

**INFORMATION FOR 3RD PARTY PRE-SHIPMENT INSPECTION**  
**Purchase Order No. PROC/FB/CB/PE&FD-5153/SCM/4500000488/2022**  
**For Procurement Of 4 Inch Seamless Pipeline**

1	Purchase Order No.	Purchase Order No. PROC-FB/CB/PE&FD-5153/SCM/4500000488/2022
2	Amount of Purchase Order	CNY 8,793,600/- (Chinese Yuan Eight Million Seven Hundred Ninety-Three Thousand Six Hundred Only)
3	Name and address of Manufacturer(s)	M/s Jiangsu Changbao Precision Steel Tube Co. Ltd., No. 88 Jinwu Road, Jintan, Changzhou City, Jinagsu Province, P.R. China 213018 <u>Contact Person:</u> Mr. Paul Nie (Team Leader – Line Pipe) Tel: +86-519-88256205 Email: niep@cbsteeltube.com
4	Inspection Location:	<u>Complete Street Address:</u> M/s Jiangsu Changbao Precision Steel Tube Co., Ltd., Address: No. 88 Jinwu Road, Jintan, Changzhou City, Jiangsu Province, P.R. China 213018 <u>Contact Person:</u> Mr. Paul Nie (Team Leader – Line Pipe) E-mail: niep@cbsteeltube.com Tel: +86-519 88803811 Fax: +86-519 88823959 Mobile: +86-13701506536
5	Name and address of LC Beneficiary	M/s Jiangsu Changbao Precision Steel Tube Co. Ltd., No. 88 Jinwu Road, Jintan, Changzhou City, Jinagsu Province, P.R. China 213018 <u>Contact Person:</u> Mr. Paul Nie (Team Leader – Line Pipe) Tel: +86-519-88256205 Email: niep@cbsteeltube.com
6	Local Agent / Contact Person	M/s Ehsan Corporation Pvt. Ltd., Awan Plaza, Shadman Market, Lahore Phone: +92-42-37425000/37424547 Fax: +92-42-37424565/37424430, Mobile: +92-323-4486859 <u>Contact Person:</u> Mr. Shahid J. Ehsan (Director Marketing) Tel: +92-323-4486859 Email: shahidehsan@ehsancorporation.com sjehsan@yahoo.com
7	Description of Material	As per Purchase Order No. PROC-FB/CB/PE&FD-5153/SCM/4500000488/2022 (copy attached).
8	Scope of Work	As per attachment

  
2022.10.8

**江苏常宝普莱森钢管有限公司**  
JIANGSU CHANGBAO PRECISION STEEL TUBE CO., LTD



**OIL & GAS DEVELOPMENT COMPANY LIMITED.**  
**OFFICE OF THE MANAGER SCM (FOREIGN)**

(FOR OGDCL PRE-QUALIFIED THIRD PARTY INSPECTION FIRMS)

Subject: - **INVITATION TO BID FOR INSPECTION MATERIAL AGAINST PURCHASE ORDER NO.**

Dear Sir,

1. OGDCL intends to acquire complete inspection services for the goods being procured against subject Purchase Order.
2. **“Annexure-A” (Draft to be issued by OGDCL to TPI Firms)** contains, Terms of Reference (TOR) with Scope of Work (SOW) along with manufacturer’s contact / e-mail & complete address and deadline for submission of bid. The copy of “Purchase Order” (**Issued by OGDCL to supplier/contractor**) highlighting all the items in detail to be inspected is attached as **Annexure-“B”**. Any clarification regarding port of shipment or site of inspection may be obtained directly from the said contractor under intimation to OGDCL. It is your responsibility to ascertain time required for inspection of goods. Partial / random inspection is not required. Inspection of 100% goods is required.
3. You are requested to submit your most competitive sealed bid/proposal in duplicate valid for 120 days on or before **(Deadline for Submission of bid As Mentioned in Annexure-A)**, in sealed envelope marked with the following enfacement:-

**DO NOT OPEN BEFORE** **(Deadline for submission of bids As Mentioned in Annexure-A)- BID/PROPOSAL FOR THIRD PARTY INSPECTION OF MATERIAL/GOODS AGAINST PURCHASE ORDER NO.**

TO,

**MANAGER SCM (FOREIGN),**  
SUPPLY CHAIN MANAGEMENT DEPARTMENT  
OIL & GAS DEVELOPMENT COMPANY LIMITED  
OGDC HOUSE, JINNAH AVENUE, BLUE AREA, ,  
ISLAMABAD (PAKISTAN).

