specific consent of company. The first Critical Path generated in the report shall be considered for Project Monitoring.

ii) Monthly Monitoring:

Contractor to submit monthly progress report by 5th of every month, wherein any delays in any activities shall be mapped against the base line chart to indicate both the original schedule and present status of project. The charts to indicate original activity time, actual time and variance of each milestone. A commentary to be furnished indicating the reasons for variation of critical path, the critical activities, the reasons thereof and remedial / additional measures proposed to be taken to bring back the project on to the original critical path and any assistance needed by the company. Any hindrances which may affect the work / Critical path may be notified to the company in advance. The status of critical activities which may affect the critical path needs to be identified at least a week in advance and initiate corrective actions under intimation to the company. Any corrective actions by company also needs to be anticipated and informed at least a week in advance to provide sufficient time for corrective actions. The monthly report should also generate using Microsoft Project Professional and other reports like one month look ahead planning (to be submitted along with the current month and should highlight the milestone dates). In the subsequent month, if any of the activity in the look ahead plan could not be achieved; same needs to be highlighted, indicating the reason for the same and remedial action proposed.

Depending upon the constantly ongoing rescheduling of drilling plans, company may due to operational requirements opt for deletion, relocation or change in work locations or configuration. In order to minimize the burden of unnecessary work and extra cost, and to maintain the project schedule, it will be contractor's responsibility to keep company informed at all times of the fabrication progress, particularly as to the expected starting dates for a platform or major component. Any revision in time schedule on account of such changes / decisions by company, to 'be brought out clearly on the Project critical path in the subsequent monthly report.

11.2. Rate of Progress

Contractor shall monitor progress of all the activities specified in the programme of Works pursuant to Clause 2.3.4. and submit free of cost monthly progress report about various aspects of the Works to the Company as per proforma given in Appendix-C-7. The periodicity of such reports may be changed by the Company on mutual agreement between both parties.

11.2.2 Extracts of the progress report to be termed as "Executive Summary" shall be submitted in 02 copies along with 02 copies of monthly progress report.



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All the materials, plant and labour to be provided by the Contractor under Section 5 and the manner and speed of execution and maintenance of the Works are to be in accordance with the Contract. Should the rate of progress of the Works or any part of them at any time falls behind or is found to be too slow to ensure completion of the Works by the stipulated time or extended time for completion, the Company's Representative shall so notify the Contractor in writing. The Contractor shall reply to the written notice giving details of the measures he proposes to take to expedite the progress so as to complete the Works by the prescribed time. The Contractor shall not be entitled to any additional payment for taking such steps. If at any time it should appear to the Company or Company's rep. that the actual progress of Works does not conform to the approved programme the Contractor shall produce at the request of the Company's Representative a revised programme showing the modification to the approved programme necessary to ensure completion of the Works within the time for completion as defined in Clause 6.3 hereunder.

- 11.2.3 The submission to and approval by the Company or Company's Representative of such programme as the furnishing of such particulars shall not relieve the Contractor of any of his duties or responsibilities under the Contract.

In case during execution of Works the progress falls behind schedule, Contractor shall deploy extra manpower, Constructional Plant and Equipment, resources to make up the progress. Programme for deployment of extra man power/Constructional Plant and Equipment resources will be submitted to the Company for its review and approval which approval shall not be unreasonably withheld. All time and cost effect in this respect shall be borne, by the Contractor unless otherwise expressly provided in the contract.

11.2.4 **Delay Analysis Report:**

In order to identify project delays during the project execution and take remedial measures to address these delays, Contractor shall carry out project delay/progress analysis, on quarterly basis and submit the report to Company. The delay/progress analysis report shall cover the following minimum information:

- i. Project Activities delayed with respect to Scheduled contract dates, with identification of activities affecting critical path of project.
- ii. Reasons for the delay
- iii. Remedial actions required for arresting the delays and to meet project milestone/completion dates.

Activity and time log sheets should be prepared on monthly basis as a part of project scheduling for activities that fall on the critical path of project schedule or likely to fall in critical path. These log sheets shall capture the delay, if any, in completion of activities/tasks and also record the reasons for the delay and to whom (whether ONGC or Contractor) such delay is attributed and need to be signed by ONGC /ONGC authorized representatives and Contractor's representatives. The above log sheets shall be used while preparing the Joint Statement.

Project Delay Analysis report based on the above joint statement shall be jointly discussed and signed between Company and Contractor.

11.3 CONSTRUCTION PHOTOGRAPHS/Documentary

- 11.3.1 Company desires to have two sets of monthly progress reports with construction photographs showing the progress of fabrication of all major works at Contractor's yard.



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Company also desires to have complete Video film of all major components during fabrication, transportation and installation.

Upon completion of the project, the contractor shall also provide a video film /documentary carrying highlights of Project execution from signing of contract to handing over.

- 11.3.2 Before utilizing any photographs for publicity, Contractor shall obtain prior approval of Company.

12.0 CONTINUANCE OF THE CONTRACT .

Notwithstanding the fact that settlement of dispute(s) (if any) may be pending, the parties hereto shall continue to be governed by and perform the work in accordance with the provisions under this Contract.

13.0 Deleted

14.0 Integrity Pact:

The Integrity pact, duly signed by the authorized official of ONGC and the Contractor, will form part of this contract / supply order.

15.0 Annual Maintenance Contract.

a) Bidder must furnish the following undertakings from the original Equipment Manufacturer(s), along with his bid

(i) The OEM shall provide the maintenance / service / calibration facilities in India, for all the equipment to be supplied under the contract, if awarded to him by ONGC.

(ii) The bidder shall indicate the source of their bought out items and also the names of the original equipment/materials manufacturer for the major components. The OEM shall guarantee the 'lifetime supply' (i.e. 7 years in case of electronic equipment / items and 10 years in case of mechanical equipment / items) of spares for all the equipment to be supplied under the contract, if awarded to him by ONGC.

(iii) The OEM undertakes to enter into Annual Maintenance Contract for 'lifetime' (i.e. 7 years in case of electronic equipment/items and 10 years in case of mechanical equipment/items) for all the equipment to be supplied under the contract, if awarded to him by ONGC.

In case the OEM declines / fails to honour any of his above commitments, business dealings with such OEM shall be considered for banning from future business dealings.

b) In LSTK contract, in case of any difficulty in submitting above commitments from any OEMs at the bidding stage, the bidder shall submit his own undertaking to the effect that the undertaking required in sub Para (a) above from those OEM(s) will be furnished at the detailed engineering stage. However, in case successful bidder fails to submit the same at the detailed engineering stage, ONGC reserves the rights to cancel the contract, forfeit the Performance Security and take suitable action for banning such bidders from future business details with ONGC as deemed fit.

