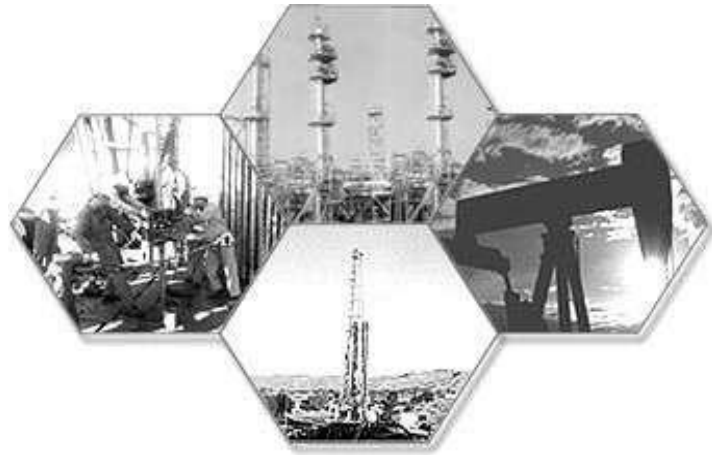




**OIL & GAS DEVELOPMENT COMPANY LIMITED
ISLAMABAD**

سپلائی چینج منیجمنٹ ڈیپارٹمنٹ

Tender Document
(Single Stage Two Envelope Basis)



Tender Enquiry No: PROC-F

For Procurement of: _____

Bids Due On: _____

INVITATION FOR BIDS

CASE NO. PROC-F _____

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

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

Sealed bids 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 (SOR).**

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 180 days (or as specified in the SOR) from the date of opening of the bids must be accompanied by an upfront Bid Bond in original for an amount mentioned in the SOR with technical bid and must be valid and in full force and effect one month beyond the bid validity period as per OGDCL requirement. The Bid Bond shall be submitted in line with the "Instruction to Bidders" (ITB).
- 2.3 Bid Bond through fax / swift message / email shall not be acceptable.
- 2.4 On acceptance of the bid, the successful bidder shall within 15 days of the receipt of notification of award from the Purchaser /Letter of Intent (LOI), furnish a Performance Bond in original for an amount equivalent to 10 % of the value of Contract / Purchase Order as per OGDCL requirement. The Performance Bond Shall be submitted in line with the "Instruction to Bidders" (ITB).
3. The Purchaser does not take any responsibility for collecting the bids from any Agency/Courier Company etc. Your authorized representative may attend the tender opening, if so desired. The bid 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. OGDCL shall upon request communicate to bidder(s), the grounds for its rejection of all bids or proposals, but is not required to justify those grounds.
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 Document.
7. The bid shall be evaluated in accordance with the evaluation criteria as indicated in the schedule of requirement / tender document. Bidders 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 at OGDCL-House Reception on or before date and time **mentioned in the tender notice. Complete address is as under:**

Oil & Gas Development Company Limited (OGDCL)
Supply Chain Management Department
OGDCL House, Plot No. 3 (New No. 3013) F-6/G-6,
Jinnah Avenue, Islamabad (Pakistan)
Phone No. 0092-51-92002 3652

9. OPENING OF BIDS

Bids will be opened on the date and time mentioned in the tender notice at the place mentioned above.

10. SINGLE STAGE TWO ENVELOPE BIDDINGS

- 10.1 Bids against this tender are invited on Single Stage Two Envelope Bidding Procedure; therefore, the bidders shall submit original technical bid and original financial bid in separate sealed envelopes.
- 10.2 All tender Annexures to be submitted in both the bids i.e. un-priced with technical bids & priced with financial bid.
- 10.3 Both bids shall be submitted simultaneously in separate sealed inner and outer envelopes. The envelope containing Technical Bid must be marked clearly "Technical Bid" and containing Financial Bid must be marked clearly "Financial Bid".
- 10.4 Bid bond for the amount mentioned in the SOR must be submitted along with Technical Bid. The Technical Bid will be opened at first and evaluated. The Financial Bid of only those bidders will be opened who are declared technically Responsive.

**MANAGER (SCM) FOREIGN
OIL & GAS DEVELOPMENT COMPANY LIMITED
PHONE: 0092-51-92002 3652
Email: ejaz_rizvi@ogdcl.com**

PART-B

SECTION-I **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, equipment and services to be supplied / performed under the contract must be produced / supplied from a country maintaining bilateral trade relations with the Islamic Republic of Pakistan.

2. SCHEDULE OF REQUIREMENT

The Schedule of Requirement (SOR) i.e. Annexure-A is available on OGDCL's website. All clarifications related to tender requirement(s) are placed on OGDCL's website, therefore, all bidders are requested to keep visiting OGDCL's website for updates.

3. COST OF BIDDING

The bidder shall bear all costs associated with the preparation and delivery/submission of his bid and the OGDCL, 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 BID

The bid prepared by the bidder and all correspondence and documents relating to the bid, exchange by the bidder and the purchaser shall be written in English language. Any printed literature furnished by the bidder may be written in another language, provided that this literature is accompanied by an English translation, in which case, for purpose of interpretation of the bid, the English translation shall govern.

5. CLARIFICATION OF BIDDING DOCUMENTS

- 5.1 The Bidders are expected to carefully examine all instructions, forms, annexures and specifications etc. in the Bidding Documents. Any bidder in doubt as to the exact meaning or interpretation of any part of the Bidding Documents should 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 two week-s prior to deadline for submission of the bids prescribed by the Purchaser. The clarifications will be uploaded on OGDCL website, accordingly. Therefore, all bidders are requested to keep visiting OGDCL's website for updates.

5.2 CONTRADICTIONS, OBSCURITIES AND OMMISIONS

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 two 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 by posting such clarification / amendment on OGDCL website.

6.2 In order to afford prospective bidders reasonable time in which to take the amendment into account in preparing their bid, the purchaser may, at its discretion, extend the deadline for submission of bid.

7. PREPARATION OF BIDS

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

- 7.1 The Schedule of Requirements (SOR) (Annexure-A), or the Principal's Proforma Invoice 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 duly signed and stamped.
- 7.3 The Bidding Form to be completed as per Annexure-B duly signed and stamped.
- 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 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 SOR (Annexure-A) or Principal's Proforma Invoice, the unit and total "FOB" and "CFR" prices of the goods/services he proposes to supply under the contract in the following manners:

- 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 OR specified in the Schedule of Requirement.

- 8.2 Custom duties, import and other taxes on “FOB/CFR/CPT” levied on port of discharge shall be paid by the purchaser and should not be included in the quoted prices.
- 8.3 The insurance on ocean/air freight and transportation in Pakistan will be arranged and paid by the purchaser.
- 8.4 Prices indicated/quoted by the bidder shall be firm and irrevocable during the bidder’s performance of the contract.

9. CURRENCIES OF BID

- 9.1 For the goods which the bidder will supply from within the purchaser’s country, the prices shall be quoted in Pakistani Rupees.
- 9.2 For the goods which the bidder will supply from outside the purchaser’s country, the prices shall be quoted either in the currency of the bidder’s home country or in US Dollar.
- 9.3 Chinese Firms/Bidders should quote prices in RENMINBI. If prices are quoted in any other currency the order shall be placed in equivalent RENMINBI. Bid prices will be converted to the Renminbi at the selling exchange rate officially prescribed by State Bank of Pakistan for similar transaction on the date of opening of bids specified in the tender notice.