4. **The cost should be LUMP SUM** inclusive of all taxes and stamp duties as per Government Rules applicable on services companies. Taxes will be deducted at source. Variable prices / man days rates are not acceptable (**FINANCIAL BID FORMAT IS ATTACHED AT ANNEXURE-C**).
5. The bid proposal should essentially include C.Vs of the professionals expected to be deployed for the said job.
6. The Service Order shall be interpreted in accordance with the laws applicable in Pakistan.
7. Payment will be made on submission of your invoices along with inspection report carried out by the company as per provided TOR/SOW.
8. The price charged by the Service Company for required services shall not vary from the price quoted by the Service Company.
9. **The bid must be strictly in accordance with our Terms of Reference for inspection and quoted price must be firm. Please ensure to submit your proposal as stipulated above. In case of regret to submit the bid , please do inform us through return fax / E-mail.**
10. Service Order will be issued as per **Annexure-D**. Please submit signed / stamped service order along with the bid. Service order will be issued after fulfillment of all procedural formalities as per company rules and regulations.

Regards.

**(SIGNED BY)**  
MANAGER SCM (FOREIGN)

## ANNEXURE-A

### DETAILS

1	<b>PURCHASE ORDER</b>	PROC-F_____
2	<b>DESCRIPTION OF MATERIAL</b>	<b>ATTACHED AT ANNEXURE - B</b> AS PER PURCHASE ORDER
3	<b>NAME/ADDRESS OF L/C BENEFICIARY &amp; MANUFACTURER</b>	NAME: M/s  PH: FAX: EMAIL:
4	<b>LOCAL AGENT</b>	NAME: M/s  PH: FAX: EMAIL:
5	<b>TOR / SCOPE OF WORK</b>	Attached
6	<b>DEADLINE FOR SUBMISSION OF TPI BID</b>	<b>DATE:-----</b>

**ANNEXURE-B**

**COPY OF PURCHASE ORDER**

**ANNEXURE-C**

**FINANCIAL BID FORMAT**

**(ON TPI FIRM LETTERHEAD)**

**THIRD PARTY INSPECTION**

<b>1</b>	<b>PURCHASE ORDER</b>	PROC-F _____ <b>ATTACHED AT ANNEXURE - B</b>
<b>2</b>	<b>DESCRIPTION OF MATERIAL</b>	AS PER PURCHASE ORDER
<b>3</b>	<b>LUMPSUM COST AS PER ITB / TOR / SOW</b> inclusive of all taxes and stamp duties as per Government Rules applicable on services companies. Our prices are firm and not variable.	USD OR ANY OTHER CURRENCY _____

**ANNEXURE-D**  
**SERVICE ORDER**  
**(ON OGDCL LETTERHEAD)**

**No.**

**Issuance date**

**M/s**

**(Name of TPI Firm already pre-qualified)**

Subject: - **SERVICE ORDER FOR THIRD PARTY INSPECTION OF MATERIAL AGAINST PURCHASE ORDER**

Dear Sir,

Subsequent to your bid proposal No. \_\_\_\_\_ **dated** \_\_\_\_\_ and subsequent clarifications/confirmations (if any). OGDCL hereafter called as the Company ("Company") is pleased to place this Service Order on M/s. \_\_\_\_\_, hereafter called as Contractor ("Contractor") for providing Services for Third Party Inspection of **MATERIAL AS PER PURCHASE ORDER** against your proposal amounting to **USD (OR IN THE CURRENCY OF BID)** on the broad terms and conditions including but not limited to the following:

- i. The prices charged by the Service Company for the required services under this Service Order shall not vary from the prices as quoted in your above referred proposal.
- ii. The payment will be made in Pak Rupees.
- iii. The following documents are integral part of this Service Order.
  - a. TOR/Scope of Work as mentioned in our ITB.
  - b. Bid Proposal and all clarifications/confirmations.
- iv. At source tax deduction will be handled as per prevailing rules.
- v. Upon receipt of clean and clear invoice, The Company shall make all reasonable efforts to make payment as early as possible against invoices verified by our end user technical department. However, any payment beyond 30 days from the date of receipt of invoice shall in no way or manner entitle the Contractor to claim any interest, surcharge, markup and charges etc.
- vi. The laws of Pakistan shall apply to this Service Order.
- vii. The contractor shall employ and depute for the execution of services only such persons who are careful, skilled and experienced in their trades, professions and the Company's representative shall be at liberty to object and to ask the contractor to replace any person employed by the contractor for execution of such services who in the opinion of Company's representative misconducts, is incompetent or negligent in the performance of his duties or fails to confirm with any particular provisions with regard to safety which may be set out in the contract or any conduct which is prejudicial to safety or health and such person shall not be employed again upon the works ,services and jobs without the permission of the Company's representative. Such permission shall not be unreasonably withheld by the Company.
- viii. Please contact M/s \_\_\_\_\_ (**NAME OF MANUFACTURER / LC BENEFICIARY**) & their local agent immediately on the address given below for carrying out inspection:

<b>LC BENEFICIARY / MANUFACTURER</b> NAME: M/s  PH: FAX: EMAIL:	<b>LOCAL AGENT:</b> NAME: M/s  PH: FAX: EMAIL:
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ix. The contractor warrants and represents that works, jobs and services required to be performed under this contract will be timely performed in a good and workmanlike manner in accordance with generally accepted industry standards and practices.

x. ERADICATION OF CORRUPTION: All vendors, Suppliers, Contractors, Consultants and alike are encouraged to inform MD / CEO and Head of SCM Department in case where any OGDCL employee asks for any type of favour whether monetary or in kind. You can contact the M.D. and Head of SCM Department on the following addresses, phone numbers, faxes or e-mail:

(i) MD / CEO  
Oil & Gas Development Company Limited  
OGDCL House, Jinnah Avenue, Islamabad.  
Tel No. 051-9209701  
Fax No. 051-9209708  
E-mail: [ceo@ogdcl.com](mailto:ceo@ogdcl.com)

(ii) General Manager (SCM)  
Supply Chain Management Department  
OGDCL House, Islamabad.  
Tel No. 051-2623029  
Fax No. 051-9215090  
E-Mail: [jahangaiz@Ogdcl.com](mailto:jahangaiz@Ogdcl.com);

02. Please confirm acceptance of the above terms and carry out pre-shipment inspection strictly as per the terms and conditions of the Service Order.

Yours Sincerely,

**SIGNED BY  
Manager SCM (Foreign)**

**Accepted by (TPI Firm)**

Signature .....

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

Company Title of the Signatory.....

Company Seal.....


Copy to:

1. **HOD OF INDETING DEPT**
2. **MANUFACTURER / LC BENEFICIARY**
3. **LOCAL AGENT**

**TECHNICAL EVALUATION SHEET  
QUALIFICATION OF PRE-SHIPMENT  
INSPECTION AGENCIES  
AGAINST PURCHASE ORDER NO. PROC/FB/CB/PE&FD-5153/SCM/4500000488/2022**

Sr #	Criteria	Points	Points Obtained
<b>1</b>	<b>Applicable Certifications &amp; Registrations (Mandatory 1a, 1b, and 1c)</b>		
1a	Global third party pre-shipment inspection body, with valid ISO/IEC 17020:2012 Accreditation of ISO 17020 by PNAC or equivalent international accreditation organization.	30	
1b	Valid ISO/IEC 17025:2017		
1d	Registration with SECP & FBR		
<b>2</b>	<b>Company Experience</b> <b>Please attach certificates: 1. Year of incorporation</b> <b>2. First inspection performed</b>		
	<b>No. of Years</b>		
2a	More than 20 Years	15	
2b	10 to 20 Years	10	
2c	Less than 10 Years	0	
<b>3</b>	<b>Financial Strength - Last Three Years Audited Accounts or Bank Statement Required</b> <b>(Please attach copy of audit reports/bank statements)</b>		
	<b>Annual Revenue USD (Millions)</b>		
3a	More than USD 02 Million	10	
3b	USD 01 to 02 Million	5	
3c	Less Than USD 01 Million	0	
<b>4</b>	<b>List of Existing Clients along with number of same nature of (Pipe) inspections performed in last year</b> <b>(copy of service orders to be enclosed)</b>		
	<b>Nos of Inspection</b>		
4a	More than 20 in Oil and Gas Sector	15	
4b	From 10 to 20	10	
4c	Less Than 10	0	
<b>5</b>	<b>In House Technical Capabilities</b> <b>Nos of qualified technical experts in Pakistan or other countries on company's payroll</b> <b>(copy of previous three (03) months' payroll to be provided)</b>		
5a	More Than 200	10	
5b	From 150 to 200	5	
5c	Less Than 150	0	
<b>6</b>	<b>Company should have its setup (Offices / Service centers) operational in Other countries during last three years</b> <b>Must have setup in America, Europe &amp; China otherwise zero (0) marks shall be allotted in this category</b>		
	<b>Nos. of Countries</b>		
6a	More Than 40 Countries	10	
6b	From 30 to 40 Countries	5	
6c	Less Than 30 Countries	0	
<b>7</b>	<b>Firms must have its office(s) at Karachi, Lahore and Islamabad in Pakistan</b>		
7a	Three (03) or more offices in Pakistan including Karachi, Lahore & Islamabad	10	
7b	Two (02) or more offices including Islamabad and Karachi or Lahore in Pakistan	5	
7c	Less than two (02)	0	
<b>Grand Total</b>			