16.0 Painting System for all new Platforms:

Repair and Touch-up painting of all surfaces / structural members etc. affected during execution of work shall be carried out by the Contractor at no extra cost to the Company.

17.0 Time limit for liquidation of punch points.



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After completion of installation of facilities, a joint statement of punch points, [as per definition at clause No. 1.1.30] shall be prepared. The liquidation of punch points shall be dealt as below:-

All punch points should be liquidated within 6 (Six) months (exclusive of monsoon period) from the date of Completion of Work in accordance with the Contract.

18.0 Submission of forged documents:

Bidders should note that ONGC may verify authenticity of all the documents/ certificate /information submitted by the bidder(s) against the tender. In case at any stage of tendering process or Contract/PO execution etc., if it is established that bidder has submitted forged/false documents/certificates/information towards fulfillment of any of the tender/contract conditions, ONGC shall immediately reject the bid of such bidder(s) or cancel/terminate the contract and forfeit EMD /Security Deposit (SD)/Performance Bank Guarantee (PBG) submitted by the bidder.

19.0 Consideration of representation on post contract issues submitted by the bidders to Independent External Monitors (IEMs)

The bidders may raise disputes / complaints, if any, either with the designated Competent Purchase Authority (CPA) in ONGC or with concerned Director of ONGC or directly with the IEM c/o Chief Vigilance Officer, ONGC, Pandit Deen Dayal Upadhyay Urja Bhawan, 5-A Nelson Mandela Marg, Vasant Kunj, New Delhi-110070.

However, Bidders should note that IEMs shall consider only those representations on post contract issues wherein there is an alleged violation of provisions of IP. Hence, bidders should not refer those post contract issues to IEMs for resolution, for which dispute resolution mechanism has already been defined in the contract conditions. The post contract issues pertaining to alleged violation of provisions of Integrity Pact, if any, should only be referred to IEMs.

Note: The name and e-mail IDs of the IEMs appointed in ONGC are as under:

1. Sh. Rishi Kumar Shukla, IPS (Retd), (rishi_2000in@yahoo.com)
2. Vice Admiral Arun Kumar Bahl (Retd.) (arunkbahl@gmail.com)

20.0 Public Procurement (Preference to Make in India) Order 2017” (MII) (as amended from time to time) of Department for Promotion of Industry and Internal Trade, read with Ministry of Petroleum & Natural Gas Notification dated 26.04.2022 on PPP-MII Order (as amended from time to time): Ministry of Petroleum & Natural Gas vide Notification No. FP-20013/2/2017-FP-PNG-Part(4) (E-41432) dated 26.04.2022 has notified that Public Procurement (Preference to Make in India), Order 2017 (PPP-MII) issued by DPIIT and as amended from time to time, shall be applicable with certain modifications as stipulated in MoPNG notification 26.04.2022 (as amended from time to time). [All terms and conditions of aforesaid policy shall be applicable as per relevant clause **no. 23.6(b)** in Instructions to Bidders of Tender document].

21.0 Reporting of Procurement of material/services from MSE sub-suppliers/ sub-contractors in LSTK Contracts:

ONGC is committed to promotion and development of micro and small enterprises. Accordingly, bidders are also encouraged to promote the same by considering MSE sub-suppliers/sub-contractors to the extent possible under the Orders/Contracts awarded on them



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by ONGC. All efforts shall be made by successful bidder (Contractor) to encourage procurement thru MSEs (holding valid certificate) through their Sub orders/ Sub contract procurement. The successful bidder (Contractor) shall provide only for the purpose of reporting:

- a) Monthly Reports for purchase of material/services/sub-contracts (from MSE vendors) to ONGC.
- b) The report shall be signed by authorized person of contractor (Successful Bidder).
- c) Report shall be submitted in the following format:

Sl. no	Sub Supplier/ Sub Contractor	Work order no. & date	Item Description	Amount (in Rs)	Category of MSE Gen/ SC/ ST	MSME Status Micro/ Small with Code	Remarks

Any Contractor who reports maximum purchase from MSEs in a FY for a particular project will be felicitated with a certificate.

22. Certificates Submitted for Eligibility of a 'Bidder from a Country sharing a land border with India:

In case, certificate submitted by the supplier during tendering stage with regard to "Guidelines for eligibility of a 'Bidder from a Country which shares a land border with India' " as mentioned at Clause 50 of Instruction to Bidder of tender document, is found to be false, then their contract shall be terminated and Security deposit shall be forfeited.

23. Policy for providing preference to Domestically Manufactured Iron & Steel products (DMI&SP):

Bidder shall comply with Government Policy for providing preference to Domestically Manufactured Iron & Steel products (DMI&SP), notified vide Gazette of India No. 324 dated 29.05.2019 read with clarification issued by MoS on the Policy and further amendments / notifications.



PART REPLACEMENT PIPELINE PROJECT (PRPP)

**RFQ FOR PIPELINE REPAIR CONNECTOR-SPRU
PRPP-RFQ-PL-04**



OIL AND NATURAL GAS CORPORATION LIMITED

TENDER NO. MR/ES/MM/PRPP/14/2023/ P851L23011

PART REPLACEMENT PIPELINE PROJECT (PRPP)



00	06 Dec 2023	IFB			
Revision No	Issue Date	Description	Prepared By	Reviewed By	Approved By



PART REPLACEMENT PIPELINE PROJECT (PRPP)

**RFQ FOR PIPELINE REPAIR CONNECTOR-SPRU
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PART REPLACEMENT PIPELINE PROJECT (PRPP)

RFQ FOR PIPELINE REPAIR CONNECTOR-SPRU PRPP-RFQ-PL-04



1. INTRODUCTION

PROJECT BACKGROUND

Oil and Natural Gas Corporation Limited is engaged in exploration and exploitation of hydrocarbon in Western Offshore field in the Arabian Sea on the continental shelf of Western India. The field is well developed with an extensive infrastructure of well head platforms, process platforms and pipelines. With the ageing of field, condition of some of its existing pipelines has deteriorated. Company is planning for part replacement of these pipelines.

Mazagon Dock Shipbuilders Limited, Mumbai, an ISO 9001: 2015 Company is one of the leading shipbuilding yard in India. The History of Mazagon Dock dates back to 1774, when a small dry dock was constructed in Mazagon. Over the years, MDL has earned a reputation for quality work and established a tradition of skilled and resourceful service to the shipping world in general and the Indian Navy & Coast Guard. It was incorporated as a Private Limited Company in 1934.

