



OIL & GAS DEVELOPMENT COMPANY
LIMITED ISLAMABAD

SUPPLY CHAIN MANAGEMENT DEPARTMENT

Tender Document
(Single Stage One Envelope Basis)



Tender Enquiry No: PROC-F

For Procurement of: _____

Bids Due On: _____

PART-A

INVITATION TO BIDS FOR

CASE NO. PROC-F _____

OIL & GAS DEVELOPMENT COMPANY LIMITED SUPPLY CHAIN
MANAGEMENT DEPARTMENT (FOREIGN WING)

SUBJECT: INVITATION FOR BID FOR THE PROCUREMENT OF _____
UNDER CASH FOREIGN EXCHANGE / OWN RESOURCE.

1. Sealed bids in duplicate are hereby invited under Competitive Bidding (CB) procedure from eligible bidders from the countries maintaining bilateral trade relations with Pakistan for the items as listed in the Schedule of requirement "Annexure-A" of the attached Tender Documents. The prices may be quoted on both FOB and CFR / CPT Karachi basis (As required in the Schedule of requirement).
2. PROSPECTIVE BIDDERS SHOULD PARTICULARLY NOTE THAT:
 - 2.1 Bids will be accepted only if the materials and supplies being offered are produced and manufactured in the country(s) maintaining bilateral relations with Pakistan.
 - 2.2 Each bid valid for minimum 120 days from the date of opening of the bids must be accompanied by an upfront Bid Bond in the form of Pay Order / Demand Draft or Bank Guarantee issued by scheduled Bank of Pakistan or a branch of foreign bank operating in Pakistan for an amount mentioned in the tender notice with technical bid and valid for 150 days from the date of opening of bids. The Bank Guarantee must be issued in accordance with the format as per Annexure-C of the tender Documents.
 - 2.3 Bid Bond through telex / fax shall not be acceptable.
 - 2.4 On acceptance of the bid by the Purchaser the successful bidder shall be required to furnish Performance Bond / Bank Guarantee issued by scheduled Bank of Pakistan or a branch of foreign bank operating in Pakistan for an amount equivalent to 10 % of the value of Contract for the required material in US Dollars or in currency of Bidder or equivalent in Pakistan Currency as per Annexure-D.
3. The Purchaser does not take any responsibility for collecting the bids from any Agency. Your authorized representative may attend the Tender opening if desired. The tender received after closing time or date shall be returned to Bidder unopened.
4. The Purchaser reserves the right to increase or decrease the quantities and accept or reject any or all bids or cancel any or all items at any time without assigning any reasons thereof.
5. The Purchaser reserves the right to have the items inspected by its own representatives or through third party.
6. It must be indicated in the offer that the quotation fully conforms to Technical Specifications and Terms & Conditions of the Tender Enquiry.

7. The bid shall be evaluated in accordance with the evaluation criteria as indicated in the schedule of requirement / tender. Tenderers are advised to quote competitive prices enabling OGDCL to decide the purchase.

8. **TIME AND PLACE FOR SUBMISSION OF BIDS.**

Bids must be delivered / dropped in the tender box until (As mentioned in the tender notice) hours Pakistan Standard Time (PST) on (As mentioned in the tender notice) following address:-

Oil & Gas Development Company Limited
Supply Chain Management Department
OGDCL House, Plot No. 3 (New No 3013) F-6/G-6,
Jinnah Avenue, Islamabad (Pakistan)
Phone No. 92-51-92002 3795
Fax No. 92-51-9209673 & 9207530

9. **OPENING OF BIDS**

Bids will be opened at (As mentioned in the tender notice) hours (PST) at the place noted above.

10. **SINGLE STAGE ONE ENVELOPE BIDDINGS**

10.1 Bids against this tender are invited on **Single Stage One Envelope Bidding Procedure**, therefore, the bidders shall submit their Technical and financial bid proposals (in original) separately in a single envelope.

10.2 Tender Annexures to be added in the bid.

10.3 The bids shall be submitted in a single envelope. The envelope containing Technical Bid and Financial Bid must be marked clearly as “Technical and Financial Bid”

10.4 Bid bond for the amount mentioned in the SOR must be submitted along with the Technical and Financial Bid.

MANAGER (FOREIGN)
PROCUREMENT OIL & GAS
DEVELOPMENT COMPANY
LIMITED PHONE: 0092-51-92002
3652 FAX: 0092-51-9207530

PART-B

SECTION-I

OIL AND GAS DEVELOPMENT COMPANY LIMITED
SUPPLY CHAIN MANAGEMENT DEPARTMENT
(FOREIGN WING)
ISLAMABAD

NO. PROC-F_____

INSTRUCTION TO BIDDERS (ITB)

1. ELIGIBILITY REQUIREMENTS

The bidders must meet the following eligibility requirements:-

1.1 The Bidder must be a national of a country maintaining bilateral relations with the Islamic Republic of Pakistan.

1.2 Material and equipment to be supplied under the contract must be produced in and supplied from a country maintaining bilateral trade relations with the Islamic Republic of Pakistan.

2. SCHEDULE OF REQUIREMENT

The schedule of Requirements to be procured under this Tender is attached hereto as Annexure-A.

3. COST OF BIDDING

The bidder shall bear all costs associated with the preparation and submission of his bid and the Oil & Gas Development Co, Ltd hereinafter referred to as "The Purchaser", will in no case be responsible or liable for those costs regardless of the conduct or outcome of the bidding process.

4. LANGUAGE OF BIDDING

The bid must be prepared and submitted in English language. If supporting documents and printed literature furnished by the Bidder with the bid are not in English Language, they must be accompanied by an English translation of the pertinent passages. For the purpose of interpretation of the bid, the English translation shall prevail.

5. CLARIFICATION OF BIDDING DOCUMENTS

5.1 The Bidders are expected to carefully examine all instructions, forms specifications in the bidding documents. Any bidder in doubt as to the exact meaning or interpretation of any part of the bidding documents must immediately seek clarification in writing from the purchaser at mailing address indicated in the "INVITATION FOR BID". The purchaser will respond in writing to any request for information or clarification of the bidding documents which is received not later than three weeks prior to deadline for submission of the bids prescribed by the Purchaser.

5.2 CONTRADICTIONS, OBSCURITIES AND OMISSIONS

The bidder should likewise notify the Purchaser of any contradictions, obscurities and omission in the Bidding Documents if clarification of these is necessary for the clear understanding of the documents and for preparation of the bid such enquiries must reach the Purchaser not later than three weeks prior to the deadline for submission of the bids.

6. **AMENDMENT OF BIDDING DOCUMENTS.**

6.1 At any time prior to the deadline for submission of bids, a modification in the bidding documents in the form of an addendum may be issued in response to a clarification requested by a prospective Bidder or even whenever the purchaser considers it beneficial to issue such a clarification and / or amendment to all Bidders.

6.2 Any clarification / amendment issued shall be posted on OGDCL website or through press Corrigendum.

7. **PREPARATION OF BIDS**

The bid prepared by the Bidder shall comprise the following components:-

7.1 The schedule of requirements (Annexure-A), or the Principal's Proforma Invoice both duly signed and stamped by the Principal will indicate the prices of the material as contained therein along with other terms and conditions.

7.2 The "Data Summary Sheet" to be completed by the Bidders as per Annexure-E.

7.3 The bidding form to be completed as per Annexure-B.

7.4 Documentary evidence establishing that the Bidder is eligible to bid and is qualified to perform the Contract if his bid is accepted.

7.5 Documentary evidence establishing that the goods to be supplied by the Bidder are eligible goods and conform to the Bid Documents and required specifications.

8. **BID PRICE**

The bidder shall indicate on the appropriate forms / lists of material, the unit prices and bid prices of the goods he proposes to supply under the contract in the following manner:-

8.1 The prices of the goods to be quoted are firm "FOB" port of loading including all FOB charges i.e. boxing, packaging, documentation, inland freight, dispatch of shipping documents through courier services and any other charges. Sea / Air freight must be quoted as a separate line item for calculation of CFR/CPT Price (As required in the Schedule of Requirement).

8.2 Custom duties, import and other taxes on "FOB/CFR/CPT deliveries shall be paid by the purchaser and should not be included in the quoted prices.

8.3 The insurance on ocean freight and transportation in Pakistan will be arranged by the purchaser.

9. **EVALUATION CRITERIA**

9.1 The bid shall be evaluated in accordance with the evaluation criteria as indicated in the Schedule of Requirement / Tender. Tenderers are advised to quote competitive prices enabling OGDCL to decide the purchase.

10. **CURRENCIES OF BID**

10.1 The prices shall be quoted in the Bidder's own currency or in US\$.

11. BID VALIDITY

11.1 The bid shall remain valid and open for acceptance for a period of 120 days from the specified date of bid opening or mentioned in TOR / Schedule of Requirement (SOR).

11.2 In exceptional circumstances prior to expiry of the original bid validity period, the bidder may be requested in writing for an extension in the period of validity. A bidder agreeing to such request will not be permitted to modify his bid and will be required to correspondingly extend the validity of his Bid Bond.

12. ALTERNATIVE BIDS.

In the event that the Bidder submit an Alternative bid(s) whether in whole or against any of the items, a group of sub group, in addition to its Main Bid, the bids must be marked as "Main Bid" and "Alternative Bid". Alternative Bids which don't conform to the specifications, but meet the performance prescribed in, or the objectives of, the specifications may be submitted. However, only the Alternative bid of the Bidder whose Main Bid is the lowest evaluated bid will be considered.

A Bidder, who wishes to have its Alternative bid(s) considered on an equal basis with all other (Main) bids, must submit a Bid Bond for each Alternative bid. An Alternative bid must be submitted in a sealed envelope clearly marked "Alternative Bid", separate from the Main bid.

13. BID BOND

13.1 The bidder shall furnish, as part of his bid, bid bond for an amount mentioned in the SOR in the currency of prospective Bidder (convertible to Pak Rupees) to be submitted along with Technical Bid. The Bid Bond shall be valid for one month beyond the bid validity period. Extension in Bid Bond (if required), must be submitted in original 15 days before the expiry date otherwise OGDCL may proceed for encashment.

13.2 Bid Bond in the shape of bank guarantee shall not be acceptable with the banks whose market price per share is quoted below the par value at the Pakistan Stock Exchange.

13.3 However, bid bond in shape of Pay Orders (PO) / Cash Deposit Receipts (CDR) / Demand Drafts (DD) issued by a Pakistani scheduled or a branch of a foreign bank operating in Pakistan bank (listed or not listed at Pakistan Stock Exchange) irrespective of its market price per share at Pakistan Stock Exchange shall be accepted.

13.4 The format of the Bank Guarantee must be in accordance with the standard format attached as Annexure-C.

13.5 Any bid not accompanied by the necessary Bid Bond shall be rejected as non-responsive. The Bid Bonds of unsuccessful Bidders will be returned to them. The Bid Bond of the successful Bidder will be discharged after he has furnished the required Bank Guarantee / Performance Bond and executed the Contract.