Minimum qualification points are 70.

  
**Abdul Samad Rahu**  
 S.E (Mech-II)  
 Ext: 2834



# **TOR FOR THIRD PARTY INSPECTION & EXPEDITING**

## **1. Introduction:**

Inspection of material as per purchased order. Third party presence will be 100% during the manufacturing and coating process.

## **2. Scope of Inspection**

2.1 Inspection of Line Pipes during Manufacturing in accordance with Applicable Standards, PO & tender specifications & Expediting services in order ensure timely supply of pipe to OGDCL. Activity or test not mentioned in following scope of work but required as per tender specification will also be witnessed by third party inspector.

### **2.2 Documents Review for Approval.**

2.2.1 Review of Manufacturing Procedure Specification

2.2.2 Review of Inspection / Testing Procedures & Plan

2.2.3 Review of Calibration Certificates of NDT & Destructive tests Equipment.

2.2.4 Review of Inspection test plan

2.2.5 Review of Raw Material & verification through MTC'S

2.2.6 Review of NDT Personnel Certifications & records

2.2.7 Review of Manufacturing schedule (In order to expedite)

### **2.3 Visual Inspection of billets and Witness of Associated Tests**

2.3.1 Visual inspection of billets to evaluate the dimensional features

2.3.2 Visual inspection of billets to detect surface imperfections like lamination, gouges &/or pitting.

2.3.3 Witnessing of chemical test of billets, to ensure chemical properties of raw material to be used.

2.3.4 Verification of chemical test reports as per applicable code/standard &/or client's specification (if any).

## **2.4 Visual/dimensional inspection during manufacturing**

2.4.1 Witnessing of billet charging in furnace.

2.4.2 Visual inspection of initial shell.

2.4.3 Dimensional check of initial shell.

2.4.4 Witnessing/monitoring of pickling process like temperature/hold time.

2.4.5 Witnessing of cold draw and visual inspection for any surface defects during process.

2.4.6 Witnessing of annealing (stress relieving) to ensure proper temperature and travelling speed (hold time).

## **2.5 Witnessing of Hydrostatic Test of Pipe in accordance with Applicable Standard**

2.5.1 Test pressure shall be designated in accordance with applicable standard

2.5.2 Test duration shall be observed (10) seconds per pipe length.

2.5.3 Ensuring no leakage during test from end seal for constant test pressure.

2.5.4 Witness of Hydrostatic test data and pipe data.

## **2.6 Witnessing of Non-Destructive Evaluation in Accordance with Applicable Standard**

2.6.2 Witnessing of complete Length of pipe inspected by NDT (for PSL 2 only or if mentioned in client's specification/purchase order).