10. EVALUATION CRITERIA

The bids shall be evaluated in accordance with the evaluation criteria given in the Schedule of Requirement. Bidders are advised to quote competitive prices enabling OGDCL to decide the purchase.

11. BID VALIDITY

- 11.1 The bid shall remain valid and open for acceptance for a period of 180 days (or as specified in the SOR) from the specified date of bid opening.
- 11.2 Under exceptional circumstances, 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

- 12.1 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 bid 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.

- 12.2 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 an integral part of his bid, an upfront Bid Bond for an amount mentioned in the SOR in US Dollars or in currency of Bidder (convertible to Pak Rupees) or equivalent Pak Rupees with technical bid and must be valid 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 The Bank Guarantee must be in accordance with the standard format as per Annexure-C issued by the Schedule Bank of Pakistan or a foreign bank operating / having branch in Pakistan with "AA" rating. Bid Security in shape of online transfer, Pay Order / Demand Draft / Cash Deposit Receipt (CDR) issued by Schedule Bank of Pakistan or foreign bank operating / having branch in Pakistan shall also be accepted irrespective of rating.
- 13.3 The cost incurred for establishing the Bid Bond in the shape of Bank Guarantee or any extension/amendment thereof shall be on the bidder's account.
- 13.4 Any bid not accompanied by the necessary Bid Bond shall be rejected as non-responsive. The Bid Bonds of unsuccessful Bidders will be returned. The Bid Bond of the successful Bidder will be released after the receipt and acceptance of the required Performance Bond, its authentication from the issuing Bank and execution of the Contract.
- 13.5 The Bid Bond may be forfeited:
- 13.5.1 If a bidder withdraws its bid during the period of bid validity.
- 13.5.2 If bidder submits forged / fake document(s).
- 13.5.3 If successful bidder fails to furnish performance bond.
- 13.5.4 If successful bidder fails to sign the Contract or accept the Purchase Order.
- 13.5.5 Any other reason warranted confiscation of bid bond.
- 13.6 The Bidder/Supplier/Contractor/Agent must particularly note that in case of submission of forged document, withdrawal of bid during bid validity, fails or refuses to sign purchase order/contract, non-acceptance or meet the purchase/service order's terms & conditions, non-execution of work, non-submission of relevant bank guarantee as per tender terms, non-supplies as per specifications, non-fulfillment of contractual obligations, under performance, non-compliance of contractual obligations vital for execution, repeated non-performance, indulged in corrupt and fraudulent practices, tax evasion, criminal misappropriation by a court of competent authority or any other reason , Bidder/Supplier/Contractor/Agent will be liable to severe punitive action by the Purchaser/OGDCL leading to Blacklisting/Debarment in addition to any other legal action that shall be initiated. The procedure of Blacklisting/Debarment is uploaded on OGDCL's website at following link: <http://ogdcl.com/uploads/tender/BlackListingProcedure.pdf> which is an integral part of this Tender Document.
- 13.7 The Purchaser reserves the right to check authenticity of Bid Bond

from the concerned Bank.

14 SIGNING OF BID

- 14.1 The original bid and accompanying documents shall be signed by the bidder mentioning name and designation of the person signing the bid 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, except for un-amended printed literature, where entries are made, shall be initialed by the person (s) signing the bid.
- 14.2 The bid shall contain no interlineations, erasure or overwriting as necessary to correct errors made by the bidder, in which case such corrections shall be initialed by the person(s) signing the bid.

15 SEALING AND MARKING OF BIDS

- 15.1 The bidders shall submit original technical bid and original financial bid in separate sealed envelopes.
- 15.2 Both bids shall be submitted simultaneously in separate sealed envelopes. The envelope containing Technical Bid must be marked clearly "Technical Bid" and containing Financial Bid must be marked clearly "Financial Bid".

Each bid shall be sealed in inner and outer envelopes with the outer envelope marked as follows: -

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

- 15.3 The envelopes shall also bear the following identification:
BID FOR **(As mentioned in the tender notice)** _____
DO NOT OPEN BEFORE **(As mentioned in the tender notice)**
TENDER NO. PROC-F (As mentioned in the tender notice)
- 15.4 If the envelopes are 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 The bids must be delivered to the Purchaser on or before the prescribed deadline **(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.
- 16.3 The Purchaser may, at its discretion, extend the deadline for the submission of bid, in which case all rights and obligations of the Purchaser and bidders previously subject to the deadline will thereafter be subject to the deadline as extended.

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 mentioned here above.
- 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 date and time as **mentioned in the tender notice** at the following location:

Oil & Gas Development Company Limited (OGDCL)
Supply Chain Management Department
OGDCL House, Plot No. 3 (New No. 3013) F-6/G-6,
Jinnah Avenue, Islamabad (Pakistan)

- 19.2 The Bidder's names, bid prices, modification and bid withdrawal, and the presence or absence of the requisite Bid Bond and such other details as the Purchaser, at its discretion, may consider appropriate will be announced at opening.

20. PRELIMINARY EXAMINATION AND CORRECTION OF ERRORS:

- 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:
 - 1. 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.
 - 2. If there is a discrepancy between words and figures, the amount in words shall prevail.
- 20.3 Prior to the detailed evaluation, 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 minor deviation non-conformity 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(s).

22. CLARIFICATION OF BIDS:

To assist in examination, evaluation and comparison of bids, the Purchaser may at its discretion, ask the bidder for a clarification of its bid. All responses to request for clarification shall be in writing, and no change in the price or substance of the bid shall be sought, offered or permitted.

23 EVALUATION AND COMPARISON OF BIDS

23.1 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 the tender notice.

23.2 The Purchaser's evaluation of a bid will take into account in addition to the bid price, the following factors, in the manner and to the extent indicated in the specifications: -

- a) Financial standing, technical and production capabilities of the bidder(s)
- b) Delivery Schedule
- c) The availability of the spares and after sale services
- d) Reliability and efficiency of the material / equipment offered
- e) The projected operating and maintenance costs during the life of the equipment and adaptability of the goods offered.

f) 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.

24 BID EVALUATION AND AWARD OF CONTRACT.

- 24.1 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.
- 24.2 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 provided further that the Bidder is determined to be qualified to satisfactorily perform the contract.
- 24.3 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.
- 24.4 The manufacturer must have minimum of five years' experience since the date of API certification in the production of items being quoted (or as specified in SOR / TOR). Evidence in this regard should be submitted along with the offer/bid.
- 24.5 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.
- 24.6 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.
- 24.7 Technical Evaluation Report shall be placed on OGDCL's website for the information of all the Bidders. The Bidders may lodge a written complaint for redressal of their grievances and disputes to Dispute Resolution Committee within Seven (07) Days of the placement of the Technical Evaluation Report and Five (05) Days after placement of Final/Financial Evaluation Report on OGDCL's website. After uploading of Final/Financial Evaluation Report, the complainant cannot raise any objection on Technical Evaluation Report, provided that the complainant may raise the objection on any part of the Final/Financial Evaluation Report in case where single stage single envelope bidding procedure is adopted. Therefore, all bidders are advised to keep visiting OGDCL's website for knowing status / outcome of their bid proposals during Technical/Final Evaluation process. The detail mechanism of Grievance including Form is available at OGDCL website under the Title bar of Tenders, Grievances Committee

25. QUALIFICATION OF SELECTED BIDDER(S)

- 25.1 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.
- 25.2 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.
- 25.3 Any affirmative determination will be prerequisite for award of the Contract to the Bidder. A negative determination will result in rejection of the Bidder's bid.