13.6 The Bid Bond may be forfeited:

13.6.1 If a bidder withdraws its bid during the period of bid validity

13.6.2 If bidder submits forged / fake document(s)

13.6.3 If successful bidder fails to furnish performance bond

13.6.4 If successful bidder fails to sign the Contract or accept the Purchase Order.

13.6.5 Any other reason warranted confiscation of bid bond

13.7 The bidder must particularly note that in case of submission of forged document they will also be liable to severe punitive action by the Purchaser leading to Black Listing / Debarment of the Local Agent as well as the Principal in addition to any other legal action that shall be initiated against such Bidder. The procedure of Black Listing / Debarment is uploaded on OGDCL's website which is an integral part of this Tender Document.

13.8 The Purchaser reserves the right to check authenticity of Bid Bond from the concerned Bank.

14 **SIGNING OF BID**

14.1 All copies of the bid shall be signed by the Bidder or a person (s) duly authorized to bind the Bidder to the Contract. Proof of the authorization shall be furnished in the form of a written Power of Attorney which shall accompany the bid. All pages of the bid, where entries are made, shall be initialed by the person (s) signing the bid.

15 **SEALING AND MARKING OF BIDS**

15.1 The Bidder shall submit „Technical and Financial Bid“ separately in a single envelope which shall be marked as “Original Technical and Financial”.

15.2 The bid shall be sealed in an outer single envelope with marked as follows:

MANAGER (FOREIGN) PROCUREMENT SUPPLY
CHAIN MANAGEMENT DEPARTMENT OIL & GAS
DEVELOPMENT COMPANY LIMITED OGDCL
HOUSE JINNAH AVENUE, ISLAMABAD
(PAKISTAN)

15.3 The envelope shall also bear the following clarifications

BID FOR _____.

DO NOT OPEN BEFORE (As mentioned in the tender notice)

TENDER NO. PROC-F_____

15.4 If the outer envelope is not marked as instructed above, the purchaser will assume no responsibility for the misplacement or premature opening of the bid.

16 **DEADLINE FOR SUBMISSION OF BIDS**

16.1 All bids must reach and be received by the Purchaser on or before the prescribed deadline at (As mentioned in the tender notice) Hours (PST on (As mentioned in the tender notice).

16.2 In case due date of bids opening falls on holiday, the bids will be opened on next working day.

17 **LATE BIDS**

Any bid received by the Purchaser after the prescribed deadline for submission of bids shall be rejected and returned un-opened to the Bidder.

18. **MODIFICATION AND WITHDRAWAL OF BIDS**

18.1 The Bidder may modify or withdraw his bid after submission, provided that written notice of the modification or withdrawal is received by the Purchaser prior to the prescribed deadline for submission of bids.

18.2 The Bidder's modification or withdrawal notice shall be prepared, sealed, marked and dispatched as for the bid.

18.3 No bid shall be modified subsequent to the deadline for submission of bids.

18.4 No bid shall be withdrawn in the interval between the deadline for submission of bids and the expiration of the period of bid validity. Withdrawal of a bid during this interval may result in forfeiture of the Bidder's Bid Bond.

19. **BID OPENING**

19.1 The purchaser will open the bids, in the presence of Bidder's representatives, who may choose to attend, at (As mentioned in the tender notice) Hours (PST on (As mentioned in the tender notice) at the following location:

SUPPLY CHAIN MANAGEMENT DEPARTMENT
OIL AND GAS DEVELOPMENT COMPANY LIMITED
OGDC HOUSE JINNAH AVENUE, ISLAMABAD (PAKISTAN).

19.2 The Bidder's names, bid prices, requisite Bid Bond, including bid price modification and bid withdrawals, if any, will be announced at the bid opening.

20. **PRELIMINARY EXAMINATION**

20.1 The purchaser will examine the bids to determine whether they are complete whether any computational errors have been made, whether required sureties have been furnished, whether the documents have been properly signed, whether the bids are generally in order.

20.2 Arithmetical errors will be rectified on the following basis. If there is a discrepancy between the unit price and the total price that is obtained by multiplying the unit price and quantity, the unit price shall prevail and the total price shall be corrected. If there is a discrepancy between words and figures, the amount in words shall prevail.

20.3 Prior to the detailed evaluation, pursuant to clause 24, the Purchaser will determine the substantial responsiveness of each bid to the Bidding Documents.

21. **DETERMINATION OF RESPONSIVENESS**

21.1 After opening the bids, the Purchaser will determine whether each bid is substantially responsive to the requirements of Bidding Documents.

21.2 For the purpose of this clause, a substantially responsive bid is one which conforms to all the terms and conditions of the Bidding Documents without material deviation. A material deviation is one which being inconsistent with the Bidding Documents, affects in any substantial way to scope, quality or prescribed delivery schedule or which limits in any substantial way, the Purchaser's right or the Bidders' obligation under the contract.

21.3 A bid determined to be non-responsive will be rejected by the Purchaser and shall not subsequently be made responsive by the Bidder by correction of the non-conformity.

- 21.4 The purchaser may waive any minor deviation non-conformity or irregularity in a bid which does not constitute a material deviation, provided that the waiver does not prejudice or affect the relative standing order of any Bidder.
- 21.5 Payment and Letter of Credit terms other than the ones specified in clauses 4 & 5 of Conditions of Contract “Special “of the Tender Documents shall not be accepted.

22 CORRECTION OF ERRORS

- 22.1 Bids determined to be substantially responsive will next be checked for any material error in computation.
- 22.2 Arithmetical errors found will be corrected as follows:
- a) Where there is discrepancy between amount in figures and words, the amount in words will govern.
 - b) Where there is a discrepancy between the unit price and the total amount derived from the multiplication of the unit price and the quantity, the unit price as quoted will govern, unless there is an obvious gross Arithmetical error in unit price, in which event, the extended amount as quoted would govern.

23 CLARIFICATION OF BIDS.

To assist in determining a bid’s responsiveness the Bidder may be asked for a clarification of his bid. The Bidder is not permitted, however, to change bid price or substance of his bid.

24 EVALUATION AND COMPARISON OF BIDS

- 24.1 The Purchaser will evaluate and compare only the substantially responsive bids. To facilitate evaluation and comparison, all bid prices (the amounts payable in various currencies) will be converted to the local currency i.e. Pakistani Rupee or US Dollars at the selling exchange rate officially prescribed by State Bank of Pakistan for similar transaction on the date of opening of bids specified in this Tender Document i.e. as mentioned in the tender notice.
- 24.2 The evaluation of bids will take into account in addition to the bid price the following factors:-
- a) Reliability and efficiency of the material / equipment offered.
 - b) Financial standing of the suppliers.
 - c) The projected operating and maintenance costs during the life of the equipment.
 - d) The availability of the spares and after sale services.
 - e) **EVALUATION OF DELIVERY PROPOSED BY BIDDERS.**
 - i) The delivery periods of the various items of the group of terms have been indicated in the Schedule of Requirements and the Bidders should adhere to the same. However, the Purchaser will evaluate bid offering delivery period of not exceeding three months beyond the specified delivery period as provided in Para (iii) below. Bids offering delivery period in excess of three months beyond the specified period will be rejected.
 - ii) All bids specifying delivery period within the dates specified in the Tender Documents shall be considered on an equal basis in regard to time of delivery.

- iii) For the purpose of evaluation of bids delivery beyond those specified (three months ceiling) an amount equivalent to one half of one percent of the quoted price FOB for the foreign Bidders and ex-factory for domestic Bidders of the delayed material will be added for each excess week of delivery for the first six weeks and one percent for each of the subsequent seven weeks.

25 **BID EVALUATION AND AWARD OF CONTRACT.**

- 25.1 For the purpose of determining the lowest evaluated bid, factors other than price such as guaranteed delivery period, direct installation cost, reliability and efficiency of the equipment, financial standing of the Bidder's repairs facilities etc. will be taken into consideration.
- 25.2 The award of contract shall be made to the Bidder whose bid has been determined to be the lowest evaluated bid, after considering all factors and who meet the appropriate standards of capability and financial responsibilities.
- 25.3 The Purchaser shall inform the successful Bidder of its intent to enter into a contract. The contract shall be executed subject to the satisfactory negotiation of the terms and conditions of the contract.
- 25.4 The determination will take into account the Bidders financial, technical and production capabilities availability of spare parts, after sale services, reliability, efficiency, projected operating and maintenance cost and adaptability of the goods offered.
- 25.5 The manufacturer must be licensed by API for each group of item being quoted (If applicable). In this regard first and latest API certificates must be submitted with the offer.
- 25.6 The manufacturer must have minimum of five years' experience (with five year sales record) since the date of API certification in the production of items being quoted. Evidence in this regard must be submitted along with the offer.
- 25.7 An affirmative determination will be a pre-requisite for award of the Contract to the Bidder. A negative determination will result in rejection of the Bidder's bid.
- 25.8 The Purchaser will award the Contract to the successful Bidder whose bid has been determined to be the lowest evaluated, responsive bid, provided further that the Bidder is determined to be qualified to satisfactorily perform the contract.
- 25.9 The bidder may lodge a written complaint for redressal of their grievances and disputes to Dispute Resolution Committee within fifteen (15) days of the placement of the Evaluation Report on Web.

26. **QUALIFICATION OF SELECTED BIDDER(S)**

- 26.1 The Purchaser will determine to its satisfaction whether the Bidder (s) selected as having submitted the lowest evaluated, responsive bid is qualified to satisfactorily perform the Contract.
- 26.2 The determination will take into account the Bidder's financial, technical and production capabilities. It will be based upon an examination of the documentary evidence of the Bidder's qualification prepared and submitted with the bid by the Bidder as well as such other information as may be deemed necessary and appropriate.
- 26.3 An affirmative determination will be prerequisite for award of the Contract to the Bidder. A negative determination will result the rejection of the Bidder's bid.

27. **DOCUMENTS ESTABLISHING THE BIDDER'S QUALIFICATION TO PERFORM THE CONTRACT.**

27.1 The documentary evidence of the Bidder's qualification to perform the Contract, if its bid is accepted, shall establish to the Purchaser's satisfaction:-

- a) That , in case of a Bidder offering to supply goods under the Contract which the Bidder did not manufacture , a certificate to the effect that Bidder is authorized by the goods" manufacturer or producer to supply the goods to or in the purchaser"s Country. Such authority must be attached with the bid otherwise bid will be treated non-responsive.
- b) That the bidder has the financial , technical and production capability necessary to perform the Contract; and
- c) That, in case of a Bidder not doing the business within the Purchaser"s Country , the bidder is , or will be (if the Contract is awarded to it), represented by an agent in the Country equipped and able to carry out the maintenance, repair and spare parts-stocking obligations prescribed by the Contract.

28. **PURCHASER'S RIGHT TO ACCEPT ANY BID AND TO REJECT ANY OR ALL BIDS**

Notwithstanding Clause 24, the Purchaser reserve the right to accept or reject any bid, and to annul the bidding process and reject all bids, at any time prior to award of Contract without thereby incurring liability to the affected Bidder or bidders or any obligation to inform the affected Bidder or Bidders of the ground for the Purchaser"s action.

29. **CANVASSING**

Unsolicited advice / clarification and personal approaches by the Bidder at any stage of evaluation are strictly prohibited and shall lead to disqualification.

30. **PREFERENCE FOR DOMESTICALLY MANUFACTURED GOODS**

30.1 In comparing domestic bids with foreign bids, a margin of preference will be granted to goods manufactured in Pakistan in accordance with the following provisions, provided that the Bidder shall have established to the satisfaction of the Purchaser that the domestic value added is in accordance to the percentage as mentioned in clause No. 30.6 of the ex-factory bid price of such goods. For application of domestic preference, all responsive bids will first be classified into following three categories:-

CATEGORY-I: Bids offering goods manufactured in Pakistan which meet the minimum domestic value added requirement.