After its takeover by the Government in 1960, Mazagon Dock grew rapidly to become the premier war-shipbuilding yard in India, producing warships for the Navy and offshore structures for the Bombay High. It has grown from a single unit, small ship repair company, into a multi-unit and multi-product company, with significant rise in production, use of modern technology and sophistication of products. The company's current portfolio of designs spans a wide range of products for both domestic and overseas clients. Since 1960, MDL has built total 801 vessels including 27 warships, from advanced destroyers to missile boats and 7 submarines. MDL had also delivered cargo ships, passenger ships, supply vessels, multipurpose support vessel, water tankers, tugs, dredgers, fishing trawlers, barges & border out posts for various customers in India as well as abroad. MDL have also fabricated and delivered jackets, main decks of wellhead platforms, process platforms, jack-up rigs etc.

SCOPE OF DOCUMENT

This RFQ defines the scope of supply for Pipeline Repair Connector-SPRU Supplier involved in the Part Replacement Pipelines Project (PRPP).

2. PROJECT SCOPE

The scope of this project is to part replacement of submarine pipe lines (some pipelines from riser bottom bend to riser bottom bend) in Mumbai High and Neelam-Heera Asset's fields. Under this Contract about 45.4 km of subsea pipelines comprising of about 19 no. of segments are required to be replaced partially.



PART REPLACEMENT PIPELINE PROJECT (PRPP)

RFQ FOR PIPELINE REPAIR CONNECTOR-SPRU PRPP-RFQ-PL-04



PRPP PROJECT PIPELINE SCOPE SUMMARY

Sr No	Field	Segment	Service	From KP	To KP	Total KP	Water Depth m	Free Span Nos	Crossing Nos	SPRU Nos	SPRU Class
1	MH North	NM-MNP	WF	0.1	2.4	2.3	80-85	2	6	2	#1500
2	MH South	IU-ICG	WF	0.2	2.2	2	80-90	2	2	2	#1500
3	MH South	SV-SHD	WF	0.9	2.9	2	70-75	2	1	2	#1500
4	MH North	N16-MNP	WF	Riser Bottom	3	3	70-75	3	8	2	#900
5	MH North	WI2-N3	WF	Riser Bottom	Riser Bottom	4	60-65	4	2	2	#900
6	MH South	SJ2-SA	WF	2.6	3.8	1.2	78-80	2	4	2	#1500
7	MH South	SQ-BHS	WF	Riser Bottom	2	2	70-80	2	5	2	#900
8	MH South	SF-BHS	WF	Riser Bottom	1	1	70-75	1	2	2	#1500
9	MH South	SB-SA	WF	2.5	3.5	1	74-80	1	4	2	#900
10	MH South	RS 8- ID	WF	Riser Bottom	Riser Bottom	4.3	74-78	4	6	2	#900
11	MH South	ZB-ICD	WF	Riser Bottom	2	2	75-80	2	1	2	#900
12	MH South	SE-MSP	WF	0.4	1.4	1	75-85	1	1	2	#900
13	MH North	MNW-N15	WI	Riser Bottom	Riser Bottom	6.6	64-72	7	35	2	#1500
14	MH North	N12-NS	WI	Riser Bottom	Riser Bottom	3	64-72	3	3	2	#1500
15	Heera	HSD-HRC	WF	0.5	2.5	2	48-52	2	2	2	#900
16	Heera	HSC-HRG	WF	0.6	2.6	2	50-60	2	1	2	#900
17	Heera	HS-HRG	WF	0.3	1.3	1	45-50	1	7	2	#1500
18	Heera	HE-HRG	WF	Riser Bottom	2	2	50-55	2	6	2	#1500
19	Heera	HRG-HX	WI	Riser Bottom	2	2	50-55	2	1	2	#1500



PART REPLACEMENT PIPELINE PROJECT (PRPP)

RFQ FOR PIPELINE REPAIR CONNECTOR-SPRU PRPP-RFQ-PL-04



3. PIPELINE REPAIR CONNECTOR-SPRU SCOPE OF SUPPLY

Sr No	Field	Segment	Service	Water Depth m	Diameter Inch	Diameter mm	Wallthickness mm	Design Pressure Kg/cm2	Design Temperature Degree C	Type	Grade	SPRU Nos	SPRU Class
1	MH North	NM-MNP	WF	80-85	14	355.6	15.9	141	93	CS NACE	API 5L X 60	2	#1500
2	MH South	IU-ICG	WF	80-90	16	406.4	15.9	148	93	CS NACE	API 5L X 60	2	#1500
3	MH South	SV-SHD	WF	70-75	12.75	323.9	14.3	140	93.3	CS NACE	API 5L X 60	2	#1500
4	MH North	N16-MNP	WF	70-75	12.75	323.9	14.3	93.7	93	CS NACE	API 5L X 60	2	#900
5	MH North	WI2-N3	WF	60-65	12.75	323.9	14.3	93.7	93	CS NACE	API 5L X 60	2	#900
6	MH South	SJ2-SA	WF	78-80	12.75	323.9	14.3	143.07	93	CS NACE	API 5L X 60	2	#1500
7	MH South	SQ-BHS	WF	70-80	12.75	323.9	14.3	93.7	93	CS NACE	API 5L X 60	2	#900
8	MH South	SF-BHS	WF	70-75	12.75	323.9	14.3	142	93.3	CS NACE	API 5L X 60	2	#1500
9	MH South	SB-SA	WF	74-80	10.75	273.1	14.3	95.6	93	CS NACE	API 5L X 60	2	#900
10	MH South	RS 8- ID	WF	74-78	10.75	273.1	14.3	93.7	93	CS NACE	API 5L X 60	2	#900
11	MH South	ZB-ICD	WF	75-80	16	406.4	15.9	93.7	93	CS NACE	API 5L X 60	2	#900
12	MH South	SE-MSP	WF	75-85	12.75	323.9	14.3	93.7	93	CS NACE	API 5L X 60	2	#900
13	MH North	MNW-N15	WI	64-72	12.75	323.9	17.5	151.6	55	CS	API 5L X 52	2	#1500
14	MH North	N12-NS	WI	64-72	8.625	219.1	14.3	151.6	55	CS	API 5L X 52	2	#1500
15	Heera	HSD-HRC	WF	48-52	16	406.4	15.9	94.9	93	CS NACE	API 5L X 60	2	#900
16	Heera	HSC-HRG	WF	50-60	16	406.4	15.9	93.8	83	CS NACE	API 5L X 60	2	#900
17	Heera	HS-HRG	WF	45-50	12.75	323.9	14.3	93.7	93	CA NACE	API 5L X 60	2	#1500
18	Heera	HE-HRG	WF	50-55	14	355.6	15.9	93.7	93	CA NACE	API 5L X 60	2	#1500
19	Heera	HRG-HX	WI	50-55	6.625	168.3	12.7	151.6	55	CS	API 5L X 52	2	#1500