26. DOCUMENTS ESTABLISHING THE BIDDER'S QUALIFICATION TO PERFORM THE CONTRACT.

- 26.1 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, or otherwise produce 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 should be attached with the bid.
- 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 him), 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.

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

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(s) or any obligation to inform the affected Bidder or Bidders of the ground for the Purchaser's action.

28. CANVASSING

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

29. PREFERENCE FOR DOMESTICALLY MANUFACTURED GOODS

29.1 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. 29.6 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.

29.2 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 importation, and sales and similar taxes levied in connection with the sale or delivery, pursuant to the bids, of the goods.

29.3 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.

29.4 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.

29.5 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. 29.6 of the ex-factory bid price of the goods.

29.6 As per SRO No. 827(I) 2001 dated 13/12/2001 (copy attached as Annex- K) 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.

29.7 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.

30. NOTIFICATION OF AWARD

The Purchaser within bid validity will notify, the successful bidder(s), in writing that his bid has been accepted. The notification of award will NOT constitute formation of the Contract unless conditions of tender are fully met to the satisfaction of the Purchaser.

31. PERFORMANCE BOND / BANK GUARANTEE

- 31.1 On acceptance of the bid, the successful bidder shall within 15 days of the receipt of notification of award from the Purchaser/Letter of Intent (LOI) , furnish a Performance Bond for an amount equal to 10 % of the value of Contract/Purchase Order in US Dollars or in currency of Bidder (convertible to Pak Rupees) or equivalent Pak Rupees. Extension in Performance Bond (if required), must be submitted in original 15 days before the expiry date otherwise OGDCL may proceed for encashment. The period of validity of the Performance Bond shall be extended if the completion of the Contract/Purchase Order is delayed, whether in whole or in part.
- 13.8 The Bank Guarantee must be in accordance with the standard format as per Annexure-D issued by the Schedule Bank of Pakistan or a foreign bank operating / having branch in Pakistan with "AA" rating. Bid Security in shape of online transfer, Pay Order / Demand Draft / Cash Deposit Receipt (CDR) issued by Schedule Bank of Pakistan or foreign bank operating / having branch in Pakistan shall also be accepted irrespective of rating.
- 31.2 The cost incurred for establishing the Performance Bond in the shape of Bank Guarantee or any extension/amendment thereof shall be on contractor's account.
- 31.3 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. The Contract may be awarded to another Bidder or new bids may be called for. Performance bond shall be confiscated in the event of default or non-fulfilment by contractor of his obligations, liabilities, responsibilities or any other reason(s) warranting the confiscation of the Guarantee or in case if any forged or fake documents is found at any stage under the contract/ Purchase Order.
- 31.4 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 its performance obligations under the Contract/ Purchase Order.
- 31.5 Hundred Percent (100%) amount of the Performance Bond in the shape of Bank Guarantee shall remain valid and in full force and effect 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.
- 31.6 The Purchaser reserve the right to check the authenticity of the Performance Bond from the concerned bank.

32. 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.

The bids submitted by a Joint Venture of two or more firms as partner shall comply with the following requirements:

- 32.1 The JV Agreement shall be signed and provided with the technical bid so as to be legal binding on all partners.
- 32.2 One of the partners shall be nominated, as being incharge (Lead Partner) and its authorization shall be evidenced by submitting a power of attorney signed by legally authorized signatories of all the partners.
- 32.3 The partner incharge shall be authorized to incur liabilities and receive instructions for and on behalf of any and all partners of the joint venture and the entire execution of the contract including payment shall be done exclusively with the partner incharge.
- 32.4 All partners of the joint venture shall be jointly and severally responsible for the execution and completion of the contract in accordance with the contract terms and conditions. A relevant statement to this shall be included in the authorization.

33. SIGNING OF CONTRACT:

At the same time that the successful Bidder is notified that his bid has been accepted the Purchaser will issue Purchase Order incorporating all terms & conditions and same will be sent to the Bidder for acceptance.

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.

Letter of Credit shall only be established after receipt of acceptance of Purchase Order and authentication of Performance Bond submitted by the Bidder as per OGDCL's requirement.

34. CRITERIA FOR SUMMARY REJECTION

Any bid not meeting the following criteria, shall likely to be considered as non-responsive for further evaluation:

- 34.1 The bids must be prepared in the English language.
- 34.2 The firm prices shall be quoted on both FOB and CFR / CPT Karachi basis as required in the Schedule of Requirement (SOR). The freight will be indicated separately for each item / group on the SOR.
- 34.3 The bids must be based on firm prices and not on any price adjustable formula.
- 34.4 Performa Invoice of the Principal in original signed and stamped by the Principal or Annexure-A (SOR) duly filled in, signed & stamped by the Principal must be submitted along with the bid giving all necessary details.
- 34.5 Bidding Form duly filled in, signed and stamped, as per Annexure-B, (without prices with Technical Bid and with prices with Financial Bid). For this purpose, Bidder may either use the photo copies of the format provided in Tender Documents or may reproduce the same on his own letter head filling in blanks and signing and stamping them in original.
- 34.6 Original Bid Bond for the amount mentioned in the SOR as per OGDCL's requirement must be submitted with technical bid.
- 34.7 Bid must reach on or before date and time mentioned in the tender notice/corrigendum.
- 34.8 The bids must be valid for 180 days or as specified in SOR.

- 34.9 Bid must not be submitted through Fax or Email etc. directly to the Purchaser.
- 34.10 Data Summary Sheet duly filled in, signed and stamped as per Annexure-E (without prices with Technical Bid and with prices with Financial Bid) must be submitted along with the bid.
- 34.11 Copy of Bid received with original Bid Bond will be accepted provisionally provided original bid is received by OGDCL within 10 working days after bid opening.
- 34.12 Fax Bid with copy / swift message of Bid Bond shall be rejected.
- 34.13 Bid must be accompanied by an Affidavit (Form 4) of Tender Document on non- judicial paper or company letter head.
- 34.14 Bid must be accompanied with Corporate & Financial Information (Annexure -J) of tender document.
- 34.15 Bid must be accompanied with Declaration of Ultimate Beneficial Owners Information for Public Procurement Contracts (Annexure-L). In case of failure to provide the required information of the beneficial ownership by the company or submission of false or partial information, OGDCL shall:
- i. Blacklist the said company in accordance with rule 19(1)(a) of Public procurement Rules, 2004.
 - ii. Reject the bid of the said company.