CATEGORY-II: Bids offering other goods manufactured in Pakistan and

CATEGORY-III Bids offering imported goods.

The purchaser will review each bid to confirm the appropriateness of, or to modify as necessary, the category to which the bid was assigned by the Bidder in preparing it.

30.2 The lowest evaluated bid of each category will then be determined by comparing all evaluated bids in each Category among themselves without taking in to account custom duties and other import taxes levied in connection with the sale or delivery, pursuant to the bids, of the goods.

- 30.3 Such lowest evaluated bids shall next be compared with each other and if as a result of this comparison, a bid from category-I or Category-II found to be lowest, it will be selected for the award of contract.
- 30.4 If, however, as result of the comparison, under paragraph 30.3 above the lowest bid is found to be from Category-III, it will be further compared with the lowest evaluated bid from Category-I. For the purpose of this further comparison only, an upward price adjustment will be made to the lowest evaluated bid price of Category-III by adding either:-
- i) The amount of the custom duties and other import taxes which a non-exempt importer would have to pay for the importations for the goods offered in such Category-III bid or,
 - ii) Fifteen percent (15%) of the CIF bid price of such goods if the custom duties and import taxes referred to in (i) above exceed 15 % of the CIF bid price.
- If after such comparison, the Category-I bid is determined to be the lowest, it will be selected for the award of contract, if not, the lowest evaluated bid from Category-III will be selected for the award.
- 30.5 Bidders applying for the preference shall provide all evidence necessary to prove that the goods offered by them were manufactured in Pakistan and the manufacturing cost of such goods includes a domestic value added is in accordance to the percentage as mentioned in Clause No. 30.6 of the ex-factory bid price of the goods.
- 30.6 As per SRO No. 827(I) 2001 dated 13/12/2001 (copy attached as Annex-G) sub. Section (I) of section 3 of the Imports and Exports (control) Act 1950 (XXXIX of 1950) price preference in Rupees will be accorded to the bidders tendering for engineering goods produced in Pakistan up to a specified percentage (in proportion to the value addition) of the lowest quoted landed cost of an item of foreign origin with similar specification as mentioned in the tender.
- i. Provided that:-
 - (a) The saving in foreign exchange is not less than the amount of price preference : and
 - (b) It is ensured that in each case of such preference, the total import requirements for producing the supplied tendered for locally manufactured items has been duly indicated by the bidders.
 - ii. Price preference shall be allowed as under:-
 - (a) Having minimum of twenty percent value addition through indigenous manufacturing, price preference shall be fifteen percent;
 - (b) Having over twenty percent and up to thirty percent value addition through indigenous manufacturing, price preference shall be twenty percent ; and
 - (c) Having over thirty percent value addition through indigenous manufacturing, price preference shall be twenty five percent.
- 30.7 If the local supplier / manufacturer becomes the lowest evaluated bidder after Price Preference, order will be placed at the prices (Landed Price) quoted by the lowest evaluated international bidder. In case the local bidder does not accede to the request of OGDCL for matching their rate at par with those received from international bidder for particular item (s) then the order will be placed on the lowest evaluated international bidder.

31. NOTIFICATION OF AWARD

- 31.1 Not later than expiration of the period of bid validity prescribed in bidding Documents, successful Bidder (s) will be notified in writing that his bid has been accepted. The notification of award will NOT constitute formation of the Contract unless conditions of clause 25 of ITB are fully met to the satisfaction of the Purchaser.
- 31.2 Upon the successful Bidder's furnishing of a Performance Bond / Bank Guarantee, the Purchaser will promptly notify the unsuccessful Bidders that their bids have been unsuccessful and will return their Bid Bonds.

32. PERFORMANCE BOND / BANK GUARANTEE

- 32.1 Within 15 days of the receipt of notification of award from the Purchaser, the successful Bidder shall furnish a Performance Bond issued by scheduled Bank of Pakistan or a branch of foreign bank operating in Pakistan equal to 10 % of the total Contract/Purchase Order value. The format of Bank Guarantee must be in accordance with the standard form as per Annexure-D. Extension in Performance Bond (if required), must be submitted in original 15 days before the expiry date otherwise OGDCL may proceed for encashment.
- 32.2 Performance Bond in the shape of bank guarantee shall not be acceptable with the banks whose market price per share is quoted below the par value at the Pakistan Stock Exchange.
- 32.3 However, Performance Bond in shape of Pay Orders (PO) / Cash Deposit Receipts (CDR) / Demand Drafts (DD) issued by a Pakistani scheduled or a branch of a foreign bank operating in Pakistan bank (listed or not listed at Pakistan Stock Exchange) irrespective of its market price per share at Pakistan Stock Exchange shall be accepted.
- 32.4 Failure of the successful Bidder to furnish the required Performance Bond shall constitute sufficient grounds for annulment of the award and forfeiture of the Bid Bond.
- 32.5 The costs incurred for establishing the Bank Guarantee/Performance bond shall be to the account of Contractor.
- 32.6 The Purchaser reserve the right to check the authenticity of the Performance Bond from the concerned bank.

33. JOINT VENTURE

In the event that the successful Bidder is a Joint Venture formed of two or more companies, the Purchaser will require that the parties to the Joint Venture accept joint and several liabilities for all obligations under the contract.

34. SIGNING OF CONTRACT.

At the same time that the successful Bidder is notified that his bid has been accepted and his Performance Bond is received by the Purchaser, the Contract incorporating all terms and conditions will be sent to the Bidder for execution.

35. CRITERIA FOR SUMMARY REJECTION

Any bid not meeting the following criteria shall be summarily rejected without any right of appeal.

- 35.1 The bidder must meet the requirements of clause 2 of the ITB.
- 35.2 The bids must be prepared in the English language.
- 35.3 Bid shall be prepared and submitted in the following manner:-
- 35.3.1 For the goods to be supplied from foreign sources, the prices shall be firm FOB port of loading, The freight will be indicated separately for each item/ group on the Schedule of Requirements (Annexure-A) or Performa Invoice of the Principal.

- 35.3.2 Bids must be accompanied by a bid bond for the amount mentioned in the SOR or equivalent Pak Rupees valid for 150 days as specified under clause 13 of ITB.
- 35.4 Prices of Goods to be supplied from outside the country will be quoted in the Bidder's own currency or US Dollars. Expenditure expected to be incurred in the other currencies may also be indicated in those currencies accordingly.
- 35.5 The bids must be valid for 120 days.
- 35.6 Bid must not be submitted by FAX or Email or Telegram / Telefax / direct to the Purchaser.
- 35.7 Bid must reach before (As mentioned in the tender notice) or as per Para 16.2.
- 35.8 The bids must be based on firm prices and not on any price adjustable formula.
- 35.9 Performa invoice of the Principal in original signed and stamped by the Principal or Annexure-A duly filled in, signed & stamped by the Principal must be submitted along with the bid giving all necessary details.
- 35.10 Summary Data Sheet as per Annexure-E must be filled in and submitted along with the bid.
- 35.11 Bidding form, as per Annexure-B and "Price Schedule" as per Annexure- A duly completed in accordance with sub clause 8.1 of ITB. For this purpose Bidder may either use the photo copies of the format provided as Annexure-A & B of the Tender Documents or may reproduce the same on his own letter head filling in blanks and signing and stamping them in original.
- 35.12 Fax / Copy of Bid received with original Bid Bond will be accepted provisionally provided original bid is received by OGDCL within 10 calendar days after bid opening. If the original bid is not received within the stipulated period of 10(ten) calendar days counting from the date of tender opening, the bid shall stand rejected.
- 35.13 Any fax bid with fax / copy of Bid Bond shall be rejected.
- 35.14 Standards clause No. 4 of the Conditions of Contract "General" must be fully complied of it standards other than those mentioned in the technical specifications are quoted.

36. CLARIFICATION OF BIDDING DOCUMENTS

The bidders are expected to carefully examine all instruction, forms specification in the bidding documents. Any bidder in doubt as to the exact meaning or interpretation of any part of the bidding documents must immediately seek clarification in writing from purchaser at mailing address indicated in the INVITATION TO BID. The purchaser will respond in writing to any request for information or clarification of bidding documents which are received not later than three weeks prior to deadline for submission of the bids prescribed by the purchaser.

37. All vendors, suppliers, contractors, consultants and alike are encouraged to inform the managing director and head of departments in case where any OGDCL employee asks for any type of favor whether monetary or in kind. You can contact the M.D. and heads of departments on the following addresses, phone numbers, faxes or e-mail.

<p>Chairman & CEO Oil & Gas Development Company Limited OGDCL House, Islamabad. Tel No. 051-9209701 Fax No. 051-9209708 E-Mail: ceo@ogdcl.com</p>	<p>General Manager Supply Chain Management Department OGDCL House, Islamabad. Tel No. 051-2623228 / 051920023540 Fax No. 051-9215090 E-Mail: zahid.abbas@ogdcl.com</p>
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MANAGER (FOREIGN)
PROCUREMENT OIL & GAS
DEVELOPMENT COMPANY
LIMITED PHONE: 0092-51-92002
3652 FAX: 0092-51-9207530

PART-B

SECTION-II

CONDITIONS OF CONTRACT "GENERAL "

1. DEFINITIONS

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

- 1.1 The "Purchaser" means the Organization purchasing the goods i.e. Oil & Gas Development Company Limited.
- 1.2 The "Contractor" means the individual or firm supplying the goods under the Contract
- 1.3 "The Goods" means all equipment, machinery, and / or materials, which the Contractor is required to supply to the Purchaser under this Contract.
- 1.4 The "Contract" means the agreement entered into between the Purchaser and the Contractor as recorded in the Contract Documents including all attachments and appendices thereto and all documents incorporated by reference therein.
- 1.5 "The Contract Price" means the price payable to the Contractor under the Contract for the full and proper performance of his contractual obligations.

2. APPLICATION

The general conditions shall apply to any Contract made by the Oil & Gas Development Company, for the procurement of goods and material.

3. COUNTRY OF ORIGIN

- 3.1 All goods and ancillary services supplied under the Contract shall have their origin in the countries maintaining bilateral relations with Islamic Republic of Pakistan.
- 3.2 For purposes of this clause, "Origin" means the place where the goods were mined, grown or produced, or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembling of components, a commercially recognized new product result which is substantially different in basic characteristics or in purpose or utility from its components.

4. STANDARDS

The goods supplied under this Contract shall conform to the Standards mentioned in the technical specifications. In each case where reference is made to any specified National or International Standards. Other recognized and authoritative Standards ensuring equal or higher quality will also be acceptable. In case your offer conforms to Standards other than stipulated in the ITB you are required to submit along with your bid one copy of the Standards in English Language and evidence that Standard used is a recognized and authoritative Standard, which ensures equal or higher quality. Your bid shall be declared non-responsive and rejected if you don't submit required evidence and a copy of such Standards in English Language with your bid. In case where metric or foot-pounds-second (F.P.S) system is specified only those Standards will be considered.

