

OIL & GAS DEVELOPMENT COMPANY LIMITED

SALE OF SULPHUR AUCTION THROUGH SEALED BIDS

TERMS AND CONDITIONS

BIDDING ROUND NO.145 HELD ON

Sealed bids are invited from Fertilizer / Chemical Industries to purchase Sulphur from OGDCL's Dakhni Plant site located in District Attock near Jand on the following terms and conditions:

The Bidder having all necessary consumption licenses / NOCs / Govt. approvals can purchase Sulphur only.

1. Base price of the Sulphur is Rs. 45,000/- (Forty-five thousand only) per M. Ton exclusive of all applicable taxes & duties for this round. Bidders are expected to offer price over and above the base Price.
2. A total quantity of 6000 (Six Thousand only) M. Tons of Sulphur available in 15 lots (break up is as under):

| Lot Size | No of lots | Lots Available for sale |
|---|-------------------|--------------------------------|
| 100 Mt | 05 | 500 |
| 200 Mt | 02 | 400 |
| 400 Mt | 02 | 800 |
| 500 Mt | 01 | 500 |
| 600 Mt | 02 | 1200 |
| 800 Mt | 02 | 1600 |
| 1000 Mt | 01 | 1000 |
| Total quantity available for auction | | 6000 M.Ton |

3. In case we have less buyers available for respective lots, a single buyer is eligible to buy more than one lot after matching highest quoted price. Demand Draft / Pay Order equivalent to 25% of gross quoted price (as advance payment) against each lot, must be submitted with the bid in favor of OGDCL. Bid without Pay order/ DD equivalent to 25% of gross quoted price (as advance payment) will be rejected.
4. The highest quoted price for every lot size will be declared successful and remaining bidders of that respective lot will be asked to match the highest quoted price. In case the Sulphur buyers refused to match the highest price they will be declared unsuccessful accordingly
5. Bidders must provide Demand Draft/Pay Order equivalent to 05% of gross quoted amount as Bid Bond/ Earnest Money (refundable) with bid in favor of OGDCL. Bid without Pay order/ DD equivalent to 05% of gross quoted price (as Bid Bond) will be rejected.
6. The successful bidders shall be bound to make payments in advance (inclusive of applicable taxes) through Demand Draft/Pay Order in favor of OGDCL within 07 days after issuance of award/ notification letter. In case successful bidder fails to deposit the balance 75% payment within 07 working days, OGDCL shall have the right to forfeit 05% Bid Bond/ Earnest Money and 25% Advance payments submitted with the bid, and shall not be obliged to supply any quantity of Sulphur.

7. Sulphur lifting, transportation, and other incidental charges including, sales tax, income tax, Zila tax etc, as is prevalent at present or in future will be the responsibility of the buyer.
8. Sulphur weight as measured at Dakhni Plant shall be final. The successful bidder will provide sealed container for lifting/ transportation of the Sulphur from the field.
9. After deposit of remaining 75% Advance Payment inclusive of applicable and any other tax, the successful bidder(s) shall ensure lifting of Sulphur within the period stipulated in the following table, thereafter storage charges of Rs.100/- (Rupees one hundred) per M. Ton per day shall be payable by the successful bidder.

| Lot Size (M.Tons) | Lifting Time |
|--------------------------|---------------------|
| 900 & Above | Within 50 days |
| 500 to 800 | Within 40 days |
| 400 & Below | Within 25 days |

In case the successful bidder fails to lift the Sulphur within stipulated time and fails to pay the storage charges (as mentioned above) OGDCL reserves the right to recover storage charges from 10% Performance Bond.