PART REPLACEMENT PIPELINE PROJECT (PRPP)

RFQ FOR PIPELINE REPAIR CONNECTOR-SPRU
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4. LIST OF ATTACHMENTS

ANNEXURE 1: VENDOR EVALUATION FORM

ANNEXURE 2: PIPELINE REPAIR CONNECTORS (SPRU) (MECHANICAL ACTUATION) FOR NONSOUR SERVICE (WATER INJECTION) DATA SHEET NO: DS-SPRU

ANNEXURE 3: PIPELINE REPAIR CONNECTORS (SPRU) (MECHANICAL ACTUATION) FOR SOUR SERVICE (WELL FLUID AND GAS LIFT) DATA SHEET NO: DS-SPRU-PRP-VIIRTR





PART REPLACEMENT PIPELINE PROJECT (PRPP)

**RFQ FOR PIPELINE REPAIR CONNECTOR-SPRU
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**ANNEXURE I
VENDOR EVALUATION FORM**



PART REPLACEMENT PIPELINE PROJECT (PRPP)

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TECHNICAL QUESTIONARE - FORM A

The questionnaire shall be completely filled in and submitted along with vendor's bid to avoid further queries for proper evaluation of bid. If this is not complied with, vendor's bid is liable to be rejected. Vendor shall sign/date and affix his seal to the form.

A) SCOPE OF SUPPLY	Indicate answers by v in the appropriate <input type="checkbox"/> box.
<p>I. Is the vendor in total agreement with his scope of supply as defined in the Material Requisition?</p> <p>II. If NOT in total agreement, indicate in which of the following deviation is required:</p> <p>a Data Sheets</p> <p>b Specification</p> <p>c Vendor Data Requirement Schedule (VDRS)</p> <p>d QA/QC requirements (Inspection & Testing requirements)</p>	<p><input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> NA</p> <p><input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> NA</p> <p><input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> NA</p> <p><input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> NA</p>
<p>If the answer is 'YES' for any of the above in A(II), exact deviation required shall be described in detail indicating the appropriate clause (s) in attached Form-B. If no deviation are indicated, then vendor to specify NIL in Form-B, and it will be assumed that all the requirement of the subject requisition shall be complied with no deviation whatsoever shall be accepted after the placements of order. Vendor shall submit filled in Form-B, duly signed & stamped.</p>	
<p>1 Whether total system supply is in vendor's scope, are there any items vendor wishes to add to achieve total system completion in all respects? (If 'Yes' details to be given)</p>	<p><input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> NA</p>
<p>2 Does bid include</p> <p>a. Commissioning spares</p> <p>b. Maintenance / operational spares (2 years period)</p> <p>c. Special tool & tackles</p> <p>d. Construction spares & consumables</p>	<p><input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> NA</p> <p><input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> NA</p> <p><input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> NA</p> <p><input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> NA</p>
<p>3 Others:</p> <p>a. Are mounting accessories, if any, included in bid?</p> <p>b. Are special installation procedures, if any, included in bid?</p>	<p><input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> NA</p> <p><input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> NA</p>
<p>c. Is Supervision of installation in Vendor scope?</p> <p>d. In installation in Vendor scope?</p>	<p><input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> NA</p> <p><input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> NA</p>



PART REPLACEMENT PIPELINE PROJECT (PRPP)

**RFQ FOR PIPELINE REPAIR CONNECTOR-SPRU
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	e. Is Supervision of commissioning in Vendor scope?		<input type="checkbox"/> YES	<input type="checkbox"/> NO	<input type="checkbox"/> NA
	f. Is Commissioning in Vendor scope?		<input type="checkbox"/> YES	<input type="checkbox"/> NO	<input type="checkbox"/> NA
4	Does the bid include:				
	a. Power requirements		<input type="checkbox"/> YES	<input type="checkbox"/> NO	<input type="checkbox"/> NA
	b. Special Cable requirements		<input type="checkbox"/> YES	<input type="checkbox"/> NO	<input type="checkbox"/> NA
	c. Special Calibration equipment (Extra charges, if any, for the above to be indicated in the bid)		<input type="checkbox"/> YES	<input type="checkbox"/> NO	<input type="checkbox"/> NA
B)	INSPECTION/CERTIFICATE				
1	Has vendor indicated in bid detailed inspection procedure being carried out by him?		<input type="checkbox"/> YES	<input type="checkbox"/> NO	<input type="checkbox"/> NA
2	Have extra charge, if any for any special inspection to carried out (as specified in Requisition) indicated in bid ?		<input type="checkbox"/> YES	<input type="checkbox"/> NO	<input type="checkbox"/> NA
3	Can vendor furnish certificate from competent authorities as indicated below after order placement.		<input type="checkbox"/> YES	<input type="checkbox"/> NO	<input type="checkbox"/> NA
SL. NO.	CERTIFICATION FOR	CODE NO.	NAME OF CERT. AUTHORITY		
a)	Explosion proof housing.		<input type="checkbox"/> YES	<input type="checkbox"/> NO	<input type="checkbox"/> NA
b)	Intrinsic. Safe		<input type="checkbox"/> YES	<input type="checkbox"/> NO	<input type="checkbox"/> NA
c)	Weather proof housing		<input type="checkbox"/> YES	<input type="checkbox"/> NO	<input type="checkbox"/> NA
d)	IBR approval		<input type="checkbox"/> YES	<input type="checkbox"/> NO	<input type="checkbox"/> NA
e)	Fire safe Valves		<input type="checkbox"/> YES	<input type="checkbox"/> NO	<input type="checkbox"/> NA
f)	Flames Retardant Cables		<input type="checkbox"/> YES	<input type="checkbox"/> NO	<input type="checkbox"/> NA
g)	Fire Resistant Cables		<input type="checkbox"/> YES	<input type="checkbox"/> NO	<input type="checkbox"/> NA
h)	Others (please specify)		<input type="checkbox"/> YES	<input type="checkbox"/> NO	<input type="checkbox"/> NA
C) DOCUMENTATION (VENDOR OFFER)					
Referring to Vendor Document Requirement Schedule (VDRS), does offer include the following documents at bid stage:					
1.	Cover sheet of the offer indicating Material Requisition document number, revision number, equipment/package description and Vendor's offer reference number with date & vendor details.		<input type="checkbox"/> YES	<input type="checkbox"/> NO	<input type="checkbox"/> NA
2.	Scope of supply sheet with sub-vendor list.		<input type="checkbox"/> YES	<input type="checkbox"/> NO	<input type="checkbox"/> NA
3.	List of documents attached with offer		<input type="checkbox"/> YES	<input type="checkbox"/> NO	<input type="checkbox"/> NA
4.	Vendor reference list for previous such installation		<input type="checkbox"/> YES	<input type="checkbox"/> NO	<input type="checkbox"/> NA
5.	Manufacturing/Delivery schedule		<input type="checkbox"/> YES	<input type="checkbox"/> NO	<input type="checkbox"/> NA
6.	Filled in Form-A "Technical Questionnaire", duly signed & stamped by vendor.		<input type="checkbox"/> YES	<input type="checkbox"/> NO	<input type="checkbox"/> NA
7.	Filled in Form-B "Deviation List", duly signed & stamped by vendor.		<input type="checkbox"/> YES	<input type="checkbox"/> NO	<input type="checkbox"/> NA
13.	Catalogue/Leaflets/Technical literature for the offers product.		<input type="checkbox"/> YES	<input type="checkbox"/> NO	<input type="checkbox"/> NA
14.	Filled in data sheet as per section -3		<input type="checkbox"/> YES	<input type="checkbox"/> NO	<input type="checkbox"/> NA