5. USE OF CONTRACT DOCUMENTS AND INFORMATION

5.1 The Contractor shall not, without the Purchaser's prior written consent, disclose the Contract, or any provisions thereof, or any specifications, plan, drawing pattern, sample of information furnished by or on behalf of the Purchaser in connection therewith, to any person other than a person employed by the Contractor in the performance of the Contract. Disclosure to any such person shall be made in confidence and shall extend only as far as may be necessary for purposes of such performance.

5.2 The Contractor shall not, without the Purchaser's prior consent, make use of any document or information enumerated in clause 5.1, except for purposes of performing the Contract.

5.3 Any document, other than the Contract itself, enumerated in clause 5.1 shall remain the property of the Purchaser and shall be returned (in all copies) to the Purchaser on completion of the Contractor's performance under the Contract.

6. PERFORMANCE BOND / BANK GUARANTEE

6.1 Within 15 days after Contractor's receipt of notification of Award of the Contract the Contractor shall furnish a Performance Bond / Bank Guarantee issued by scheduled Bank of Pakistan or a branch of foreign bank operating in Pakistan for an amount equivalent to 10 % of the value of Contract / Purchase Order in US Dollars or in currency of Bidder or equivalent in Pakistan Currency as per format at Annexure-D.

6.2 Performance Bond in the shape of bank guarantee shall not be acceptable with the banks whose market price per share is quoted below the par value at the Pakistan Stock Exchange.

6.3 However, Performance Bond in shape of Pay Orders (PO) / Cash Deposit Receipts (CDR) / Demand Drafts (DD) issued by a Pakistani scheduled or a branch of a foreign bank operating in Pakistan bank (listed or not listed at Pakistan Stock Exchange) irrespective of its market price per share at Pakistan Stock Exchange shall be accepted.

6.4 The proceeds of the Bank Guarantee shall be payable to the Purchaser as compensation for any loss resulting from the Contractor's failure to complete his performance obligations under the Contract.

6.5 The Bank Guarantee shall be denominated in the currency of the Contract or in another freely convertible currency acceptable to Purchaser and shall be in the form provided in the Bid Documents as Annexure-D. The expenses for the Bank Guarantee shall be borne by the Contractor.

6.6 Hundred Percent (100%) amount of the Performance Bank Guarantee shall remain valid for a period of 12 months from date of unloading of the last consignment at Karachi Sea/Airport or Islamabad Air Port to secure due performance of the Contract obligation, under the contract / Purchase Order

7. INSPECTION AND TEST

7.1 The purchaser or his representative shall have the right to inspect and / or test the goods to confirm their conformity to the Contract specification.

7.2 The inspection and the tests may be conducted in the premises of the Contractor or his sub-contractor(s) at point of delivery and / or the Goods' final destination. Where conducted on the premises of the Contractor or his sub-contractor(s), all reasonable facilities and assistance including access to drawings and production data shall be furnished to the Inspector

(s) at no charge to the Purchaser.

7.3 Should any tested or inspected goods fail to conform to the specification, the Purchaser may reject them and the Contractor shall either replace the rejected Goods or make all alterations necessary to meet specification requirements.

7.4 The Purchaser's right to inspect, test and, where necessary reject delivery after the Goods arrival in Pakistan shall in no way be limited or waived by reasons of the Goods having previously been inspected, tested and passed prior to the Goods shipment from the country of origin.

7.5 Nothing in this clause shall in any way release the Contractor from any Warranty or other obligations under this Contract.

8. PACKING

8.1 The Contractor shall provide such packing of the goods as is required to prevent their damage or deterioration during transit to their final destination as indicated in the Contract. The packing shall be sufficient to withstand rough handling during transit and exposure to extreme temperatures, salt, and precipitation during transit taking into consideration, where appropriate, the remoteness of the goods final destination and the absence of heavy handling facilities at all points in transit. More specifically packing and storage during shipment should conform to the minimum standard given in the material lists.

8.2 The packing, marking and documentation within and outside the package shall comply strictly with such special requirements as shall be expressly provided for in the Contract and, in any subsequent instruction issued by the Purchaser.

9. DELIVERY

9.1 Delivery of the goods shall be made by the Contractor in accordance with the terms specified in the Conditions of Contract "Special", and Goods shall remain at the risk of the Contractor until delivery has been completed.

9.2 Delivery shall be deemed to have been made when a clean Bill of Lading / Air way Bill (As the case may be) together with all such documentation as shall be specified in the Conditions of Contract "Special" have been submitted to the Purchaser. Partial shipment(s) within the delivery period (s) will be acceptable

10. INSURANCE

All goods supplied under the Contract shall be fully insured against loss or damage. Insurance shall be responsibility of the Contractor until delivery, as specified in paragraph 9.2, has been made upon which insurance will be arranged by Purchaser.

11. TRANSPORTATION

Transportation of equipment / material (consignments) will be arranged through any first available conference liner / Airline from the specified port / Airport of embarkation to Karachi port if Contract is awarded on CFR / CPT (As required in the Schedule of Requirement) basis. Therefore, the Bidders are advised to specify the name of port(s) of embarkation of the bid.

12. SPARE PARTS

The Contractor is required to provide materials and notifications pertaining to spare parts manufactured or distributed by the Contractor as mentioned in the Conditions of Contract "Special".

13. **WARRANTY**

13.1 The contractor shall warrant that all goods supplied under this contract shall be of contractual description, new and have no defect arising from design, materials or workmanship or from any act or omission of the contractor that may develop under normal use of the supplied goods under the conditions prevailing in the country of final destination.

13.2 The Purchaser shall promptly notify the Contractor in writing of any claims arising under this warranty. Upon receipt of such notice, the Contractor shall, with all reasonable speed, repair or replace the defective goods or parts thereof without any cost to Purchaser.

13.3 If the Contractor, having been notified, fails to remedy the defects(s) within a reasonable period, the Purchaser shall proceed to take such remedial action as may be necessary at the Contractor's risk and expense and without prejudice to any other rights which the Purchaser may have against the Contractor under the Contract

14. **PAYMENT**

The method, type and currencies of payment made to the Contractor under this Contract are specified in Conditions of Contract "Special".

15. **PRICE**

Price charged by the Contractor for goods delivered under the Contract shall not vary from the prices quoted by the Contractor in his bid.

16. **AGENCY COMMISSION**

The Purchaser will not pay any commission to any Bidder or his local agent against this tender and / or resulting Contract in local or foreign currency what-so-ever.

17. **AMENDMENTS**

Subject to clause 18, no variation in or modification of the terms of the Contract shall be made except by written amendment signed by the parties.

18. **SUBCONTRACTS**

18.1 No sub-contract(s) shall be awarded without written consent of the Purchaser. The Contractor shall notify in writing of all sub-contracts awarded under this Contract. Such notification shall not relive the Contractor from any liability or obligation under the Contract.

18.2 Sub-Contractor(s) must comply with the provision of clause-3 of Conditions of Contract "General".

19. **DELAY IN THE SUPPLIER'S PERFORMANCE**

19.1 Delivery of the goods shall be made by the Contractor in accordance with the time schedule specified in the Conditions of Contract "Special".

19.2 Any unjustified prolonged delay by the Contractor in the performance of his delivery obligations shall render the Contract liable to any or all of the following sanctions:

- ☐ Imposition of liquidated damages; ☐
- ☐ Forfeiture of performance security ☐
- ☐ And / or termination of the Contract for default. ☐

- 19.3 If in any time during performance of the Contract, the Contractor or his sub-contractors (s) should encounter conditions impeding timely delivery of the goods, the Contractor shall promptly notify the Purchaser in writing of the facts of the delay, likely duration and causes(s). After receipt of such notice, Contractor's case shall be evaluated for any possible extension in time for performance of the Contract. Any extension granted shall be ratified by the parties by amendment in the Contract.

20. LIQUIDATED DAMAGES

- a) Subject to clause 22 of these conditions of Contract "General", If the contractor fails to deliver any or all of the goods within the time period(s) specified in the Contract, the Purchaser shall, without prejudice to other remedies under the contract, deduct from the contract price / Bank Guarantee as liquidated damages, a sum not more than 0.5% of the contract price per week or part thereof for first four weeks, 1.00% per week for next four weeks and 1.5% per week exceeding four weeks up to maximum extent of 10% of the contract value.
- b) In case the Purchaser is satisfied that the delayed / defective shipment was due to some mistake or circumstances beyond the control of the contractor and the contractor has not intentionally or negligently contributed in the delay, the Purchaser may impose Liquidated Damages for not more than a sum equivalent to 0.5% of the delayed or defective shipment per week or part thereof for first two weeks, 1.00 % per week for next three weeks and 1.5% per week exceeding five weeks but not exceeding 10% of the contract value of the delayed/ defective shipment provided that the contractor takes immediate remedial measures for the replacement of defective shipment and takes prompt steps to mitigate the delay. The Purchaser may however, impose Liquidated Damages as per (a) above if the delayed or defective shipment has affected the project completion schedule or has resulted in production losses.
- c) Even after imposition of LDs, if the supplier fails to materialize the delivery (material and or services); the Purchaser reserves the right to cancel Purchase order/contract/LC and to forfeit the Guarantee (if applicable) after intimating the supplier for such cancellation / forfeiture.

21. TERMINATION FOR DEFAULT

- 21.1 The Purchaser may, without prejudice to any other remedy for breach of Contract, by written notice of default sent to the Contractor, terminate this Contract in whole or in part provided that:
- a) The Contractor fails to deliver any or all of the goods within the time periods(s) specified in the Contract, or any extension thereof granted by the Purchaser; or
 - b) The Contractor fails to perform any other obligations(s) under the Contract, and provided that the Contractor in either of the above cases doesn't remedy his failure within a period of ten days after receipt of the default notice.
- 21.2 In the event, the Purchaser terminates the Contract in whole or in part pursuant to Clause 21.1, the Purchaser may procure, upon such terms and in such manner as he deems appropriate, goods similar to those undelivered, and the Contractor shall be liable to any excess cost for such similar goods which may be deducted from his Bank Guarantee.

22. FORCE MAJEURE

- 22.1 The Contractor shall not be liable for forfeiture of his Performance Bond Liquidated damages or termination for default if, and to the extent that,

his delay in performance or other failure to perform his obligations under the Contract, are the result of an event of Force Majeure i.e. causes such as natural calamities, war military action, fire as well as other circumstances proved beyond the reasonable control of the Contractor, which may impede the fulfillment of the obligations under this contract.

22.2 The Contractor shall notify the Purchaser promptly of the occurrence of Force Majeure and submit his case in writing within 15 days of such occurrence.

22.3 If any of the parties is prevented to fulfill his assumed obligations by Force Majeure of constant duration of at least one month, the parties shall meet for negotiation. If no satisfactory agreement is reached within a period of total two months from commencement of the Force Majeure conditions, either party shall have the right to cancel the Contract with immediate effect.

23. RESOLUTION OF DISPUTES

23.1 If any question, difference or dispute shall arise under this Contract regarding which the parties are unable to agree, such matter may be referred for arbitration. This includes without limitation, the question of whether one or the other is in default and what action, if any, shall be taken to remedy such default. Either party may notify the other in writing specifying the nature of dispute and designating one of the arbitrators to whom such dispute shall be referred to requesting that the other party give notice in writing within thirty (30) days after the designation of the second arbitrator. The arbitrators shall within thirty (30) days appoint an umpire whose decision with respect to the dispute shall govern in the event that the arbitrators shall fail to agree. In the event that no second arbitrator is designated within the time specified, the first arbitrator shall have full and complete power to determine the dispute. Arbitration award shall be final and binding on all parties. It is further agreed that such arbitration shall be precedent to any action of law and that the provisions of the Pakistan Arbitration Act 1940, and the rules framed there under shall apply to the arbitration proceedings. The venue of the arbitration proceedings shall be in Pakistan.