35. COMPOSITE CONTRACTS

Composite contract here means, CFR/CPT contracts/purchase order primarily dealing with foreign supply of material along with local services.

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 INSTRUCTIONS TO BIDDER. All vendors, suppliers, contractors, consultants and alike are encouraged to inform the Managing Director / Chief Executive Officer and Head of Department in case where any OGDCL employee asks for any type of favour whether monetary or in kind. You can contact the MD/CEO and Heads of Department on the following addresses, phone numbers, faxes or e-mail:

MD / CEO Oil & Gas Development Company Limited OGDCL House, Islamabad Tel No. 051-9209701 Fax No. 051-9209708 E-mail: ceo@ogdcl.com	General Manager Supply Chain Management Department OGDCL House, Islamabad Tel No. 051-920023540 E-Mail: irshad_muhammad@ogdcl.com
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MANAGER (SCM) FOREIGN
OIL & GAS DEVELOPMENT COMPANY LIMITED
PHONE: 0092-51-92002 3652
EMAIL: ejaz_rizvi@ogdcl.com

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 selected to supply goods / perform services under the Contract / Purchase Order.
- 1.3 "The Goods" means all equipment, machinery, and / or other material, which the Contractor is required to supply to the Purchaser under this Contract / Purchase Order.
- 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 / 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 On acceptance of the bid, the successful bidder shall within 15 days of the receipt of notification of award from the Purchaser/Letter of Intent (LOI) , furnish a Performance Bond for an amount equal to 10 % of the value of Contract/Purchase Order in US Dollars or in currency of Bidder (convertible to Pak Rupees) or equivalent Pak Rupees. Extension in Performance Bond (if required), must be submitted in original 15 days before the expiry date otherwise OGDCL may proceed for encashment. The period of validity of the Performance Bond shall be extended if the completion of the Contract/Purchase Order is delayed, whether in whole or in part.
- 6.2 The Bank Guarantee must be in accordance with the standard format as per Annexure-D issued by the Schedule Bank of Pakistan or a foreign bank operating / having branch in Pakistan with "AA" rating. Bid Security in shape of online transfer, Pay Order / Demand Draft / Cash Deposit Receipt (CDR) issued by Schedule Bank of Pakistan or foreign bank operating / having branch in Pakistan shall also be accepted irrespective of rating.
- 6.3 The cost incurred for establishing the Performance Bond in the shape of Bank Guarantee or any extension/amendment thereof shall be on contractor's account.
- 6.4 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. The Contract may be awarded to another Bidder or new bids may be called for. Performance bond shall be confiscated in the event of default or non-fulfilment by contractor of his obligations, liabilities, responsibilities or any other reason(s) warranting the confiscation of the Guarantee or in case if any forged or fake documents is found at any stage under the contract/ Purchase Order.
- 6.5 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 its performance obligations under the Contract/ Purchase Order.
- 6.6 Hundred Percent (100%) amount of the Performance Bond in the shape of Bank Guarantee shall remain valid and in full force and effect 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.
- 6.7 The Purchaser reserve the right to check the authenticity of the Performance Bond from the concerned bank.

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 / Purchase Order 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 Good's 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 Good's 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 good's 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 original Master 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 has been made upon which insurance will be arranged by Purchaser.

Insurance of equipment / material to be provided on rental and the personnel deputed for the services shall be the responsibility of the contractor at no charge to the 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/Islamabad port if Contract is awarded on CFR / CPT basis. Therefore, the Bidders are advised to specify the name of port(s) of embarkation of the goods/equipment/material.

It will be the responsibility of the contractor and their forwarding agent to ensure that the material ordered against contract must not be shipped on deck. In case if shipment is required to be made on deck prior approval from the Purchaser, must be obtained in writing and if allowed it must be ensured that the equipment / material must have been properly packed/lashed to avoid any damage as prescribed.

12. DUTIES / TAXES (FOR MATERIAL SUPPLY ONLY)

Import / Custom Duties and other taxes, if any, levied by the Purchaser's country on the goods/material/equipment supplied shall be paid by the Purchaser and should not be included in the quoted price.

Custom/Import duties, and other charges for import / export of contractor's employees personnel effects shall be paid by the Contractor.

The Contractor shall be entirely responsible for all taxes, stamp duties and other such levies imposed outside the Purchaser's country.

TAX CLAUSE FOR COMPOSITE CONTRACTS

- i. All taxes (on goods and / or services) on the income or payments to the contractor arising, accruing or resulting under the contract, whether present or future, assessed or payable inside or outside Pakistan shall be the exclusive responsibility of the contractor or its sub-contractor(s). Company i.e. OGDCL, in order to discharge its responsibilities as withholding agent shall withhold income tax from the payments to the contractor within the contract value at the rates applicable at the time of payments.
- ii. Where applicable under the relevant double taxation treaty, on the request of contractor, OGDCL can arrange to file notice to FBR u/s 152(5) through its tax consultant for making payments under contract without deduction of withholding tax. The contractor will be responsible for timely provision of any documents required by FBR in connection with the notice. The decision of FBR against the notice will be final and OGDCL will withhold taxes accordingly. However, the contractor may file a revision application to FBR or contest the matter in court through its own resources.
- iii. Local Manufacturer/Bidder claiming price preference as per S.R.O 827(I)/2001 to quote the prices on Ex- OGDCL's Site Basis inclusive of all applicable taxes, duties, fees, levies etc.
 - a) Import of plant and machinery under SRO 678(I)/2004 dated August 7, 2004 for exploration and Production Companies are fully exempt from levy of sales tax under Sales Tax Act, 1990 subject to conditions mentioned therein. The Contractor would be responsible to fulfill related formalities for import of plant and machinery under SRO 678 (I)/2004 dated August 7, 2004.
 - b) Sales tax on goods/ services is applicable in Pakistan under federal/provincial sales tax laws. The contractor being registered with respective federal/provincial revenue authority of Pakistan is entitled to charge applicable standard rate of sales tax over and above its bid price and will be responsible for the payment of such sales tax to the respective revenue authority as per the prevailing federal/provincial sales tax laws. OGDCL being the withholding agent shall withhold sales tax from the contractor (whether registered or unregistered), as per respective Federal / Provincial sales tax withholding rules.

- iv. Any indirect tax including value added tax, sales tax etc. present or future, applicable outside Pakistan shall be exclusive responsibility of the Contractor.
- v. The Contractor shall be responsible for income tax and all other taxes levied on the Contractor's and its sub-contractor's expatriate personnel, their social security obligations and contributions regardless of whether such contributions are levied on employer or employee or both in Pakistan or outside Pakistan.
- vi. In case any dispute arises between the Company and the Contractor regarding applicability of withholding taxes including income or sales tax concerning interpretation of relevant legal provisions, the matter will be referred to the tax consultant of the Company. The company will withhold/ charge tax in accordance with the opinion of the tax consultant unless the Contractor produces a specific directive/ order to the contrary from FBR / concerned revenue authority / court of law.
- vii. The Contractor shall indemnify OGDCL against any exposure suffered by the company from Government authorities/ Federal or provincial tax authorities due to any act or omission in relation to deduction/ charging/ withholding of any tax from the invoices of contractor.
- viii. The Contractor shall also indemnify OGDCL against any claim which might occur due to non-compliance by Contractor of any legal obligation regarding taxes, duties, fees, levies, or other charges, including taxes on income and sales tax in Pakistan and any other payments due to the Federal or Provincial Governments, their agencies or any other relevant authority.
- ix. The Contractor shall keep OGDCL informed of the steps taken by it to discharge its income / sales tax obligations under the Contract and provide supporting documents whenever required by the OGDCL.
- x. The above clauses relating to payment of taxes would prevail notwithstanding a contrary expression reflected in any other clause of the contract.