PART REPLACEMENT PIPELINE PROJECT (PRPP)

**RFQ FOR PIPELINE REPAIR CONNECTOR-SPRU
PRPP-RFQ-PL-04**



**ANNEXURE II
PIPELINE REPAIR CONNECTORS (SPRU) (MECHANICAL ACTUATION) FOR NONSOUR
SERVICE (WATER INJECTION) DATA SHEET NO: DS-SPRU**

 ONGC	IMR Section, OLG 7 th Floor, 11-High Office Complex Bandra-Sion Link Road, Mumbai 400 017	Pipeline Repair Connectors (SPRUs) (Mechanical Actuation) for Non- Sour Service (Water Injection) Data sheet no: DS-SPRU
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1. **Scope of supply:**

1.1. **Connectors**

S.No	Nominal Pipe dia (inches)	Connector description	Qty
1	Refer Table 4.2 of Annexure to Section 4A (Part I)	Mechanically actuated pipeline repair connectors for non-sour service with MAF designed to pressure rating corresponding to ANSI 1500 class (Refer Table 4.2 of Annexure to Section 4A (Part I)), with 100 m water depth in N ₂ / inert gas fillable cylindrical steel containers, complete with accessories.	Refer Table 4.2 of Annexure to Section 4A (Part I)

1.2. **Accessories required with each size of connector:**

S.No	Item	Qty
1	Bolt tensioning set having number of stud tensioners equal to number of studs of connector with accessories including whips, Tee blocks, etc necessary for 100% actuation of connector in single operation	1 Set
2	Bolt tensioning set having number of stud tensioners equal to number of studs of MAF with accessories including whips, Tee blocks, etc necessary for 100% actuation of MAF in single operation.	1 Set
3	Spare repair kit for Bolt tensioners mentioned at S.No.1 above	4 Sets
4	Spare repair kit for Bolt tensioners mentioned at S.No.2 above	4 Sets
5	One spare set of studs with 2 nuts each on for connector	1 Set
6	One spare set of studs with 2 nuts on for MAF	1 Set
7	Spare seal ring set for MAF	2 Sets

Note:

1. Items covered under scope of supply should be of recent manufacture, of first quality and not more than one year old at the time of delivery. This should be supported with manufacturer's certificate and certified by TPI as mentioned at 6.1 (Inspection and Certification).
Whether SPRU's Connector and MAF part comprises of same sized studs or it is a single actuation type SPRU, separate set of bolt tensioners (equal to number of studs of Connector and MAF) to be supplied.

2. **Technical Specifications:**

This document describes the requirement of repair connectors required for effecting repairs to underwater pipeline so as to install the repair connector with bare metal pipe without any hyperbaric (underwater) welding and without lifting pipeline above the sea level.

A repair connector shall comprise of following items:

A. **Coupling**

A sleeve, that structurally attaches to and seals off bare ended pipes by its internal grips. This coupling should have seals for sealing the annular space between the outer surface of the pipeline and inner surface of the coupling.

B. **Misalignment Flange (MAF)**

For connecting the spool piece with coupling and having seal integrity up to +/- 10 Degree of misalignment in any axial plane from the centerline of the adjoining pipeline.

3. **Details of Pipelines and Service Conditions**

3.1. **Details of Pipeline**

Nominal diameter (inches)	WALL THICKNESS (IN MM)	GRADE OF LINE
Refer Table 4.2 of Annexure to Section 4A (Part I)	Refer Table 4.2 of Annexure to Section 4A (Part I)	Refer Table 4.2 of Annexure to Section 4A (Part I)

3.2. **Service Conditions**

3.2.1. Fluid: Water Injection.

3.2.2. Temp. Range: 17 Deg. Celsius - 100 Deg. Celsius.

3.2.3. Offered connector should be suitable for non-sour service conditions.

3.2.4. Water Depth: Up to 100 m.

The repair connector can be used on any of the pipeline or on their riser depending upon requirement.