23.2 The expenses of any arbitration hereunder shall be charged equally to the parties to the dispute unless the award of the arbitrator, the arbitrators, or the umpire, as the case may be, shall otherwise provide.

24. PATENT RIGHT

The Contractor shall indemnify and hold the Purchaser harmless against all third-party claims of infringements of patent, trademark or industrial design rights arising from use of the goods or any part thereof.

25. APPLICABLE LAW

The Contract shall be interpreted in accordance with the law applicable in the Islamic Republic of Pakistan.

PART-B

SECTION-III

CONDITION OF CONTRACT “SPECIAL”

1. PERFORMANCE BOND / BANK GUARANTEE

The performance Bond / Bank Guarantee to be furnished by the Contractor shall be in the amount of ten percent (10%) of the total Contract price in the form attached as Annexure-D.

The period of validity of the Bank Guarantee shall be extended if the completion of the Contract is delayed, whether in whole or in part. The cost incurred for establishing this Bank Guarantee shall be to the account of the Contractor.

2. DELIVERY

2.1 Delivery is the essence of the Contract and in order to meet the schedules of the operations of the projects, deliveries must be made as indicated in the material list, from the date the Letter of Credit is established. Partial shipment within the delivery period shall be permitted.

2.2 Upon each shipment of the whole or part of the goods, Six (06) copies of the following documents shall be submitted by the Contractor:-

- Master Bill of Lading / Air Way Bill on Freight Pre-Paid Basis signed by the carrier or their authorized agent showing clean shipped on board. Freight forwarders, Third party, Short form, blank back and House Bill of Lading is not acceptable (As the case may be).
- Original detailed invoice showing commodity, description, quantity, unit price and total price strictly in line with contract.
- Packing list.
- Certificate and list of measurement and weight (gross/ net).
- Mill inspection / quality Certificate in case of chemicals.
- Certificate of origin.

2.3 The above documents should be received by Manager (Foreign) Procurement at least 10 days before arrival of the goods at the Karachi Port / Air Port and if not so received, the Contractor will be responsible for any expenses resulting from any delay in customs clearance caused thereby and extension of the period of insurance coverage by corresponding period of delay.

3. SPARE PARTS

The Contractor shall have proposed in his list of recommended spare parts where so required, necessary for the satisfactory operation and maintenance for the period specified in Schedule of Requirement Annexure-A, of the equipment/ goods supplied under the Contract. The Purchaser shall have the right to purchase all of the recommended spare parts at the unit price quoted within six (6) months of the date of Contract.

4. PAYMENT

Payment to the Contractor in foreign currency shall be made by establishing in favour of the Contractor an irrevocable Letter of Credit (hereinafter called the L/C). Payment (s) under the L/C will be made for the FOB/ CFR / CPT (As the case may be) price of goods of each shipment upon submission of the shipping and other documents as in Clause-2.

5. **CHARGES FOR L/C ESTABLISHMENT / AMENDMENT**

The Bank Charges for establishment of L/C additional confirmation and any subsequent amendments in L/C will be borne as follows:-

- a) All charges of the credit opening Bank for Credit opening will be borne by the PURCHASER.
- b) All charges of the Corresponding Bank such as negotiation of documents, adding confirmation to credit etc. will be to the account of beneficiary/ Contractor.
- c) All Bank charges (local & foreign) for any amendment in L/C or extension in shipment period will be to the account of Contractor.

6. **PURCHASER'S RIGHT TO AMEND, MODIFY OR TO CANCEL THE CONTRACT/ AGREEMENT**

6.1 The prospective Bidders must particularly note that Purchaser reserves the right to amend, modify or cancel the Contract/ agreement if warranted by the operational requirement/ limitations.

FORM OF TENDER OR BIDDING FORM

Dated: _____

Tender Enquiry No.. _____

To,

Oil & Gas Development Company Limited
OGDCL House, Jinnah Avenue, Blue Area,
Islamabad, Pakistan.

Gentlemen,

1. Having Examined the Conditions of Contract and specifications, the receipt of which is here acknowledged, we the undersigned, offer to supply & deliver _____ in conformity with drawings, conditions of contract and specifications for the sum of _____ or such other sums as may be ascertained in accordance with the said conditions.
2. If our Bid is accepted we shall commence delivery within _____ days and Completed delivery of all the items specified in the Contract within _____ days from the date of receipt of your Letter of Credit.
3. If our tender is accepted we shall obtain the Guarantee of a scheduled Bank or other sureties (to approved by you) to be jointly and severally bound with us in a sum not exceeding ten percent (10%) of the Contract sum for due performance of the Contract as per format at Annexure “D”.
4. We agree to abide by this Tender for the period of one hundred and twenty (120) days from the date fixed for opening the same and it shall remain binding upon us and may be accepted at any time before the expiration of that period.
5. Until a formal Agreement is prepared and executed, this Bid, together with your acceptance thereof, shall constitute a binding Contract between us.
6. We understand that you are not bound to accept the lowest or any tender you may receive.
7. We accept the other terms & conditions of L/C enclosed as Appendix – I.

Dated this _____ day of _____

Signature _____ in the

Capacity of _____

Duly authorized to sign Tenders for and on behalf of

(Name of the firm in block capitals)

Address _____

Fax _____ Telephone _____

Signature

Witness: - 1. _____
2. _____

BID BOND

Oil & Gas Development Company Limited,
OGDCL House, Jinnah Avenue,
Blue Area, Islamabad.

Guarantee No.....
Date of issue.....
Date of expiry.....
Amount.....

Dear Sir,

In consideration of M/S herein after called
"THE BIDDER" having submitted the accompanying Bid with reference to OGDCL tender
enquiry No. **PROC.....** and in consideration of value received form (the Bidder
above), we hereby agree to undertake as follows:

1. To make unconditional, immediate and forthwith payment of the sum of
() upon your FIRST and SIMPLE written demand without
further recourse, question, query, deferment, contestation or reference to the bidder, account
party or any other person in the event of the withdrawal of the aforesaid bid by the BIDDER
before the end of the period specified in the Bid after the opening of the same for the validity
thereof or if no such period be specified, within 150 days after the said opening or if the
Bidder, having been notified of the acceptance of his bid by the Company during the period
of bid validity:

i. Fails, refuses or delays to accept / execute purchase order as per Tender / Contract's
terms & conditions.

OR

ii. Fails, refuses or delays to sign / execute the Contract as per Tender / Contract's terms
& conditions.

OR

iii. Fails, refuses or delays to furnish Performance Bond and / or Advance Bank
Guarantees.

OR

iv. Submit forged / fake document(s) in support of their bid.

2. To accept written intimation from you as conclusive, sufficient and final evidence of
the existence of a default of non-compliance, breach or default as aforesaid on the part of
the BIDDER and to make payment immediately and forthwith upon receipt of your FIRST
and SIMPLE written intimation.

3. No grant of time or other indulgence to, or composition or arrangement with the
BIDDER in respect of the aforesaid Bid with or without notice to us shall affect this Guarantee
and our liabilities and commitments hereunder.

4. This is an independent and direct obligations guarantee and shall be binding on us
and our successor in interest and shall be irrevocable.

5. The Guarantor Bank warrants and represents that it is fully authorized, empowered
and competent to issue this guarantee.

Yours faithfully,

(BANKERS)

PERFORMANCE BANK GUARANTEE

ANNEXURE-D

Oil & Gas Development
Company Limited OGDCL
House, Jinnah Avenue, Blue
Area, Islamabad, (Pakistan)

Dear Sir,

Ref; our Bank Guarantee No. _____ in the sum of

_____ Account _____ in
consideration of you having entered into Purchase Order/Contract No.
PROC-F with _____

called Contractor and in consideration for value received from CONTRACTOR. We hereby agree and undertake as followings:

- 1 To make unconditional, immediate and forthwith payment to you as called upon of an amount (equivalent to 10% of total contract/purchase order value) mentioned in the said contract/Purchase Order, on your written FIRST and SIMPLE demand without further recourse, question, query, deferment, contestation or reference to CONTRACTOR or any other person in the event of default, non-performance or non- fulfillment by CONTRACTOR of his obligations, liabilities, responsibilities or in case if any forged or fake documents are found at any stage under the said contract of which you shall be the sole and absolute judge.
- 2 To accept written intimation from you as conclusive and sufficient and final evidence of the existence of the default or breach as aforesaid on the part of CONTRACTOR and to make payment immediately and forthwith upon receipt of your FIRST and SIMPLE written demand.
- 3 To keep this Guarantee in full force from the date hereof until _____ from the date of issuance.
- 4 DEMURRAGE DUE TO DELAY IN RECEIPT / NEGOTIATION OF ORIGINAL SHIPPING DOCUMENTS.

If clean documents are not negotiated within Negotiation Period allowed in Letter of Credit or documents are withheld by Bank on account of any discrepancy:

- If the Demurrage, if any incurred due to late negotiation of the Clean Documents and paid by OGDCL will be realized from the beneficiary of L/C, by encashing this Performance Bond to the extent of demurrage amount. In case demurrage amount exceeds the total value of this Performance Bond the balance amount will be payable by the beneficiary.
- 5 That no grant of time or other indulgence to, amendment in the terms of the Contract by agreement between the parties, or imposition or Agreement with CONTRACTOR in respect of the performance of his obligations under the said Agreement, with or without notice to us, shall in any manner discharge or otherwise affect this Guarantee and our liabilities and commitments thereunder.
 - 6 This is an independent and direct obligation guarantee and shall be binding on us and our successors interest and shall be Irrevocable.
 - 7 This guarantee shall not be affected by any change in the constitution of the Guarantor Bank or the constitution of the Contractor.
 - 8 The Guarantor Bank warrants and represents that it is fully authorized, empowered and competent to issue this guarantee.