13. WARRANTY

- 13.1 The contractor warrants to Purchaser that the goods supplied under the contract will comply strictly with the contract, shall be first class in every particular case and shall be free from defect. The contractor further warrants to Purchaser that all material, equipment and supplies furnished by the contractor or its subcontractors for the purpose of the goods will be new, merchantable of the most suitable grade, and fit for their intended purposes.
- 13.2 This warranty shall remain valid for twelve (12) months after the goods, or any portion thereof, as the case may be, have been delivered and commissioned or for eighteen (18) months after the date of shipment from the port of loading in the country of origin, whichever period concluded earlier.
- 13.3 The purchaser shall promptly notify the contractor in writing of any claim arising under this warranty.
- 13.4 Upon receipt of such notice, the contractor shall promptly repair or replace the defective goods or parts thereof, without cost to the purchaser other than, where applicable, the cost of inland delivery of the repaired or replaced goods or part from the port of entry to the final destination.
- 13.5 Without prejudice to Clauses 13.2 & 13.4 above, the contractor shall promptly correct, at no cost to the PURCHASER, any defect in any work of correction preformed pursuant to Clauses 13.2 & 13.4 above, upon receipt of written notice of defect within three (3) months from acceptance of the corrected defect or any extension thereof which may be mutually agreed upon.
- 13.6 If the contractor, having been notified, fails to remedy the defect(s) in accordance with the contract, the purchaser may proceed to take such remedial action as may be necessary, at the contractor's expense. The contractor's warranty pursuant to this Clause 13 is without prejudice to any other rights or remedies 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

Prices / Rates charged by the Contractor for goods delivered under the Contract shall not vary from the prices / rates quoted by the Contractor in his bid.

16. AGENCY COMMISSION

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

17. AMENDMENTS

No variation in or modification of the terms of the Contract shall be made except by written amendment signed by the parties.

18. 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".

19. TERMINATION FOR DEFAULT

19.1 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 (or such longer period as the Purchaser may authorize in writing) after receipt of a notice of default from the Purchaser.

19.2 In the event, the Purchaser terminates the Contract in whole or in part the Purchaser may procure, in such a manner as he deems appropriate, goods similar to those undelivered from any alternate source and the Contractor shall be liable to any excess cost for such similar goods / services which maybe deducted from his Bank Guarantee or payment(s).

20. FORCE MAJURE

20.1 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.

20.2 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.

20.3 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.

21. RESOLUTION OF DISPUTES

- 21.1 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 arbitration 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.
- 21.2 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.
- 21.3 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.

22. APPLICABLE LAW

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

23. SUB CONTRACTS

- 23.1 The contractor shall not sub-contract all or any part of the contract without first obtaining the Purchaser's approval in writing of the sub-contracting and the sub-contractor.
- 23.2 The Contractor shall notify in writing of all sub-contracts awarded under this Contract. Such notification shall not relieve the Contractor from any liability or obligation under the Contract.
- 23.3 The Contractor guarantees that any and all all sub-contractors of the contractor for performance of any part of the work under the contract will comply fully with the terms of the contract applicable to such part of the work under the contract.

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. TERMINATION FOR INSOLVENCY

The Purchaser may at any time terminate the contract by giving written notice to the contractor, without compensation to the contractor, if the contractor becomes bankrupt, insolvent or otherwise dissolved. Notwithstanding the above, such termination will not prejudice or affect any right of action or remedy which will accrue thereafter to the Purchaser.

26. DELAY IN THE SUPPLIER'S PERFORMANCE

- 26.1 Delivery of the goods shall be made by the Contractor in accordance with the time schedule specified in the Conditions of Contract / Purchase Order.
- 26.2 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 / bond
 - And / or termination of the Contract for default.
- 26.3 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 / Purchase Order.

27. LIQUIDATED DAMAGES

- a) 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 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.

28. LIMITATION OF LIABILITY

Except in cases of criminal negligence or willful conduct, and in the case of infringement,

- a) The supplier shall not be liable to the Procuring Agency, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the Supplier to pay liquidated damages to the Procuring Agency; and
- b) The aggregate liability of the Supplier to the Procuring Agency, whether under the Contract, in tort or otherwise, shall not exceed the total Contract Price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment or to any obligation of the Supplier to indemnify the Procuring

Agency with respect to patent infringement”.

PART-B

SECTION-III

CONDITIONS OF CONTRACT **“SPECIAL”**

1. PERFORMANCE BOND / BANK GUARANTEE

1.1 On acceptance of the bid, the successful bidder shall within 15 days of the receipt of notification of award from the Purchaser/Letter of Intent (LOI) , furnish a Performance Bond for an amount equal to 10 % of the value of Contract/Purchase Order in US Dollars or in currency of Bidder (convertible to Pak Rupees) or equivalent Pak Rupees. Extension in Performance Bond (if required), must be submitted in original 15 days before the expiry date otherwise OGDCL may proceed for encashment. The period of validity of the Performance Bond shall be extended if the completion of the Contract/Purchase Order is delayed, whether in whole or in part.

1.2 The Bank Guarantee must be in accordance with the standard format as per Annexure-D issued by the Schedule Bank of Pakistan or a foreign bank operating / having branch in Pakistan with "AA" rating. Bid Security in shape of online transfer, Pay Order / Demand Draft / Cash Deposit Receipt (CDR) issued by Schedule Bank of Pakistan or foreign bank operating / having branch in Pakistan shall also be accepted irrespective of rating.

1.3 The cost incurred for establishing the Performance Bond in the shape of Bank Guarantee or any extension/amendment thereof shall be on contractor's account.

1.4 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. The Contract may be awarded to another Bidder or new bids may be called for. Performance bond shall be confiscated in the event of default or non-fulfilment by contractor of his obligations, liabilities, responsibilities or any other reason(s) warranting the confiscation of the Guarantee or in case if any forged or fake documents is found at any stage under the contract/ Purchase Order.

1.5 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 its performance obligations under the Contract/ Purchase Order.

1.6 Hundred Percent (100%) amount of the Performance Bond in the shape of Bank Guarantee shall remain valid and in full force and effect 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.

1.7 The Purchaser reserve the right to check the authenticity of the Performance Bond from the concerned bank.

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, copy of the following documents shall be submitted by the Contractor: -

- Original Clean Master Bill of Lading / Original Clean Master Airway Bill on Freight Pre-Paid Basis signed by the carrier or their authorized agent showing clean shipped on board / Master Airway Bill on Freight Pre-Paid Basis signed by the carrier or their authorized agent showing clean shipped on board (As the case

may be)

- Packing list.
- Certificate and list of measurement and weight (gross/ net).
- Mill inspection / quality Certificate (in case of chemicals).
- Certificate of origin.
- Original detailed invoice showing commodity, description, quantity, unit price and total price strictly in line with contract.