4. Technical Features

- Each Repair Connector should have features as stipulated below and comply with the following technical specifications.
- 4.1. **Weld-less connection with the pipeline:** Coupling should provide gripping and sealing over the bare pipeline and a misalignment flanged end for connecting a spool piece/extension. The sealing shall be attained using high quality Fluro elastomers / graphite seals suitable for inventory in the pipeline.
 - 4.2. **Structural Integrity:** The coupling should be able to withstand all axial, shear and bending loads. Bidder shall calculate the stress distribution in the pipeline caused by external seal/grip pressure to demonstrate that pipeline (details specified in cl.3.1) is safe under such loading in cold condition when there is no pressure in the line.
 - 4.3. **Sealing:** Sealing integrity of the coupling should not be affected by temperature variations in the range of 17 degrees Centigrade to 100 degrees Centigrade.
 - 4.4. **Test of sealing of coupling:**
 - 4.4.1. The coupling should have a test port & bleed port to test the sealing after the installation of repair connector but before charging the line. The test port should be fitted with requisite fittings which should finally terminate with $\frac{1}{4}$ " BSP male quick disconnect coupling and matching $\frac{1}{4}$ " BSP female quick disconnect coupling fitted with $\frac{1}{4}$ " BSP [male] X $\frac{1}{2}$ " BSP [Male] adapter to be supplied as loose item.
 - 4.4.2. The bleed port should be fitted with a suitable bleeder valve cum plug.
 - 4.4.3. The pressure testing should be achieved without internally pressurizing the pipeline.
 - 4.4.4. The drawing of the connector indicating test port & bleed port in support of 4.4.1 above and a write up explaining the seal test feature in support of 4.2.3 above should be submitted along with the bid. All drawings should be supplemented with bill of materials.
 - 4.5. **Actuation for gripping and sealing:** The gripping and sealing should be achieved by the following method:
 - 4.5.1. Uniform actuation of gripping and sealing in single operation by means of bolt tensioning through hydraulically operated bolt tensioners suitably interconnected for simultaneous actuation through a single hydraulic power fluid connection. To achieve this, number of tensioners and their sizes, adaptors, connectors etc. required, are to be specified and provided for repair of connector and MAF.
 - 4.5.2. The total tensioning system to be suitably designed and to be compatible with our available power pack of 20,000 PSI (maximum pressure rating) with $\frac{1}{4}$ " BSP end connection for hose. Accordingly, the bidder should indicate the maximum hydraulic pressure and flow rate required to achieve gripping and sealing and/or testing.
 - 4.5.3. An explanation on design features supported with technical drawing/graphics in support of above should be submitted with the bid.
 - 4.5.4. The bidder should furnish details of type/model of stud tensioners & hydraulic Pressure applied to stud tensioners for setting.
 - 4.6. **Length Compensation for end adjustment**
 - 4.6.1. Each coupling should have built in feature of length compensation i.e. for end adjustment covering minimum length equal to ONE DIAMETER of pipeline. This may be achieved either by telescoping feature of coupling or through a length compensation joint forming integral part of coupling or any other method. It should not involve any welding of separate items by user to achieve the above feature.
 - 4.6.2. The above feature 4.6.1 should be explained by drawing and write up and same should be submitted with the bid.
 - 4.7. **Provision to take care of misalignment, Misalignment Flange (MAF)**
 - 4.7.1. The repair connector should have provision to take care of misalignment up to +/- 10 deg. in any plane from the center line axis. One part of 'MAF' should be attached to coupling with counterpart of 'MAF' bolted to this part. Sealing integrity is to be maintained at all angles of misalignment within above specified limit.
 - 4.7.2. In support of satisfying the feature 4.7.1 above, drawing and write up should be submitted along with the bid.
 - 4.8. **Test of Sealing of Misalignment Flange (MAF)**
 - 4.8.1. The 'MAF' should have test port for hydrostatic testing for metal to metal seal verification without pressurizing/commissioning the pipeline.
 - 4.8.2. The MAF should have bleed port for checking the continuity of hydraulic fluid inside the sealing area.
 - 4.8.3. In support of satisfying the feature 4.8.1 & 2 above, drawing and write up should be submitted along with the bid.
 - 4.9. **Test pressure**
 - 4.9.1. All pressure tests shall be carried out to satisfy ANSI Class 900 requirements.
 - 4.9.2. Each test port of the coupling and MAF should be fitted (when Connector is supplied) with a suitable connection for connecting a high pressure hose including mating adapters compatible to $\frac{1}{4}$ " I.D. hose. The size and thread profile of connection should be indicated in the bid. All actuation, pressure testing, will be carried out / witnessed from the deck of the vessel only.
 - 4.9.3. The acceptance and compliance of 4.9.1 and 2 above should be given by the bidder in the technical bid.
 - 4.10. The Repair Connector after installation should be **piggable**. Bidder should confirm suitability of Repair Connector for this purpose in the technical bid.

- 4.11. **Sacrificial Anode:** Each repair connector should be supplied fitted with zinc or galvalum anode sized for a minimum life of 25 years
- 4.12. The **studs of MAF** should be long enough to accommodate hydraulic bolt tensioning device. A confirmation to this effect should be given in the bid.
- 5. Material specifications**
- 5.1. Coupling and MAF:
ASTM-A-350 Gr.LF2/ASTM-A-694/ASTM-A-516/ASTM A-675 Gr.70.
- 5.2. Bolts: ASTM-A-193-B7M; Nuts: ASTM-A194-Gr.2M PTFE coated.
(In case of better/improved material specifications/physical properties, details of the same should be submitted and ONGC's decision regarding superiority or otherwise will be final.)
- 5.3. For corrosion protection from outside, white epoxy marine paint shall be applied in 3 layers to a thickness of 0.015 inches.
- 5.4. Other non-metal parts in the repair connectors such as Elastomers etc. shall be selected based on line fluid service conditions as stipulated in clause 3.2.
- 5.5. The repair connector shall be designed with corrosion allowance for 25 years.
- 5.6. Bidder shall furnish sectional drawing of connector and 'MAF' showing parts with reference numbers and bill of materials.
- 6. Inspection & Certification**
- 6.1. Inspection should be done keeping in view requirements indicated in API 6H (latest edition) and conditions of purchase order. The test certificates and quality assurance inspection reports should be provided for each connector with accessories, along with the supply. The supply order no & date, **year of manufacture of items** must be mentioned in the third party inspection certificate.
- 6.2. Third party inspection of all above items shall be arranged by supplier through any of the following Third Party Inspection agencies (TPI) like DNV, LRS, BV.
- 6.3. Cost of inspection and certification shall be borne by supplier and should be included in the connector rate. No separate inspection cost should be indicated
- 6.4. Acceptance /compliance for above should be given with the bid.
- 7. Packing**
- 7.1. Each Repair Connector shall be supplied in a Steel Container fillable with Nitrogen or any other Inert Gas, at 10 psi. Each container shall carry Identification Number and Packing List details duly written in bold letters at prominent location on the container's outer surface. The containers are to be of cylindrical shape with opening from one end only for proper sealing. Its edge must have groove for housing the seal and it should be tested at 15 psi for one hour. Pressure gauge and inert gas charging arrangement with valve should be fitted on flat face of each container. All these fittings should have protection guard to avoid any damage during handling. The container should have at least two stands welded to the container at suitable locations at 6 o'clock position to avoid rolling of container during storage on vessel deck at sea. The container should have suitable lifting pad-eye / arrangement. Suitable arrangement should be provided so as to ease the process of pulling out the connectors from containers without damage.
- 7.2. On receipt of connectors at stores, the canisters are to be pressurized with Nitrogen/inert gas to 10psi, by the supplier, within 30 days of delivery.
- 7.3. One set of following documents should be supplied along with the consignment inside the container:
- 7.3.1. Installation procedure.
- 7.3.2. As built drawing with bill of material
- 7.3.3. Details of stud tensioners / accessories & its manual.
- 7.3.4. The design features & technical data to satisfy sealing features mentioned at 4.3 to 4.5 above.
- 7.4. Other items will be suitably marked and packed for sea transportation.
- 7.5. Items such as studs/O-rings/nuts etc. should not be packed inside the canister for connector.
- 7.6. The acceptance/compliance of above should be given in bid.
- 8. General Conditions**
- 8.1. Manufacturer should supply/provide spare parts/service & technical support, for the ordered products, in future on the request of ONGC.