2.6.3 All defects detected in NDT process shall be marked with spray paint.

2.6.4 Verification of NDT test reports.

## 2.7 Destructive Test of Pipe.

2.7.1 Witnessing of destructive tests from finished product.

2.7.2 Verification of destructive test reports according to applicable code/standard & specification

## 2.8 Witnessing of Final Inspection of Pipe:

2.6.1 Final Inspection shall be conducted in order to witness the following Features of Pipe.

- Pipe Length.
- Straightness.
- Pipe end Squariness.
- Pipe Weight.
- Bevel Angle and root.
- Pipe body for any surface defects.
- Pipe bevel Protection Guard.
- Marking on pipe. (Stencilling)
- Magnetic Residuals. (test)

## 3. Inspection of 3 Layer Polyethylene Coating in Accordance with Applicable Standard

### 3.1 Documents Review:

3.1.1 Raw Material Handling Procedure


3.1.2 Surface Preparation Procedure

3.1.3 Raw Material Testing Procedure

3.1.4 Coating Application Procedure

3.1.5 Inspection and Testing Procedure

3.1.6 Inspection and Testing Equipment Calibration

  
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S.E (Mech-II)  
Ext: 2834

- 3.1.7 Coating Repair Procedures
- 3.1.8 Handling and Stockpiling Procedure
- 3.1.9 Personnel Qualification Record
- 3.1.10 MTC'S of coating raw material.

### **3.2 Visual Inspection of Pipe before Blast Cleaning:**

- 3.2.1 Visual inspection of pipe external surface to ensure removal of oil grease and all other foreign substances.
- 3.2.2 Visual inspection of pipe to ensure drying of pipe
- 3.2.3 Visual inspection for quality of Epoxy Primer, Adhesive and PE from each batch.
- 3.2.4 Verification of visual inspection reports

### **3.3 Visual Inspection after Blast Cleaning:**

- 3.3.1 Visual inspection of pipe for surface profile according to applicable standard.
- 3.3.2 Visual inspection of blast pipe for surface defects, such as lamination, gouge & other detrimental defects
- 3.3.3 Verification of post blasting data reports.

### **3.4 Inspection of 3 Layer Coating during Application in accordance with Applicable Standard**

- 3.4.1 Witnessing of Pre- heating.
- 3.4.2 Witnessing of Chromate application.
- 3.4.3 Witnessing of FBE application
- 3.4.4 Witnessing of PE application

  
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### **3.5 Final Visual Inspection of Coated Pipes:**

3.5.1 Visual inspection of coated pipes to ensure that Coating is free from any wrinkles, engravings, deep cuts, swelling, unbounded zones, air inclusions tears and voids etc.

3.5.2 To ensure thickness of coating with in the specified range.

### **3.6 Destructive & Non- destructive Tests in accordance with Applicable Standard:**

3.6.1 Holiday detection Test

3.6.2 Thickness gauging

3.6.3 Adhesion and Peel test

3.6.4 Penetration Test

3.6.5 Impact resistance test

3.6.6 Cathodic disbandment test

3.6.7 Flexibility test

3.6.8 Hot water resistance test

3.6.8 PE tensile test


3.6.9 Transverse electric resistivity test

3.6.10 Resistance to ultraviolet.

3.6.11 Verification of Destructive & non-destructive test reports.

### **4.0 Reporting Structure:**

- Verification of Progress reports of all activities prepared by Pipe Manufacturer
- Submit a Non Conformance report to OGDCL signifying the quality concern & remedy.
- Daily Inspection Report will be sent to OGDCL by 3<sup>rd</sup> party inspector.
- Executive Summary of pipe Manufacturing.
- Detailed report at the end of complete inspection (Soft and hard copy).

  
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S.E. (Mech-II)  
Ext: 2834



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

**Incoterms** Costs and freight (CFR)

**To:** JIANGSU CHANGBAO PRECISION STEEL TUBE CO. LTD.  
**Supp. No:** 2000369  
**Address:** NO. 88 JINWU ROAD, JINTAN, CHANGZHOU CITY, China  
**RFQ No.:**  
**RFQ Date:**  
**Issuance Date:** 04-OCT-2022  
**Effective Date:**  
**Attachments:**

**Subject:** PURCHASE ORDER NO. PROC/FB/PE&FD-5153/SCM/4500000488/2022 FOR PROCUREMENT OF 4 INCH SEAMLESS PIPELINE AGAINST YOUR QUOTATION NO. CB-OGDCL-202112001 DATED 03-DEC-2021

Dear Sir(s),

We are pleased to issue purchase order in response to your above cited bid as detailed below:-