2.3 The above documents should be received by Manager (SCM) Foreign at least 03 days before arrival of the goods at the Karachi Port / Airport 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 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 Purchase Order / Contract / agreement if warranted by the operational requirement/ limitations.

ANNEXURE – “B”

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 hereby acknowledged we, the _____ undersigned, offer to supply & deliver _____ in conformity with drawings, conditions of contract / Purchase Order 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 Complete delivery of all the items specified in the Tender Document / Purchase Order / Contract within _____ days from the date of establishment of Letter of Credit.
3. If our tender is accepted we shall obtain the Guarantee of a Scheduled Bank to be jointly and severally bound with us in a sum not exceeding ten percent (10%) of the Contract / Purchase Order price 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 (180) days (or as mentioned in SOR) from the date fixed for receiving the same and it shall remain binding upon us and may be accepted at any time before the expiration of that period or any extension thereof agreed by us.
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 Terms & Conditions (General and Special of Tender Document) and 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 _____

Witness: -

1. _____

2. _____

Signature

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/Sherein 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 210 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)

ANNEXURE-D

PERFORMANCE BANK GUARANTEE

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)

(To be submitted on Letter Head)

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

NAME AND ADDRESS
OF LOCAL AGENT IN PAKISTAN (IF ANY)

COUNTRY OF ORIGIN:

PORT OF SHIPMENT

VALIDITY OF BID:

DELIVERY PERIOD:

TOTAL BID VALUE FOB

CFR
(By Sea)

CPT
(By Air)

BID BOND ATTACHED WITH
THE TECHNICAL BID

Yes

No

AMOUNT OF BID BOND:

BANK NAME OF LC BENEFICIARY,

COMPLETE ADDRESS &

ACCOUNT NO., IBAN & SWIFT:

[Signature & Seal of the Foreign Principal / Bidder]

DECLARATION

**(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 / PURCHASE ORDER 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 unenforceable 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 undertake 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.

INTEGRITY AND ETHIC 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 involved 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 tender process or 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 cartelise in the bidding process.
- c) That we will ensure that the remuneration of agents (if engaged) is appropriate and for legitimate services only.
- d) That we will not use subcontracts, purchase orders or consulting agreements as means 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 the 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. _____

THIS IS APPLICABLE FOR GOODS AND SERVICES WORTH RS 10 MILLION OR MORE

Integrity Pact

**DECLARATION OF FEES, COMMISSION AND BROKERAGE ETC. PAYABLE BY THE
SUPPLIERS OF GOODS, SERVICES & WORKER IN CONTRACTS WORTH
RS.10.00 MILLION OR MORE**

Contract / Purchase Order Number: _____ Dated: _____

Contract value / Purchase Order: _____

Contract Title / Purchase Order: _____

Name of supplier hereby declared that has not obtained or induced the procurement of any contract, right, interest, privilege or other obligation or benefit from Government of Pakistan or any administrative subdivision or agency thereof or any other entity owned or controlled by it (GoP) through any corrupt business practice.

Without limiting the generality of the foregoing, Name of supplier represents and warrants that I has fully declared the brokerage, commission, fees etc. paid or payable to anyone and not given or agreed to give and shall not give or agree to give to anyone or outside Pakistan either directly or indirectly through any natural or juridical person, including its affiliate, agent associate broker, consultant, director, promoter, shareholder, sponsor or subsidiary, any commission, gratification, bribe, finder's fee or kick back, whether described consultation fee or otherwise, with the object of obtaining or inducing the procurement of a contract, right, interest, privilege or other obligation or benefit in whatsoever form GoP, except that which has been expressly declared pursuant hereto.

Name of supplier certifies that it has made and will make full disclosure of all agreements and arrangement with all persons in respect of or related to the transaction with GoP and has not taken any action or will not take any action to circumvent the above declaration, representation or warranty.

Name of supplier accepts full responsibility and strict liability for making any false declaration, not making full disclosure, misrepresenting facts or taking any action likely to defeat the purpose of this declaration, representation and warranty. It agrees that any contract, right, interest, privilege or other obligation or benefit obtained or procured as aforesaid shall, shall without prejudice to any other right and remedies available to GoP under any law, contract or other instrument, be voidable at the option of GoP.

Notwithstanding any right and remedies exercised GoP in this regard, Name of supplier agrees to indemnify GoP for any loss or damage incurred by it on account of its corrupt business practices and further pay compensation to GoP in an amount equivalent to ten times the sum of any commission, gratification, bribe, finder's fee or kickback given by Name of supplier as aforesaid for the purpose of obtaining or inducing the procurement of any contract, right, interest, privilege or other obligation or benefit in whatsoever form from GoP.

[Buyer]

[Seller/supplier]

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 any thing 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 PO/LC TO BE STRICTLY COMPLIED BY THE BENEFICIARY

(CFR Karachi Basis)

1. CONSIGNEE:

The goods must be consigned to the L/C establishing bank and notify party Oil & Gas Development Company Ltd. (OGDCL), Plot No. 21, OGDCL Warehouse, West Wharf Road, Karachi. Telephone No. 021- 32311108, 32313119, Fax No. 021-32311040,
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. 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 Bill of Lading (B/L) and manifest there should not be any difference.
- 3.2 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 or 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".
- 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 Original Clean Master Bill of Lading 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.
- 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, 2/10 10/10 and so on and detail 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 hereunder.
- 4.8 Copy of E-mail sent in compliance to the Clause No. 6.1 hereunder.
- 4.9 A copy of pre-shipment third party inspection report issued by third party inspector

duly accepted / verified by OGDCL prior to shipment(where applicable).

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 each items total value and also show 'SHIPPING MARKS' as provided in the contract.
- 5.3 All containers of cargo must carry copy of invoice. A compliance certificate in this regard shall be provided along with the shipping documents. 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 send fax OR E-mail 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. 0092-51-9244210 & 0092-051-9209803-7, E-mail: ejaz_rizvi@ogdcl.com (3) Manager Accounts (Imports) on Fax No. 0092-51-9209803-7, E-mail: imtiyaz_sherazi@ogdcl.com (4) National Insurance Company Limited, Karachi on FAX No. 0092-21-99202734 OR E-mail: sanaullah.shaikh@nicl.com.pk OR gulam.akbar@nicl.com.pk, OR info@nicl.com.pk intimating them the following:

- a) L/C numbers and Purchase Order / 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 penalty imposed by Custom Authorities which shall be recovered from the Contractor/Supplier/Vendor.
- b) Please ensure that in case of CFR purchase order / contracts the local charges at Karachi Seaport/Airport 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 as indicated in the L/C. where the sailing / transit period of vessel is up to 07 days the allowed negotiation period is 07 days. Where the sailing / transit period of vessel is more than 07 days the allowed negotiation period is 15 days.
- 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, container detention charges, IGM-de-blocking charges 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.
- 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) Complete sets of non-negotiable shipping documents **alongwith one set of Parts Catalogue, Brochures, Technical Literature** must be dispatched OR E-mailed to the Manager (SCM) Foreign at the following address immediately upon shipment is effected: -
 MANAGER (SCM) FOREIGN
 OIL & GAS DEVELOPMENT COMPANY LIMITED DOGDC HOUSE,
 PLOT NO. 3 (NEW NO. 3013),
 F-6/G-6, BLUE AREA, JINNAH AVENUE, ISLAMABAD, PAKISTAN.
 PHONE NO. 0092-51-92002 3652
 E-mail: ejaz_rizvi@ogdcl.com
- b) Complete sets of non-negotiable shipping documents must be dispatched OR E-mailed to Dy. Chief Material Officer at the following address immediately upon shipment is effected: -
 -
 DYPUTY 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 Company Limited, NICL Building, South Zone, Abbasi Shaheed Road, off Shakra-e-Faisal Road, Karachi (Pakistan). Fax No. 0092-21-99202734 or E-mail: "sanullah.shaikh@nicl.com.pk" OR gulam.akbar@nicl.com.pk, OR info@nicl.com.pk and Manager (Accounts) /OGDC LTD., Fax No. 0092-51-9209803-07 or E-mail: imtiaz_sherazi@ogdcl.com 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, container detention charges, IGM-de-blocking charges or financial impact if any incurred due to late negotiation of the clean documents and paid by the OGDCL 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 (where applicable) 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 OGDCL due to transshipment will be on beneficiary's account.

10.3 Any demurrage paid by OGDCL due to inconsistency in B/L and manifest will be recovered from beneficiary.

11. LIQUIDATED DAMAGES.

a) 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 (where applicable) 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.

14. PAYMENT TERMS:

14.1 FOR ORDER VALUE MORE THAN US\$ 200,000:

The eighty percent (80%) payment will be made against each shipment upon submission of original shipping documents to the LC opening bank, whereas balance twenty percent (20%) payment will be released after receipt, inspection and acceptance of material at OGDCL Stores. Furthermore, payment of balance twenty percent (20%) will be released upon issuance of Acceptance / Delivery Certificate from OGDCL to L/C beneficiary confirming receipt & acceptance of material along with submission of commercial invoice of remaining value.

14.2 FOR ORDER VALUE LESS THAN OR EQUAL TO US\$ 200,000:

The seventy percent (70%) payment will be made against each shipment upon submission of original shipping documents to the LC opening bank, whereas balance thirty percent (30%) payment will be released after receipt, inspection and acceptance of material at OGDCL Stores. Furthermore, payment of balance thirty percent (30%) will be released upon issuance of Acceptance / Delivery Certificate from OGDCL to L/C beneficiary confirming receipt & acceptance of material along with submission of commercial invoice of remaining value.

14.3 Payment to Chinese companies shall be made in Renminbi. If prices are quoted in any other currency the order shall be placed in equivalent to Renminbi. Bid prices will be converted to the Renminbi at the selling exchange rate officially prescribed by State Bank of Pakistan for similar transaction on the date of opening of bids specified in the tender notice.

Purchase Order # PROC-F _____ Accepted by:

Purchase Order Issuance Authority:
Oil & Gas Development Company Ltd.

Signature

Name of the signatory in Block Letters.....

Company Title of the Signatory.....

Company Seal.....

**OTHER TERMS AND CONDITIONS OF THE PO/LC
TO BE STRICTLY COMPLIED BY THE BENEFICIARY**
(FOR CPT BY AIR KARACHI / ISLAMABAD BASIS)

1. CONSIGNEE:

a) FOR CONSIGNMENT(S) ON CPT BY AIR KARACHI BASIS:

The goods must be consigned to the L/C establishing bank and notify party Oil & Gas Development Company Ltd. (OGDCL), Plot No. 21, OGDCL Warehouse, West Wharf Road, Karachi. Telephone No. 021-32311108, 32313119, Fax No. 021-32311040, E-mail: abdulwaheed_kunbhar@ogdcl.com

b) FOR CONSIGNMENT(S) ON CPT BY AIR ISLAMABAD BASIS:

The goods must be consigned to the L/C establishing bank and notify party Oil & Gas Development Company Ltd. (OGDCL), I-9 Base Store, Islamabad. Telephone No. 0092-51-9258691 and FAX No. 0092-51-9258128, Email: kashif_lodhi@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) :

3.1 The cargo / consignment must be air freighted on CPT by Air / Freight Pre- Paid basis, preferably 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 AWB and manifest there should not be any difference.

4.2 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 or 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”.

5. SHIPPING DOCUMENTS.

Shipping documents shall consist of the following:

5.1 Original Clean Master Airway 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 Airway Bill is not acceptable.

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, 2/10..... 10/10 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 E-mail sent to the Insurance Company in compliance to the Clause No. 10 hereunder.
- 5.8 A Copy of E-mail sent in compliance to the Clause No. 7.1 mentioned hereunder.
- 5.9 A copy of pre-shipment third party inspection report issued by third party inspector duly accepted / verified by OGDCL prior to shipment (where applicable).

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 each items / total value and freight actually paid and also show 'SHIPPING MARKS' as provided in the contract.

7. SHIPMENT INTIMATION:

- 7.1 The beneficiary within 24-48 hours of making shipment must send fax OR E-mail to (1) Dy. Chief Material Officer, Plot No. 21, West Wharf, Karachi, Fax No. 0092-21-2311040, E-mail: abdulwaheed_kunbhar@ogdcl.com (For shipments on CPT by Air Islamabad Basis, Email to be sent at "kashif_lodhi@ogdcl.com") (2) Manager (SCM) Foreign, OGDCL House Plot No. 3 (New NO. 3013)F-6/G6, Jinnah Avenue, Islamabad. Fax No. 0092-51-9207530, 9209673, E-mail: ejaz_rizvi@ogdcl.com, (3) Manager (Accounts) on Fax No. 0092-51-9209803-7, EMAIL: imtiazh_sherazi@ogdcl.com and (4) National Insurance Company Limited, Karachi on FAX No. 0092-21-99202734, EMAIL: sanaullah.shaikh@nicl.com.pk OR gulam.akbar@nicl.com.pk, OR info@nicl.com.pk intimating them the following:
 - a) L/C numbers and Purchase Order No.
 - b) Name of the Shipping Air Line.
 - c) Airway Bill No. & Date.
 - d) Flight No. & Date.
 - e) Total CPT by Air value of the consignment shipped.
 - f) Air 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 by Air contracts the local charges at Karachi / Islamabad Airport(s) 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 as 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, IGM-de-blocking charges 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.
- 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) Complete set of non-negotiable shipping documents along with one set of Parts Catalogue, Brochures, Technical Literature must be dispatched OR E-mailed to Manager (SCM) Foreign at the following address immediately upon shipment is effected: -
MANAGER (SCM) FOREIGN
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. 0092-51-92002 3652, 920023593,
E-mail: ejaz_rizvi@ogdcl.com
- b) Complete set of non-negotiable shipping documents must be dispatched OR E-mailed 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
(For shipments on CPT by Air Islamabad Basis, N.N Documents to be E-mailed at "kashif lodhi@ogdcl.com")
- c) The shipping documents should be couriered through any reliable courier company at shippers cost so that the same must be received

at least 24 Hours before arrival of the shipment.