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PART REPLACEMENT PIPELINE PROJECT (PRPP)

**RFQ FOR PIPELINE REPAIR CONNECTOR-SPRU
PRPP-RFQ-PL-04**



ANNEXURE – III

**PIPELINE REPAIR CONNECTORS (SPRU) (MECHANICAL ACTUATION) FOR SOUR SERVICE (WELL FLUID
AND GAS LIFT) DATA SHEET NO: DS-SPRU-PRP-VIIRTR**

 ONGC	IMR Section, OLG 7 th Floor, 11-High Office Complex Bandra-Sion Link Road, Mumbai 400 017	Pipeline Repair Connectors (SPRUs) (Mechanical Actuation) for Sour Service (Well Fluid and Gas Lift) Data sheet no: DS-SPRU-PRP-VII- RTR
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1. **Scope of supply:**

1.1. **Connectors**

S.No	Nominal Pipe dia (inches)	Connector description	Qty
1	Refer Table 4.2 of Annexure to Section 4A (Part I)	Mechanically actuated pipeline repair connectors for sour service with MAF designed to pressure rating corresponding to ANSI 1500 class / 900 class (Refer Table 4.2 of Annexure to Section 4A (Part I)), with 100 m water depth in N ₂ / inert gas fillable cylindrical steel containers, complete with accessories.	Refer Table 4.2 of Annexure to Section 4A (Part I)

1.2. **Accessories required with each size of connector:**

S.No	Item	Qty
1	Bolt tensioning set having number of stud tensioners equal to number of studs of connector with accessories including whips, Tee blocks, etc necessary for 100% actuation of connector in single operation	1 Set
2	Bolt tensioning set having number of stud tensioners equal to number of studs of MAF with accessories including whips, Tee blocks, etc necessary for 100% actuation of MAF in single operation.	1 Set
3	Spare repair kit for Bolt tensioners mentioned at S.No.1 above	4 Sets
4	Spare repair kit for Bolt tensioners mentioned at S.No.2 above	4 Sets
5	One spare set of stud with 2 nuts on for each connector	1 Set
6	One spare set of stud with 2 nuts on for each MAF	1 Set
7	Spare seal ring set for each MAF	2 Sets

Note:

1. Items covered under scope of supply should be of recent manufacture, of first quality and not more than one year old at the time of delivery. This should be supported with manufacturer's certificate and certified by TPI as mentioned at 6.1 (Inspection and Certification).

Whether SPRU's Connector and MAF part comprises of same sized studs or it is a single actuation type SPRU, separate set of bolt tensioners (equal to number of studs of Connector and MAF) to be supplied.

2. **Technical Specifications:**

This document describes the requirement of repair connectors required for effecting repairs to underwater pipeline so as to install the repair connector with bare metal pipe without any hyperbaric (underwater) welding and without lifting pipeline above the sea level.

A repair connector shall comprise of following items:

A. **Coupling**

A sleeve, that structurally attaches to and seals off bare ended pipes by its internal grips. This coupling should have seals for sealing the annular space between the outer surface of the pipeline and inner surface of the coupling.

B. **Misalignment Flange (MAF)**

For connecting the spool piece with coupling and having seal integrity up to +/- 10 Degree of misalignment in any axial plane from the centerline of the adjoining pipeline.

3. **Details of Pipelines and Service Conditions**

3.1. **Details of Pipeline**

Nominal diameter (inches)	WALL THICKNESS (IN MM)	GRADE OF LINE
Refer Table 4.2 of Annexure to Section 4A (Part I)	Refer Table 4.2 of Annexure to Section 4A (Part I)	Refer Table 4.2 of Annexure to Section 4A (Part I)

3.2. **Service Conditions**

3.2.1. Fluid: Crude Oil, Natural Gas, Formation/Sea Water.

3.2.2. Temp. Range: 17 Deg. Celsius - 100 Deg. Celsius.

3.2.3. Offered connector should be suitable for sour service conditions as per NACE MR-01-75 (latest edition) requirements.

3.2.4. Water Depth: Up to 100 m.

The repair connector can be used on any of the pipeline or on their riser depending upon requirement.