10. The Seller (OGDCL) is not responsible in case of non-production of additional Sulphur as anticipated prior to bidding process due to reservoir behavior or any technical problem. In such event the Buyer may face delayed and irregular dispatches of the product and OGDCL will not take responsibility for the late delivery of contracted quantities and the Buyer shall have no right to claim such deliveries at later stage (s). However, in such case the buyer will be charged only for lifted quantity.
11. The successful bidder shall be responsible to deposit the withholding tax into the Government Treasury on behalf of OGDCL and shall provide tax deposit challan at the time of submission of balance 75% advance payment within seven working days (OGDCL's National Tax No. 0787223-2).
12. The successful bidder shall be required to ensure all HSEQ standards while lifting of Sulphur from the field.
13. The bidders can drop their bids in the "Bidding Box" available at reception (Ground Floor OGDCL House Jinnah Avenue Blue Area, Islamabad) or send the same through TCS with specific instructions to TCS representative to deliver bid on or before 1130 hours on _____. Any bid received after 1130 hours on _____ will not be entertain. Bids will be opened at 1200 hours on _____ in the presence of bidders who may be available at that time.
14. The properly sealed bids should be addressed to the General Manager (SCM) clearly marked as "Bid for Sulphur" and sent on address referred in 13 above. The bids received through fax, e-mail shall not be accepted.
15. Successful bidder is required to submit the reaming amount in 07 working days after issuance of LOI, the Performance Bond equivalent to 10% of gross quoted amount (refundable) in the shape of separate PO/DD in favor of OGDCL. The performance bond shall be returned immediately after lifting of entire quantity of Sulphur from Dakhni field.

16. If the successful bidder fails to deposit balance 75% payment and 10 % Performance Bond within stipulated time period provided at clause-15 above, OGDCL will cancel the bid/award and forfeit 05% Bid Bond/Earnest Money and 25% of Advance Payments received with the bid.
17. OGDCL shall have the right to increase/ decrease quantity of lot sizes and reject any or all bids without assigning any reason.
18. Litigant Companies are not eligible to participate in this bidding round.
19. Bidder is solely responsible for utilization of Sulphur as per the guide lines of GOP. The successful bidder will give undertaking that;
 - a. Sulphur will be utilized abiding by all laws of GOP.
 - b. Sulphur will not be sold to any user who doesn't hold required valid permission from respective authorities.

Sd
General Manager

ACCEPTED BY: _____

SIGNED: _____

DATED: _____

Company Seal

BID SPECIMEN

(To be printed on bidder's official letterhead, submitted separately for each lot & signed by the representative authorized for the purpose)

To,

G.M (SCM)

Oil & Gas Development Company Limited,

OGDCL House, Jinnah Avenue, Blue Area,

ISLAMABAD

In response to the press advertisement dated _____ appeared in the daily
“ _____ ”.

We M/s. _____ have obtained/ downloaded the bidding document from OGDCL web site against the above advertisement and fully understood the Terms & Conditions contained therein. We hereby unconditionally agree to fully abide by these Terms & Conditions for submitting bid for purchase of Sulphur auction to be held on _____ and submit our bid as under: -

I - Bid Particulars

| | | |
|-----|---|------------------|
| (a) | Lot quoted for | (M. Tons) |
| (b) | Price quoted per M.ton (Exclusive of Taxes & duties) | Rs. (Per M. Ton) |
| (c) | Sub Total = (axb) | Rs. |
| (d) | Sales Tax payable @ 18% on quoted price at © above. | Rs. |
| (e) | Gross quoted price/M.ton = (c+d) | Rs. |
| | | Amount in words |
| (f) | 25% advance (bid) amount on gross quoted price above | Rs. |
| (g) | 75% of gross quoted price (i.e. balance payable to OGDCL if your bid declared successful) | Rs. |

II - Bid Bond / Earnest Money

| | | |
|-----|---|-----|
| (a) | Demand draft /pay order No. | |
| (b) | DD/PO dated | |
| (c) | Issuing bank | |
| (d) | Equivalent to 5% of gross quoted amount | Rs. |

III - 25 % Advance Payment

| | | |
|-----|--|-----|
| (a) | Demand draft /pay order No. | |
| (b) | DD/PO dated | |
| (c) | Issuing bank | |
| (d) | Equivalent to 25% of gross quoted amount | Rs. |

IV - 10 % of Performance Bond

| | | |
|-----|--|-----|
| (a) | Demand draft /pay order No. | |
| (b) | DD/PO dated | |
| (c) | Issuing bank | |
| (d) | Equivalent to 10% of gross quoted amount | Rs. |

Authorized Signature_____

Name: _____

Designation: _____

Company Seal