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 Ltd., NICL Building, South Zone, Abbasi Shaheed Road, off Shakra-e-Faisal Road, Karachi (Pakistan). Fax No. 0092- 21-99202734 OR E-mail sanallah.shaikh@nicl.com.pk OR gulam.akbar@nicl.com.pk, OR info@nicl.com.pk and Manager (Accounts) OGDCL, Fax No. 0092-51-9209803-7 OR–Email: imtiaz_sherazi@ogdcl.com immediately after shipment giving full details of shipment e.g. value of shipment description of material, Flight No., Airway Bill No. with date, Airport of shipment, contract 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, IGM-de-blocking charges or financial impact if any incurred due to late negotiation of the clean documents and paid by the OGDCL 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.

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12. LIQUIDATED DAMAGES.

a) 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.

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15.3 Payment to Chinese companies shall be made in Renminbi. If prices are quoted in any other currency the order shall be placed in equivalent to Renminbi. Bid prices will be converted to the Renminbi at the selling exchange rate officially prescribed by State Bank of Pakistan for similar transaction on the date of opening of bids specified in the tender notice.

Purchase Order # PROC-F _____ Accepted by:

Purchase Order Issuance Authority:
Oil & Gas Development Company Ltd.

Signature

Name of the signatory in Block Letters.....

Company Title of the Signatory.....

Company Seal.....

AFFIDAVITE

I,.....S/o....., aged.....year,
working as Proprietor/Managing Partner / Director of
M/s.....having its register office at
.....do hereby solemnly affirm
and declare on oath as under:

- 1 That I am competent to swear this affidavit/undertaking being proprietor/one of the partners/Director of M/s.....
- 2 That M/s.....is a proprietorship/partnership firm/company is participating in tender process conducted by OGDCL.
- 3 That I hereby confirm and declare that none of my/our group /sister concern/associate company is participating/submitted this tender.
- 4 That I hereby confirm and declare that my/our firm/company M/s _____ and my/our firm/ group/ company/ sister concern / associate company or any of its directors have not been blacklisted/de-listed by any institutional agencies / Govt. Dept. / Public sector / foreign country, international organization or other foreign institutions.
- 5 That there is no change in the name & style, constitution and status of the firm, after pre-qualification.
- 6 That I further undertake that in case any of the facts contained above and in our application is found other-wise or incorrect or false at any stage, my/our firm/company / group/sister concerns/associate companies shall stand debarred from the present and future tender of the OGDCL.

(Signature of the proprietor / Managing Partner /Director with seal)

DEPONENT

Verified at on..... that the content of paras 1 to 6 of this affidavit are true and correct to best of my knowledge and no part of this false and nothing material has been concealed or falsely stated therein.

(Signature of the Proprietor/ Managing Partner/ Director with Seal)

DEPONENT

(Signature and Seal of Notary)

The procedure of Blacklisting / Debarment is uploaded on OGDCL’s website at following link: <http://ogdcl.com/uploads/tender/BlackListingProcedure.pdf> which is an integral part of this Tender Document.)

**FORMAT OF CORPORATE & FINANCIAL
INFORMATION**

**PART – I
GENERAL INFORMATION**

1. Name (Full Company Name):

- Postal Address:
- Telephone:
- Facsimile:
- e-mail:
- Website Address:

1.1 Has the Company operated under any other name? If yes please give name, date of change and reason for change.

2. Type of Entity/Firm:

- Corporation/Stock Company
- Public Limited
- Private Limited
- Partnership
- Proprietorship

3. Shareholders information/pattern with names and addresses of majority shareholders.

4. Place of Incorporation/Registration:

5. Year of Incorporation/Registration:
(Please provide copies of Incorporation/Registration Certificates and Memorandum & Articles of Association)

6. Company's National Tax No.

7. Company's Core Business Areas and their annual sales revenue/earnings during last five (5) years.

8. Name & Address of Owners/Directors

9. Valid Registration Certificate with Pakistan Engineering Council (PEC) where applicable.

PART – II
FINANCIAL STRENGTH

1. Provide details with regard to the financial standing of the applicant including copies of last three (3) years Audited profit & loss account and balance sheet. Also, please fill the financial summary as per below table;

S. No.	Description	Years		
1	Sales Revenue			
2	Paid Up Capital			
3	Profit Before Tax			
4	Profit After Tax			
5	Current Assets			
6	T. Asset			
7	Owner Equity			
8	Long Term Debt			
9	Current Liability			
10	Total Liabilities			

2. Bank(s) credit worthiness certificates (Latest Period) of applicant organization and available credit ceiling/limits with Account Number/Title.
3. Detail record with regard to litigation/arbitration proceedings or any other dispute related to project undertaken/being undertaken by the Bidder their Sub-Contractors and Suppliers (Specially with OGDCL it Joint Venture Partners or other public and private organizations working in the Oil & Gas sector of Pakistan) during past five (05) years.
4. Any information including brochures, references and other documentary evidence of technical qualification, capability and experience of the Applicant to execute the Project.

The undersigned on behalf of _____ hereby declare that the statements made and the information provided official herewith is complete, true and correct in every detail.

 Signature

 Official Seal of the Company

Declaration of Ultimate Beneficial Owners Information for Public Procurement Contracts

1. **Name**
2. **Father's Name/Spouse's Name**
3. **CNIC/NICOP/Passport No.**
4. **Nationality**
5. **Residential address**
6. **Email address**
7. **Date on which shareholding, control or interest acquired in the business.**
8. **In case of indirect shareholding, control or interest being exercised through intermediary companies, entries or other legal persons or legal arrangements in the chain of ownership or control, following additional particulars to be provided:**

1	2	3	4	5	6	7	8	9	10
Name	Legal Form (Company/Limited Liability Partnership/ Association of Persons/ Single Member Company/Partnership Firm/Trust/Any other individual, body corporate (to be specified))	Date of incorporation/ registration	Name of registering authority	Business Address	Country	Email address	Percentage of shareholding, control or interest of BO in the legal person or legal arrangement	Percentage of shareholding, control or interest of legal person or legal arrangement in the company	Identify of natural person who ultimately owns or controls the legal person or arrangement

9. **Information about the Board of Directors (details shall be provided regarding number of shares in the capital of the company as set opposite respective names).**

1	2	3	4	5	6	7	8
Name and surname (In Block Letters)	CNIC No. (In case of foreigner, Passport No.)	Father's/ Husband's Name in full	Current Nationality	Any other Nationality (ies)	Occupation	Residential Address in full or the registered/ principal office address for a subscribers other than natural person	Number of shares taken by cash subscriber(in figures and words)
			Total Number of Shares taken(in figures and words)				

10. **Any other information incidental to or relevant to Beneficial Owner(s).**

Name and signature

(Person authorized to issue notice on behalf of the company)