Sr. No.	Item No.	Material No.	Material Description	Unit	Quantity	Unit Value CNY	Total Value CFR CNY
1.	00010	60-03078	PIPE CS SMLS 4" SCH80 BE,BW API 5L X52, NORMALIZED, COATED WITH 3-LAYER POLYETHYLENE, DRL, PSL-2, MR-0175	M	40,000	219.84	8,793,600.00
<b>TOTAL</b>							<b>8,793,600.00</b>

**Amount in Words:** CNY EIGHT MILLION SEVEN HUNDRED NINETY-THREE THOUSAND SIX HUNDRED ONLY

**Purchase Requisition:** 20000084

**Name & Address of Manufacturer:** M/S JIANGSU CHANGBAO PRECISION STEEL TUBE CO. LTD., CHINA

**Delivery Period:** SIX (06) MONTHS CFR BY SEA KARACHI BASIS FROM LC OPENING DATE.

**Country of Origin:** P.R. CHINA

**Banker's Address:** BANK OF COMMUNICATIONS, CHANGZHOU BRANCH, 255# TONGJIANG SOUTH ROAD, CHANGZHOU JIANGSU P.R.CHINA.  
ACCOUNT NO: 324006010018170459570  
SWIFT CODE: COMMCNSHCHA

**Payment Terms:** 80% AGAINST SHIPMENT, 20% AFTER INSPECTION THROUG LC.

**Port of Shipment:** SHANGHAI, CHINA

**Port of Discharge:** Karachi Sea Port, Pakistan

**Add. Terms & Conditions:** DELIVERY TOLERANCE: PLUS + 0 METER, MINUS -100 METERS

**Special Terms & Conditions:** ALL THE TERMS & CONDITIONS OF TENDER DOCUMENTS, YOUR TECHNICAL AND FINANCIAL BIDS AND SUBSEQUENT CLARIFICATIONS/ CONFIRMATIONS ARE INTEGRAL PART OF THIS PURCHASE ORDER.

LETTER OF CREDIT SHALL BE ESTABLISHED AS PER TERMS & CONDITIONS ATTACHED HEREWITH.

W

netted  
IRFAN ZOUQUE BUTT  
Dy. Chief (Mech-iv)  
Ext: 4162

04/10/2022  
SYED EJAZ ABBAS RIZVI  
Manager (SCM) Foreign  
Oil & Gas Development Co. Ltd  
Islamabad

**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, 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 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 third party pre-shipment 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 E-mail to (1) Dy. Chief Material Officer, Plot No. 21, West Wharf, Karachi, E-mail: [abdulwaheed\\_kunbhar@ogdcl.com](mailto:abdulwaheed_kunbhar@ogdcl.com) (2) Manager (Foreign) Procurement, OGDCL House Plot No. 3 (New NO. 3013)F-6/G6, Blue Area, Jinnah Avenue, Islamabad. E-mail: [ejaz\\_rizvi@ogdcl.com](mailto:ejaz_rizvi@ogdcl.com) (3) Manager Accounts (Imports) on E-mail: [imtiazh\\_sherazi@ogdcl.com](mailto:imtiazh_sherazi@ogdcl.com) (4) National Insurance Company Limited, Karachi on E-mail: "sanallah.shaikh@nicl.com.pk" OR "ghulam.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.
- b) If clean documents free from any discrepancy are not negotiated within negotiation period mentioned in the L/C, or if the documents are withheld by the Bank on account of any discrepancy whatsoever the demurrage or financial impact if any incurred due to late negotiation of clean documents will be on beneficiary's account.
- c) Original/negotiable documents must contain at least four sets of the shipping documents mentioned under Clause No. 5 above.
- 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 **along with 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  
 OGDCL 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](mailto: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 & E-mail: [abdulwaheed\\_kunbhar@ogdcl.com](mailto: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). E-mail: "sanallah.shaikh@nicl.com.pk" OR [ghulam.akbar@nicl.com.pk](mailto:ghulam.akbar@nicl.com.pk), OR [info@nicl.com.pk](mailto:info@nicl.com.pk) and Manager (Accounts) /OGDC LTD., E-mail: [imtiazh\\_sherazi@ogdcl.com](mailto:imtiazh_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, 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.

15. **DELIVERY TOLERANCE:**

Plus +0 Meter , Minus -100 Meters.

Purchase Order # PROC-FB/CB/PE&FD-5153/SCM/4500000488/2022  
accepted by:

Signature .....

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

Company Title of the Signatory.....

Company Seal.....

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