4. Technical Features

- Each Repair Connector should have features as stipulated below and comply with the following technical specifications.
- 4.1. **Weld-less connection with the pipeline:** Coupling should provide gripping and sealing over the bare pipeline and a misalignment flanged end for connecting a spool piece/extension. The sealing shall be attained using high quality Fluro elastomers / graphite seals suitable for inventory in the pipeline.
 - 4.2. **Structural Integrity:** The coupling should be able to withstand all axial, shear and bending loads. Bidder shall calculate the stress distribution in the pipeline caused by external seal/grip pressure to demonstrate that pipeline (details specified in cl.3.1) is safe under such loading in cold condition when there is no pressure in the line.
 - 4.3. **Sealing:** Sealing integrity of the coupling should not be affected by temperature variations in the range of 17 degrees Centigrade to 100 degrees Centigrade.
 - 4.4. **Test of sealing of coupling:**
 - 4.4.1. The coupling should have a test port & bleed port to test the sealing after the installation of repair connector but before charging the line. The test port should be fitted with requisite fittings which should finally terminate with $\frac{1}{4}$ " BSP male quick disconnect coupling and matching $\frac{1}{4}$ " BSP female quick disconnect coupling fitted with $\frac{1}{4}$ "BSP [male] X $\frac{1}{4}$ "BSP [Male] adapter to be supplied as loose item.
 - 4.4.2. The bleed port should be fitted with a suitable bleeder valve cum plug.
 - 4.4.3. The pressure testing should be achieved without internally pressurizing the pipeline.
 - 4.4.4. The drawing of the connector indicating test port & bleed port in support of 4.4.1 above and a write up explaining the seal test feature in support of 4.2.3 above should be submitted along with the bid. All drawings should be supplemented with bill of materials.
 - 4.5. **Actuation for gripping and sealing:** The gripping and sealing should be achieved by the following method:
 - 4.5.1. Uniform actuation of gripping and sealing in single operation by means of bolt tensioning through hydraulically operated bolt tensioners suitably interconnected for simultaneous actuation through a single hydraulic power fluid connection. To achieve this, number of tensioners and their sizes, adaptors, connectors etc. required, are to be specified and provided for repair of connector and MAF.
 - 4.5.2. The total tensioning system to be suitably designed and to be compatible with our available power pack of 20,000 PSI (maximum pressure rating) with $\frac{1}{4}$ " BSP end connection for hose. Accordingly, the bidder should indicate the maximum hydraulic pressure and flow rate required to achieve gripping and sealing and/or testing.
 - 4.5.3. An explanation on design features supported with technical drawing/graphics in support of above should be submitted with the bid.
 - 4.5.4. The bidder should furnish details of type/model of stud tensioners & hydraulic Pressure applied to stud tensioners for setting.
 - 4.6. **Length Compensation for end adjustment**
 - 4.6.1. Each coupling should have built in feature of length compensation i.e. for end adjustment covering minimum length equal to ONE DIAMETER of pipeline. This may be achieved either by telescoping feature of coupling or through a length compensation joint forming integral part of coupling or any other method. It should not involve any welding of separate items by user to achieve the above feature.
 - 4.6.2. The above feature 4.6.1 should be explained by drawing and write up and same should be submitted with the bid.
 - 4.7. **Provision to take care of misalignment, Misalignment Flange (MAF)**
 - 4.7.1. The repair connector should have provision to take care of misalignment up to +/- 10 deg. in any plane from the center line axis. One part of 'MAF' should be attached to coupling with counterpart of 'MAF' bolted to this part. Sealing integrity is to be maintained at all angles of misalignment within above specified limit.
 - 4.7.2. In support of satisfying the feature 4.7.1 above, drawing and write up should be submitted along with the bid.
 - 4.8. **Test of Sealing of Misalignment Flange (MAF)**
 - 4.8.1. The 'MAF' should have test port for hydrostatic testing for metal to metal seal verification without pressurizing/commissioning the pipeline.
 - 4.8.2. The MAF should have bleed port for checking the continuity of hydraulic fluid inside the sealing area.
 - 4.8.3. In support of satisfying the feature 4.8.1 & 2 above, drawing and write up should be submitted along with the bid.
 - 4.9. **Test pressure**
 - 4.9.1. All pressure tests shall be carried out to satisfy ANSI Class 1500 requirements.
 - 4.9.2. Each test port of the coupling and MAF should be fitted (when Connector is supplied) with a suitable connection for connecting a high pressure hose including mating adapters compatible to $\frac{1}{4}$ " I.D. hose. The size and thread profile of connection should be indicated in the bid. All actuation, pressure testing, will be carried out / witnessed from the deck of the vessel only.
 - 4.9.3. The acceptance and compliance of 4.9.1 and 2 above should be given by the bidder in the technical bid.
 - 4.10. The Repair Connector after installation should be **piggable**. Bidder should confirm suitability of Repair

- Connector for this purpose in the technical bid.
- 4.11. **Sacrificial Anode:** Each repair connector should be supplied fitted with zinc or galvalum anode sized for a minimum life of 25 years
- 4.12. The **studs of MAF** should be long enough to accommodate hydraulic bolt tensioning device. A confirmation to this effect should be given in the bid.
- 5. Material specifications**
- 5.1. Coupling and MAF:
ASTM-A-350 Gr.LF2/ASTM-A-694/ASTM-A-516/ASTM A-675 Gr.70 with NACE MR-01-75 (latest edition) requirements.
- 5.2. Bolts: ASTM-A-193-B7M; Nuts: ASTM-A194-Gr.2M PTFE coated.
(In case of better/improved material specifications/physical properties, details of the same should be submitted and ONGC's decision regarding superiority or otherwise will be final.)
- 5.3. For corrosion protection from outside, white epoxy marine paint shall be applied in 3 layers to a thickness of 0.015 inches.
- 5.4. Other non-metal parts in the repair connectors such as Elastomers etc. shall be selected based on line fluid service conditions as stipulated in clause 3.2.
- 5.5. The repair connector shall be designed with corrosion allowance for 25 years.
- 5.6. Bidder shall furnish sectional drawing of connector and 'MAF' showing parts with reference numbers and bill of materials.
- 6. Inspection & Certification**
- 6.1. Inspection should be done keeping in view requirements indicated in API 6H (latest edition) and conditions of purchase order. The test certificates and quality assurance inspection reports should be provided for each connector with accessories, along with the supply. The supply order no & date, **year of manufacture of items** must be mentioned in the third party inspection certificate.
- 6.2. Third party inspection of all above items shall be arranged by supplier through any of the following Third Party Inspection agencies (TPI) like DNV, LRS, BV.
- 6.3. Cost of inspection and certification shall be borne by supplier and should be included in the connector rate. No separate inspection cost should be indicated
- 6.4. Acceptance /compliance for above should be given with the bid.
- 7. Packing**
- 7.1. Each Repair Connector shall be supplied in a Steel Container fillable with Nitrogen or any other Inert Gas, at 10 psi. Each container shall carry Identification Number and Packing List details duly written in bold letters at prominent location on the container's outer surface. The containers are to be of cylindrical shape with opening from one end only for proper sealing. Its edge must have groove for housing the seal and it should be tested at 15 psi for one hour. Pressure gauge and inert gas charging arrangement with valve should be fitted on flat face of each container. All these fittings should have protection guard to avoid any damage during handling. The container should have at least two stands welded to the container at suitable locations at 6 o'clock position to avoid rolling of container during storage on vessel deck at sea. The container should have suitable lifting pad-eye / arrangement. Suitable arrangement should be provided so as to ease the process of pulling out the connectors from containers without damage.
- 7.2. On receipt of connectors at stores, the canisters are to be pressurized with Nitrogen/inert gas to 10psi, by the supplier, within 30 days of delivery.
- 7.3. One set of following documents should be supplied along with the consignment inside the container:
- 7.3.1. Installation procedure.
- 7.3.2. As built drawing with bill of material
- 7.3.3. Details of stud tensioners / accessories & its manual.
- 7.3.4. The design features & technical data to satisfy sealing features mentioned at 4.3 to 4.5 above.
- 7.4. Other items will be suitably marked and packed for sea transportation.
- 7.5. Items such as studs/O-rings/nuts etc. should not be packed inside the canister for connector.
- 7.6. The acceptance/compliance of above should be given in bid.
- 8. General Conditions**
- 8.1. Manufacturer should supply/provide spare parts/service & technical support, for the ordered products, in future on the request of ONGC.

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