(BANKERS)

DATA SUMMARY SHEET

Following information regarding each group of items must be stated categorically:-

COMPLETE NAME AND ADDRESS
OF MANUFACTURE:

COMPLETE NAME AND
ADDRESS OF L/C BENEFICIARY

COUNTRY OF ORIGIN:

PORT OF SHIPMENT

VALIDITY OF BID:

DELIVERY PERIOD:

TOTAL BID VALUE

FOB

C & F
(By Sea)

C & F
(By Air)

BID BOND ATTACHED

Yes

☐

No

☐

AMOUNT OF BID BOND:

_____ ADDRESS

OF BANKER WITH

_____ A/C COUNT

NO:

NAME AND ADDRESS

OF LOCAL AGENT IN PAKISTAN (IF ANY)

DECLARATION

ANNEXURE -“F”

(To be filled / signed / stamped by the prospective bidder
i.e. principal and by the Local Agent on their Letter Head)

The Prospective Bidder will have to certify that;

Their Firm / Company /Local Agent with current or any other title & style have not been involved in any manner or kind of litigation with OGDCL.□□□

Wrong declaration to above fact will be liable to legal proceedings including but not limited to confiscation of Bid Bond / Performance Bond & Blacklisting of Firm (the Principal) and also Local Agent□□□

Sign/Name: _____

Principal"s Name / Address: _____

Designation: _____ Date:

Stamp: _____

Sign/Name:

Local Agent"s Name / Address: _____

Designation:

Date: _____

Stamp: _____

DECLARATIONS:

CONTRACT NO. PROC-F /

- i. Contractor/Seller declares and affirms that the contractor/Seller itself and its sub-contractors, directors, officers, employees and agents have not paid, nor have undertaken to pay, any direct or indirect payment by way of any type of gratification, bribe, pay-off, kick-back, or unlawful commission, valuable thing or any offer, or any authorization or promise to pay money or any things of value, in any way or manner whether in rupees or in foreign currency and whether in Pakistan or abroad, no have given or offered to give any gifts and presents in Pakistan or abroad, to any official or employee of the purchaser or any other person while knowing that the payment or promise to pay will be passed on to an official or employee of the purchaser corruptly to an official or employee of the purchaser corruptly to influence purchaser, official act or decision or to secure an improper advantage in order to procure this contract or retain business. The Contractor further undertake not to engage in any of these or similar acts during the terms of this contract.
- ii. The Contractors, Sub-Contractor/Seller hereby further declares and affirms that no association of the Contractor, Sub-Contractors/Seller, Agent directors, officers exists with any party abroad and any agent in Pakistan, who may have a direct or indirect conflict of interest with the purchaser, and fully understands that the contract will become null and void and un enforceable in the event it is discovered that such; a relationship was in existence at the time of entering into contract. The Contractors, Sub-Contractors/Seller further under takes to immediately inform the purchaser if such a relationship is established after signing of the contract and it will be up to the purchaser to terminate the contract if so desired without any recourse or compensation or continue with it.
- iii. Any such disclosure contrary to the above declaration and affirmations shall be material breach resulting in termination of the contract forth with and the Contractor/Seller Agent shall be fully liable under the governing laws of Pakistan, and shall also be responsible to make good any loss or damage caused to the purchaser by such breach.

ON THE BEHALF OF SELLER
SIGNATURE & OFFICIAL SEAL

(On official letter-head of the bidder)
To be signed by the
Chief Executive of the
bidding company or a
Representative duly
authorized by board
resolution.

Annexure- “H”

Integrity and Ethics Undertaking

We hereby commit and undertake to observe the following principles during our participation in the tender process and during the contract execution:-

- a) That we will not directly or through any other person or firm offer promise or give to any of the employees of OGDCL involve in the tender process or execution of the contract any gain, pecuniary benefit or facilitation payment in order to obtain in exchange any advantage of any kind whatsoever during the execution of contract.
- b) That we have not and will not enter with other bidders into any undisclosed agreement or understanding either formal or informal to restrict competitiveness or to cartelize in the bidding process.
- c) That we will ensure that the remuneration of agents (if engaged) is appropriate and is for legitimate services only.
- d) That we will not use subcontracts, purchase orders or consulting agreements, as a mean of channeling payments to employees of OGDCL.
- e) That we will not commit any offence under the Pakistan Penal code, Prevention of corruption Act or National Accountability Ordinance to Achieve any advantage, gain or benefit during the tender process or execution of contract

We further understand and acknowledge that any violation or transgression of the above mentioned principles will attract disqualification from the tender process and may also result in permanent exclusion from future contract award processes.

We also accept and undertake to respect and uphold OGDCL's absolute right to resort to and impose such disqualification, debarment or exclusion.

For and on behalf of _____

Tender No. _____

(On official letter-head of the contractor)
To be signed by the
Chief Executive of the
bidding company or a
representative duly
authorized by board
resolution.

Annexure- "I"

Integrity and Ethics Undertaking

We hereby commit and undertake to observe the following principle during our participation in the contract execution:-

- a) That we will not directly or through any other person or firm offer promise or give to any of the employees of OGDCL involve in or relevant to the execution of the contract any gain, pecuniary benefit or facilitation payment in order to obtain in exchange any advantage of any kind whatsoever during the execution of contract at any stage thereafter
- b) That we did not enter with other bidders into any undisclosed agreement or understanding either formal or informal to restrict competitiveness or to cartelize in the bidding process.
- c) That we will ensure that the remuneration of agents (if engaged) is appropriate and is for legitimate services only.
- d) That we will not use subcontracts, purchase orders or consulting agreements as a mean of channeling payments to employees of OGDCL.
- e) That we will not commit any offence under the Pakistan Penal Code, Prevention of Corruption Act or National Accountability Ordinance to Achieve any advantage, gain or benefit during the tender process or execution of contract

We further understand and acknowledge that any violation or transgression of the above mentioned principles will attract disqualification from the tender process and may also result in permanent exclusion from future contract award processes.

We also accept and undertake to respect and uphold OGDCL's absolute right to resort to and impose such disqualification, debarment or exclusion.

For and on behalf of _____ Tender

No. _____ Contract

No. _____

THE GAZETTE OF PAKISTAN
EXTRAORDINARY
PUBLISHED BY AUTHORITY

PART-II
Statutory Notifications (S.R.O)
GOVERNMENT OF PAKISTAN
MINISTRY OF COMMERCE

Islamabad, the 3rd December, 2001

ORDER

S.R.O 827(I)/2001- In exercise of the powers conferred by sub-section (1) of Section 3 of the Imports and Exports (Control) Act, 1950 (XXXIX of 1950). The Federal government is please to make the following order, namely:-

1. Short title and commencement: - (1) This order may be called the Import of Engineering Goods (Control) Order, 2001.

It shall come into force at once.

2. Definitions: - In this Order, unless there is anything repugnant is the subject or context.

- (a) "Engineering goods" means goods specified in the Customs General Order No. 7 of 1998 issued and amendments thereof by the Central Board of Revenue.
- (b) "Government" shall include both the Federal Government and any Provincial Government and their attached departments, and
- (c) "Public sector agencies" include all the statutory or autonomous corporations and other agencies or bodies under the administrative control of the Federal Government and the Provincial Governments, including private or public companies with the government shareholding.

3. Price preference to be accorded:- Only in cases of procurement by the government, but not in case of procurement by other public sector agencies, bidders tendering for engineering goods produced in Pakistan shall be accorded a price preference in rupees up to a specific percentage (in proportion to the value addition) of the lowest quoted landed cost of an item of foreign origin with similar specifications as mentioned in the tenders:

(1) Provided that:-

- (a) the saving in foreign exchange is not less than the amount of price preference, and
- (b) it is ensured that in each case of such preference, the total import requirements for producing the supplied tendered for locally manufactured items has been duly indicated by the bidder.

(2) Price preference shall be allowed as under:-

- (a) having minimum of twenty percent value addition through indigenous manufacturing price preference shall be fifteen percent:
- (b) having over twenty percent and up to thirty percent value addition through indigenous manufacturing, price preference shall be twenty percent, and

- (c) having over thirty percent value addition through indigenous manufacturing, price preference shall be twenty five percent.
- 4. Public sector agencies to procure their requirements from within the country, etc.-
 - (1) The public sector agencies shall-
 - (a) procure their requirements of engineering goods from within the country and omit such items from the list of barter, credit and loans;
 - (b) while preparing any scheme or project, make adequate provision of rupee component in their annual procurement budgets for facilitating the local purchases and for this purpose explore all sources of local financing;
 - (c) encourage local industry by providing educational and development contracts where applicable, for an amount equivalent to ten percent of their annual procurement budget, share the initial development charges, on one time basis, on mutually agreed terms; and
 - (d) Submit reports on six monthly basis to the Ministry of Commerce with copies to the Engineering Development Board. The Engineering Development Board will monitor, on a regular basis, the implementation of this Order towards achieving import Substitution, and indigenization about the cases of price preference allowed to bidders in cases of government Procurement only and provide full justification about the cases where local purchases are not made and preference is given to imports. The report shall outline the future place for import substitution in that area.
 - (2) The raw material and component requirements of the local engineering industry shall be met from the credits referred to in clause (a) of sub-paragraph (1)
- 5. Compliance of directives or decisions:- Public sector agencies shall comply with all the directives of the Chief Executive of the Islamic Republic of Pakistan, decisions of the ECC of the Cabinet and government policy decisions on promotion of indigenization and import substitution.
- 6. Special provision:-
 - (1) Notwithstanding any provisions to the contrary in any of the existing rules and order, the requirements as to inviting of tenders and quotations and making of inquiries, etc. shall be waived in cases where purchases by the government controlled units or public sector agencies are made from government controlled manufacturing units or public sector agencies.
 - (2) The public sector agencies shall incorporate condition in tender documents for all major industrial and infrastructure projects that import of turnkey plants or award of turnkey contracts to foreign manufacturers or contractors for such projects shall not be allowed and instead local manufacturers or contractors shall be encouraged to undertake EPC (Engineering Procurement and Construction) contract. However, in cases where local capacity and expertise is not available to this extent, the foreign manufacturers or contractors shall be considered but required to associate fully the recognized local design, engineering and manufacturing organization on the concept of sub-EPC contractor. The public sector agency shall patronize the public sector manufacturers as consortium partners to foreign companies to ensure that dependence on imported plant and machinery reduces progressively from year to year. The local content in large projects shall be determined, on case to case basis, by the Engineering Development Board (EDB) on the pattern of industry-specific program.
 - (3) In case of participation of public sector manufacturers, the requirement of furnishing earnest money or tender guarantee, security deposit, etc., shall be waived and

instead, a letter to the effect from the parent Ministry confirming its public sector entity shall serve the purpose. Performance bond or bank guarantee shall be provided by the manufacturer or, as the case may be, the contractor.

(4) Decision for award of contract shall be made on the basis of competitive prices and technical suitability and performance shall be given to the manufacturers or contractors having obtained certification of quality and standards such as ISO 9000, ASME, API etc. EDB will help and facilitate the local industry in achieving quality standards and timely completion of large projects.

(5) In case there is only one recognized manufacturer in the public sector of the required item or component of engineering goods, it shall be mandatory on the public sector agencies to award contract to the local manufacturer on negotiation basis. In case the terms of contract are not mutually agreeable between the buyer and seller, a decision shall be taken by the National Council for the Engineering and industrial coordination (NCE &IC).

6. Repeal- The import of Engineering Goods (Control) order, 1998, is hereby repealed.
(No. 1(10)/2001-WTO)

KISHWAR KHAN
Deputy Chief (WTO)

**OTHER TERMS AND CONDITIONS OF THE L/C TO BE
STRICTLY COMPLIED BY THE BENEFICIARY (CFR
BASIS)**

1. **CONSIGNEE:**

The goods must be consigned to Dy. Chief Material Officer, Plot No. 21, West Wharf, Karachi, Fax No. 0092-21-2311040 , E-mail: abdulwaheed_kunbhar@ogdcl.com

2. **PACKING:**

The Packing of the merchandise must conform to the International Standards.

3. **MARKING:**

3.1 All Packages/boxes must bear the Purchase Order No. as Shipping Marks, Country of Origin and Weight in Kilograms (Gross/Net). The marks must tally with shipping documents like B/L and manifest there should not be any difference.

3.2 In addition to the above mentioned shipping marks, the following procedure of colour code marking is to be adopted / made on each side of the package/box/container while dispatching the material: -

“There will be an isosceles triangle with or less than six inches side, triangle side marked in black lines, letters “OGDCL” inscribed inside, the letters to be not less than 1½” tall and will be in black. On big packages/boxes/containers, the sides of triangle and letters will be increased appropriately. Underneath the triangle there will be two color code bars in “GREEN” color size six inches in length and 1½” in width. If the above color codes marking are not appropriate/suitable, the sizes and color may be changed”.

3.3 Each item of the consignment should also be marked with item # of the Purchase Order.

4. **SHIPPING DOCUMENTS.**

Shipping documents shall consist of the following:

4.1 Clean Bill of Lading.

4.2 Detail invoice showing commodity description, quantity, unit/total price, total No. of packages, etc. containing original signatures.

4.3 Packing List, (Showing total number of packages, gross/net weight & measurement and Box No. in case of more than one boxes such as Box No. 1/10, 2/1010/10 and so on and detailed of equipment in each box.

4.4 Certificate of origin.

4.5 Mill inspection/quality certificate/test report showing analysis (in case of chemicals only)

4.6 Certificate of compliance of the credit terms as per clause No. 2 in respect of Packing.

4.7 Insurance declaration. A copy of Fax Or E-mail sent to Insurance Company in compliance to the Clause No. 9.

4.8 A Copy of the Fax Or E-mail sent in compliance to the Clause No. 6.1.

5. **INSTRUCTIONS FOR COMPLETING SHIPPING DOCUMENTS:**

- 5.1 The shipping invoice should be marked on top in capital words.
- a) Complete, first and last consignment (if all the contractual material is shipped in one lot.)
 - b) First partial shipment/second partial shipment (and so on). Final and last shipment as the case may if shipments are effected in parts.
- 5.2 All Invoices should be signed, and must indicate value of the each items total value and also show „SHIPPING MARKS“ as provided in the contract.
- 5.3 All Containers of Cargo must carry invoice. In case of noncompliance the beneficiary shall pay the penalty imposed by the Custom Authority.

6. **SHIPMENT INTIMATION:**

- 6.1 The beneficiary within 24-48 hours of making shipment must sent fax to 1) Dy. Chief Material Officer, Plot No. 21, West Wharf, Karachi, Fax No. 0092-21-2311040 , E-mail: abdulwaheed_kunbhar@ogdcl.com 2) Manager (Foreign) Procurement, OGDCL House Plot No. 3 (New NO. 3013)F-6/G6, Blue Area, Jinnah Avenue, Islamabad. Fax No. 0092-51- 9207530 & 9209673) Dy. Chief Accountant (Imports) on Fax No. 0092-51- 9209803-7 intimating them the following
- a) L/C numbers and Contract No.
 - b) Name of the Ship & Shipping Line.
 - c) Bill of Lading No. & Date.
 - d) Total CFR value of the consignment shipped.
 - e) Port of shipment.
 - f) No. of boxes/packages/pieces.
 - g) Net and gross weight.
 - h) Expected time of arrival (ETA) of ship.

7. **SHIPMENT INSTRUCTIONS**

- a) The contractor/Supplier/Vendor is requested to ensure that Commercial Invoice / Packing List shall be pasted on the inner side of the door of container for FCL Shipments and on Boxes / Crates / Cartons etc. for LCL Shipments. Non-Compliance to this instruction may result in heavy penalty imposed by Custom Authorities which shall be recovered from the Contractor/Supplier/Vendor.
- b) Please ensure that in case of CFR contracts the local charges at Karachi Seaport must be included in the freight cost.
- c) The freight forwarders/shipping agents at country of origin must include the corresponding local charges such as delivery order/port handling & container rentals for free time etc. Company shall pay only the wharfage/demurrage charges. They should also ensure that there should be only one local agent of the shipping company who should handle such matters. In case OGDCL had to pay such charges, it shall be recovered from the contractor.

8. INSTRUCTION REGARDING TRANSMISSION/NEGOTIATION OF SHIPPING DOCUMENTS.

8.1 ORIGINAL NEGOTIABLE DOCUMENTS:

- a) The beneficiary immediately upon making shipment(s) should negotiate the original clean shipping documents free from any discrepancy with negotiating bank is indicated in the L/C.
- b) If clean documents free from any discrepancy are not negotiated within negotiation period mentioned in the L/C, or if the documents are withheld by the Bank on account of any discrepancy whatsoever the demurrage or financial impact if any incurred due to late negotiation of clean documents will be on beneficiary's account.
- c) Original/negotiable documents must contain at least four sets of the shipping documents mentioned under Clause No. 5 above including one set of the Parts Catalogue, Brochures, Technical Literature invariably.
- d) The original shipping documents should be dispatched through courier service by the negotiating bank at the beneficiary's cost within 24-48 hours after receipt from the beneficiary.
- e) The discrepant documents with minor discrepancies will be accepted subject to the consent of Procurement Department to facilitate prompt clearance of the consignment on the condition that demurrage, if any due to the discrepancies reported by L/C opening bank will be on beneficiary account.

8.2 NON-NEGOTIABLE DOCUMENTS:

- a) Six complete sets of non-negotiable shipping documents including one set of Parts Catalogue, Brochures, Technical Literature must be dispatched to the Manager (Foreign) Procurement at the following address immediately upon shipment is effected:-

MANGER (FOREIGN) PROCUREMENT
OIL & GAS DEVELOPMENT COMPANY
LIMITED OGDC HOUSE, PLOT NO. 3 (NEW NO.
3013), F-6/G-6, BLUE AREA, JINNAH AVENUE,
ISLAMABAD, PAKISTAN.
PHONE #. 0092-51-2623023, 920023795 & FAX #. 0092-51-
9207530, 9209673

- b) Two complete sets of non-negotiable shipping documents along with one set Parts Catalogue, Brochures, Technical Literature must be dispatched to Dy. Chief Materials Officer at the following address immediately upon shipment is effected:-

DY. CHIEF MATERIAL OFFICER,
OIL & GAS DEVELOPMENT COMPANY
LIMITED, PLOT NO. 21, WEST WHARF ROAD,
KARACHI, PAKISTAN.
PHONE NO. 0092-21-2311108, 2313119-23 & FAX NO. 0092-21-2311040
E-mail: abdulwaheed_kunbhar@ogdcl.com

- c) The shipping documents should be couriered through any reliable courier company at shipper's cost so that the same must be received at least 10 days before arrival of the vessel.

9. **INSURANCE:**

Insurance from port of shipment/delivery will be covered by openers and declaration shall be made by the beneficiary to Insurance Company i.e. M/S National Insurance Corporation, NIC Building, South Zone, Abbasi Shaheed Road, off Shahra-e-Faisal Road, Karachi (Pakistan). Fax No. 0092-21-9202734 and Dy. Chief Accountant (Imports)/OGDC LTD., Fax No. 0092-51-9209803-07 immediately after shipment giving full details of shipment e.g. value of shipment description of material, name of vessel, B/L with date, port of shipment, contract and Letter of Credit Numbers.

10. **DEMURRAGE DUE TO DELAY IN RECEIPT OF ORIGINAL/NEGOTIABLE DOCUMENT / TRANSSHIPMENT AND SHIPPING LINES AGENTS:**

10.1 If clean documents are not negotiated within negotiation period of the L/C or documents are withheld by bank on account of any discrepancy, the demurrage charges, if any incurred due to late negotiation of the clean documents and paid by the OGDC LTD. will be realized from the beneficiary directly by raising debit advice, or by deducting the amount paid from the L/C value or by encashing Performance Bond (if provided) to the extent of demurrage amount. In case the demurrage amount exceeds the value of Performance Bond the balance amount will be payable by the beneficiary.

10.2 Transshipment is totally prohibited under this L/C. The beneficiary must ensure that no transshipment takes place against this L/C, and demurrage paid by OGDC LTD. due to transshipment will be on beneficiary's account.

10.3 Any demurrage paid by OGDC LTD. due to inconsistency in B/L and manifest will be covered from beneficiary.

11. **LIQUIDATED DAMAGES.**

a) Subject to clause 22 of these conditions of Contract "General", If the contractor fails to deliver any or all of the goods within the time period(s) specified in the Contract, the Purchaser shall, without prejudice to other remedies under the contract, deduct from the contract price / Bank Guarantee as liquidated damages, a sum not more than 0.5% of the contract price per week or part thereof for first four weeks, 1.00% per week for next four weeks and 1.5% per week exceeding four weeks up to maximum extent of 10% of the contract value.

b) In case the Purchaser is satisfied that the delayed / defective shipment was due to some mistake or circumstances beyond the control of the contractor and the contractor has not intentionally or negligently contributed in the delay, the Purchaser may impose Liquidated Damages for not more than a sum equivalent to 0.5% of the delayed or defective shipment per week or part thereof for first two weeks, 1.00 % per week for next three weeks and 1.5% per week exceeding five weeks but not exceeding 10% of the contract value of the delayed/ defective shipment provided that the contractor takes immediate remedial measures for the-replacement of defective shipment and takes prompt steps to mitigate the delay. The Purchaser may however, impose Liquidated Damages as per (a) above if the delayed or defective shipment has affected the project completion schedule or has resulted in production losses.

c) Even after imposition of LDs, if the supplier fails to materialize the delivery (material and or services); the Purchaser reserves the right to cancel Purchase order/contract/LC and to forfeit the Guarantee (if applicable) after intimating the supplier for such cancellation / forfeiture.

12. **AMENDMENT / EXTENSION OF L/C:**

The beneficiary will positively confirm shipment of all ordered goods within L/C validity or make request for extension of shipment and negotiation dates at least 15 to 30 days prior to the expiry of L/C. If shipment is not effected within L/C validity or request for extension is not received 15 to 30 days prior to expiry of L/C validity, no request for grant of extension in shipment and negotiation will be entertained under any circumstances. In case of extension in shipment / negotiation period, the beneficiary will be required to extend the validity of his performance bond (if provided) accordingly. All charges on this account will be on beneficiary's account.

13. **CHARGES FOR L/C ESTABLISHMENT:**

13.1 All charges of credit opening bank for credit will be borne by the OGDCL.

13.2. All charges of corresponding bank such as negotiation of documents, adding confirmation to credit etc. will be to the account of beneficiary.

13.3. All charges for amendments/extension in L/C will be to the account of beneficiary.

**OTHER TERMS AND CONDITIONS OF THE L/C TO BE STRICTLY COMPLIED BY
THE BENEFICIARY. (CFR KARACHI OR CPT BY AIR BASIS)**

1. **CONSIGNEE:**

The goods must be consigned to Dy. Chief Material Officer, Plot No. 21, West Wharf, Karachi, Fax No. 0092-21-2311040 , E-mail: abdulwaheed_kunbhar@ogdcl.com

2. **PACKING:**

The Packing of the merchandise must conform to the International Standards and the packing list along-with Commercial Invoice must be placed inside the container without fail.

3. **SHIPMENT THROUGH PAKISTAN INTERNATIONAL AIRLINES (PIA) :**

The cargo / consignment must be air freighted on CPT basis, preferably (Not Mandatory) through Pakistan International Airlines on the Carriers owned or chartered by them on routes where PIA operates. The loading Airport where PIA cargo service is not available, shipment from the other Airlines is allowed.

4. **MARKING:**

4.1. All Packages/boxes must bear the Purchase Order No. as Shipping Marks, Country of Origin and Weight in Kilograms (Gross/Net). The marks must tally with shipping documents like B/L, AWB and manifest there should not be any difference.

4.2 In addition to the above mentioned shipping marks, the following procedure of color code marking is to be adopted / made on each side of the package/box/container while dispatching the material: -

“There will be an isosceles triangle with or less than six inches side, triangle side marked in black lines, letters “OGDCL” inscribed inside, the letters to be not less than 1½” tall and will be in black. On big packages/boxes/containers, the sides of triangle and letters will be increased appropriately. Underneath the triangle there will be two color code bars in “GREEN” color size six inches in length and 1½” in width. If the above color codes marking is not appropriate/suitable, the sizes and color may be changed”.

4.3 Each item of the consignment should also be marked with item # of the Purchase Order.

5. **SHIPPING DOCUMENTS.**

Shipping documents shall consist of the following:

5.1 Master Bill of Lading / Air Way Bill on Freight Pre-Paid Basis signed by the carrier or their authorized agent showing clean shipped on board. Freight forwarders, Third party, Short form, blank back and House Bill of Lading is not acceptable (As the case may be).

5.2 Detailed invoice showing commodity description, quantity, unit/total price, total No. of packages containing original signatures.

5.3 Packing List, (Showing total number of packages, gross/net weight & measurement and Box No. in case of more than one box such as Box No. 1/10, 2/1010/10 and so on and detailed of equipment in each box.

5.4 Certificate of origin.

5.5 Mill Inspection/Quality Certificate/Test Report showing analysis (in case of chemicals only)

5.6 Certificate of compliance to the credit terms as per clause No. 2 in respect of Packing.

- 5.7 Insurance declaration. A copy of fax Or Email sent to the Insurance Company in compliance to the Clause No. 10.
- 5.8 A Copy of the fax or Email sent in compliance to the Clause No. 7.1.

6. **INSTRUCTIONS FOR COMPLETING SHIPPING DOCUMENTS:**

- 6.1. The shipping invoice should be marked on top in capital words.
- a) Complete, first and last consignment (if all the contractual material is shipped in one lot.)
 - b) First partial shipment/second partial shipment (and so on). Final and last shipment as the case may if shipments are effected in parts.
- 6.2. All Invoices should be signed, and must indicate value of the each items/total value and freight actually paid and also show „SHIPPING MARKS“ as provided in the contract.
- 6.3 All Containers of Cargo must carry invoice. In case of noncompliance the beneficiary shall pay the penalty imposed by the Custom Authority.

7. **SHIPMENT INTIMATION:**

The beneficiary within 24-48 hours of making shipment must sent fax Or Email to (1) Dy.Chief Material Officer, Plot No. 21, West Wharf, Karachi, Fax No. 0092-21-2311040 , E-mail: abdulwaheed_kunbhar@ogdcl.com (2) Manager (Foreign) Procurement, OGDCL House Plot No. 3 (New NO. 3013) F-6/G6, Jinnah Avenue, Islamabad. Fax No. 0092-51-9207530, 9209673 Or Email: lrshad_muhammad@ogdcl.com (3) Chief Accountant (Imports) on Fax No. 0092-51-9209803-7 or Email: zahoor_mohyuddin@ogdcl.com intimating them the following:

- a) L/C numbers and Contract No. / Purchase Order No.
- b) Name of the Shipping Line / Air Line.
- c) Airway Bill No. / Bill of Lading & Date.
- d) Flight No. & Date.
- e) Total CPT By Air / C&F by Sea value of the consignment shipped.
- f) Airport / Sea Port of shipment.
- g) No. of boxes/packages/pieces
- h) Net and gross weight.

8. **SHIPMENT INSTRUCTIONS**

- 8.1 The contractor/Supplier/Vendor is requested to ensure that Commercial Invoice / Packing List shall be pasted on the inner side of the door of container for FCL Shipments and on Boxes / Crates / Cartons etc. for LCL Shipments. Non-Compliance to this instruction may result in heavy penalty imposed by Custom Authorities which shall be recovered from the Contractor/Supplier/Vendor.
- 8.2 Please ensure that in case of CPT contracts the local charges at Karachi Airport must be included in the freight cost.
- 8.3 The freight forwarders/shipping agents at country of origin must include the corresponding local charges such as delivery order/port handling & container rentals for free time etc. Company shall pay only the wharfage/demurrage charges. They should also ensure that there should be only one local agent of the shipping company who should handle such matters. In case OGDCL had to pay such charges, it shall be recovered from the contractor.

9. INSTRUCTION REGARDING TRANSMISSION/NEGOTIATION OF SHIPPING DOCUMENTS.

9.1 ORIGINAL NEGOTIABLE DOCUMENTS:

- a) The beneficiary immediately upon making shipment(s) should negotiate the original clean shipping documents free from any discrepancy with negotiating bank is indicated in the L/C.
- b) If clean documents free from any discrepancy are not negotiated within negotiation period mentioned in the L/C, or if the documents are withheld by the Bank on account of any discrepancy whatsoever the demurrage or financial impact if any incurred due to late negotiation of clean documents will be on beneficiary's account.
- c) Original/negotiable documents must contain at least four sets of the shipping documents mentioned under Clause No. 5 above including one set of the Parts Catalogue, Brochures, Technical Literature invariably.
- d) The original shipping documents should be dispatched through courier service by the negotiating bank at the beneficiary's cost within 24-48 hours after receipt from the beneficiary.
- e) The discrepant documents with minor discrepancies will be accepted subject to the consent of Procurement Department to facilitate prompt clearance of the consignment on the condition that demurrage, if any due to the discrepancies reported by L/C opening bank will be on beneficiary account.

9.2 NON-NEGOTIABLE DOCUMENTS:

- a) Six complete sets of non-negotiable shipping documents including one set of Parts Catalogue, Brochures, Technical Literature must be dispatched Or Emailed to Manager (Procurement)-II at the following address immediately upon shipment is effected:-

MANGER (FOREIGN) PROCUREMENT
OIL & GAS DEVELOPMENT COMPANY
LIMITED OGDC HOUSE, PLOT NO. 3 (NEW NO.
3013), F-6/G-6, BLUE AREA, JINNAH AVENUE,
ISLAMABAD, PAKISTAN.
PHONE NO. 0092-51-2623023, 920023795 & FAX NO. 0092-51-
9207530, 9209673; E-mail: Irshad_muhammad@ogdcl.com

- b) Two complete sets of non-negotiable shipping documents along with one set of Parts Catalogue, Brochures, Technical Literature must be dispatched Or Emailed to Dy. Chief (Materials)-(West Wharf) at the following address immediately upon shipment is effected:-

DY. CHIEF MATERIAL OFFICER,
OIL & GAS DEVELOPMENT COMPANY
LIMITED, PLOT NO. 21, WEST WHARF ROAD,
KARACHI, PAKISTAN.
PHONE NO. 0092-21-2311108, 2313119-23 & FAX NO. 0092-21-2311040
E-mail: abdulwaheed_kunbhar@ogdcl.com

- c) The shipping documents should be couriered through any reliable courier company at shipper's cost so that the same must be received at least 10 days before arrival of the vessel.

10. **INSURANCE:**

Insurance from port of shipment/delivery will be covered by openers and declaration shall be made by the beneficiary to Insurance Company i.e. M/S National Insurance Company Limited, NIC Building, South Zone, Abbasi Shaheed Road, off Shahra-e-Faisal Road, Karachi (Pakistan). Fax No. 0092-21-9202734 Or E-mail: „sanaullah.shaikh@nicl.com.pk” OR gulam.akbar@nicl.com.pk, OR info@nicl.com.pk and Chief Accountant (Imports)/OGDC LTD., Fax No. 0092-51-9209803-7 Or Email: zahoor_mohyuddin@ogdcl.com immediately after shipment giving full details of shipment e.g. value of shipment description of material, Flight No., Airway Bill No. / Bill of Lading with date, Airport / Port of shipment, Purchase Order and Letter of Credit Numbers.

11. **DEMURRAGE DUE TO DELAY IN RECEIPT OF ORIGINAL/NEGOTIABLE DOCUMENT/TRANSSHIPMENT AND SHIPPING LINES AGENTS:**

- 11.1 If clean documents are not negotiated within negotiation period of the L/C or documents are withheld by bank on account of any discrepancy, the demurrage charges, if any incurred due to late negotiation of the clean documents and paid by the OGDC LTD. will be realized from the beneficiary directly by raining debit advice, or by deducting the amount paid from the L/C value or by encashing Performance Bond (if provided) to the extent of demurrage amount. In case the demurrage amount exceeds the value of Performance Bond the balance amount will be payable by the beneficiary.
- 11.2 Transshipment is totally prohibited under this L/C. The beneficiary must ensure that no transshipment takes place against this L/C, and demurrage paid by OGDC LTD. due to transshipment will be on beneficiary’s account.
- 11.3 Any storage charges paid by OGDC LTD. due to inconsistency in AWB and manifest will be covered from beneficiary.

12. **LIQUIDATED DAMAGES**

- a) Subject to clause 22 of these conditions of Contract “General”, If the contractor fails to deliver any or all of the goods within the time period(s) specified in the Contract, the Purchaser shall, without prejudice to other remedies under the contract, deduct from the contract price / Bank Guarantee as liquidated damages, a sum not more than 0.5% of the contract price per week or part thereof for first four weeks, 1.00% per week for next four weeks and 1.5% per week exceeding four weeks up to maximum extent of 10% of the contract value.
- b) In case the Purchaser is satisfied that the delayed / defective shipment was due to some mistake or circumstances beyond the control of the contractor and the contractor has not intentionally or negligently contributed in the delay, the Purchaser may impose Liquidated Damages for not more than a sum equivalent to 0.5% of the delayed or defective shipment per week or part thereof for first two weeks, 1.00 % per week for next three weeks and 1.5% per week exceeding five weeks but not exceeding 10% of the contract value of the delayed/ defective shipment provided that the contractor takes immediate remedial measures for the-replacement of defective shipment and takes prompt steps to mitigate the delay. The Purchaser may however, impose Liquidated Damages as per (a) above if the delayed or defective shipment has affected the project completion schedule or has resulted in production losses.
- c) Even after imposition of LDs, if the supplier fails to materialize the delivery (material and or services); the Purchaser reserves the right to cancel Purchase order/contract/LC and to forfeit the Guarantee (if applicable) after intimating the supplier for such

cancellation / forfeiture.

13. **AMENDMENT / EXTENSION OF L/C:**

The beneficiary will positively confirm shipment of all ordered goods within L/C validity or make request for extension of shipment and negotiation dates at least 15 to 30 days prior to the expiry of L/C. If shipment is not effected within L/C validity or request for extension is not received 15 to 30 days prior to expiry of L/C validity, no request for grant of extension in shipment and negotiation period will be entertained under any circumstances. In case of extension in shipment/negotiation period, the beneficiary will be required to extend the validity of his performance bond (if provided) accordingly. All charges on this account will be on beneficiary's account.

14. **CHARGES FOR L/C ESTABLISHMENT:**

14.1 All charges of credit opening bank for credit will be borne by the OGDC LTD.

14.2 All charges of corresponding bank such as negotiation of documents, adding confirmation to credit etc. will be to the account of beneficiary.

14.3. All charges for amendments/extension in L/C will be to the account of beneficiary.