

OIL INDIA LIMITED
(A Government of India Enterprise)
P.O. Duliajan – 786602, Assam, India
Website: www.oil-india.com

Corrigendum No. 5 to IFB No. SDG7383P18

Engineering, Fabrication and supply of Modular Packages Contract (MPC) for OCS at Nadua and GGS at East Khagorijan in Dibrugarh District, Assam

1. This Corrigendum is issued to notify the following :

- a) OIL's/Consultant's responses to fresh queries received from bidders in matter corresponding to technical SOW are attached as **Annexure-I** herewith.
- b) OIL's/Consultant's responses to clarifications sought by bidders on compliance of certain Tender clauses (on Commercial aspects) are attached as **Annexure- II** herewith.

All the bidders are requested to refer to **Annexure- I & Annexure-I to this Corrigendum.**

c) Extension of the Bid Closing/Technical Bid Opening date :

i) Bid Closing Date & Time : 25.06.2018, 11:00 hrs. IST.

ii) Technical Bid Opening Date & Time : 25.06.2018, 14:00 hrs. IST.

2. All other terms and conditions of the tender remain unaltered.

3. All the prospective bidders are requested to regularly visit OIL's website: www.oil-india.com and e-procurement portal <https://etender.srm.oilindia.in/irj/portal> for further announcements/latest information related to this tender.

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PRE-BID QUERY RESPONSE SHEET

Sl. No.	Bidder's Query	OIL/Consultant's Response
1	Delete Inlet Separator C and use Test Separator for dual functions (well testing and standby) or delete Test Separator and use Inlet Separator C for testing as well	Inlet Separator – C is required as per OISD guidelines.
2	What is the purpose of having 2 x 50% trains for static equipment?? This is no down time even with single train for static equipment.	2 x 50% trains (with 50% design capacity each) are required for turndown operation.
3	Why inlet manifold for HP, LP and NAG require so many SDV's and manual valves at the plant inlet? Isn't the wellhead already have choke valves & etc and the wells can be shut-in during emergency?	SDV at each well fluid flow lines are required. Wellheads are not provided with SDVs
4	The Crude/Crude exchanger is very expensive. Can we increase the approach temp and decrease the duty but this will make the Crude Oil heater a bit higher duty? Can plate type for crude/crude hex be considered?	Plate type exchangers can be used
5	Can the 6 NAG well lines be combined into header so that 1 common NAG Inlet Heater can be used?? If combine can this be a water bath heater?	Given scheme on NAG system remains same. No change is accepted
6	It appears that there isn't any Christmas tree with choke at the wellhead for NAG wells since there is choke at plant inlet manifold??	Wellhead choke arrangement information is currently not available.
7	If the 2 x 50% redundancy must be followed then why the flare KO Drum and Fuel Gas Scrubber only has 1 x 100% unit?	2 x 50% is not redundancy. It is split flow to 2 trains to meet OISD guidelines for Hydrotest.
8	There are way too many SDV's, manual isolation valves, blowdown valves, PSV's & etc. Since the equipment and lines are all very small then isolation/blowdown should be considered as a block of equipment with same design pressure instead of isolation/blowdown on individual equipment.	Follow P&IDs for isolation valves, SDVs, blow down valves, PSVs
9	Why is there a need for a SDV on each and every line of equipment such as 1 SDV on gas outlet, 1 on liquid outlet and 1 on water outlet? Should consider to use control valve as SDV as well	Follow P&IDs
10	Can the hot oil heater be designed for non-API? API rated costs double	Hot oil heater can be designed as per relevant API standards.
11	Can WHRU be used instead of Hot Oil heater especially if we are allowed to use water bath heater for NAG Inlet heater?	No WHRUs
12	In order to reduce the price for modular package to try to meet budget, the interconnecting piping/cables/trays, F&G's, lightings, PA/GA, deluge, fire hydrants, and	Material handling within skid, deluge (sprinkler) within skid, F&G within skid is in

	material handlings should be considered in the site contractor scope.	MPEC-2 contractor scope. Interconnecting piping/cables/trays between skids (per plot plan), lighting, PA/GA, Fire hydrants are not in MPC-2 contractor scope.
13	Can the inlet manifolds with valves be removed from modular package scope? It should be constructed at site by site contractor instead of skid mounted.	Inlet manifold will be in MPC-2 contractor's scope.
14	The compressors (2 x 100%) and crude pumps (4 x 50%) are gas engine driven. If these are electrical motor driven then it would be much cheaper but it will increase the duty on GTG's. A larger unit GTG's may allow us to use WHRU's to cover all the heating requirements instead of using hot oil heaters.	Follow tender document.
15	Since the milestone payments given in the RFQ document yield a very negative cash flow hence result in high financing fees. Please consider more neutral cash flow milestone payments with no advance payment guarantee. Please note that the milestone payments are progressive and hence OIL has the entitlement to the drawings, design documents, materials & etc if the contract is terminated or incomplete.	No change in payment terms accepted. Follow tender clause.

OIL's RESPONSE TO ACCEPTABILITY OF NON-COMPLIANCE OF CLAUSE IN VARIOUS SECTIONS OF TENDER

SL. No	RFQ Section	Ref. Clause	Statement of Non-Compliance of clause sought for OIL's Approval	OWNER'S RESPONSE
1	General Terms & Conditions	Clause 43 (page33)	<p>Contractor also guarantees the design, workmanship and the freedom from defects of the Goods and/or Services for a period of one (1) Gregorian year from the installation or use of the Goods and/or Services by Company or eighteen (18) Gregorian months from the date of receipt of the Goods and/or Services by Company, whichever occurs first.</p> <p>In the case of products or parts not wholly of Contractor's manufacture, Contractor's liability shall be limited to the extent of Contractor's recovery from the manufacturer of such products or parts under its liability to Contractor.</p> <p>Notwithstanding anything else to the contrary, If, within these specified periods, Contractor receives notice from COMPANY of any alleged defect in or non conformance of any product or repair and if in the Contractor's sole judgment the product or repair does not conform or is found to be defective in material or workmanship then COMPANY shall at Contractor's request, return the part or product F.O.B. to Contractor's designated plant or service location. Any repair work performed by Contractor is warranted for one year from</p>	<p>Clause 43 stands modified to read as under instead of existing:</p> <p>Quote-</p> <p>43.0 Warranty/ Guarantee and Defect Liability Contractor also guarantees the design, workmanship and the freedom from defects of the Goods and/or Services for a period of one (1) Gregorian year from the installation, commissioning and PGTR or eighteen (18) Gregorian months from the date of receipt of the Goods and/or Services by Company, whichever occurs later.</p> <p>Notwithstanding anything else to the contrary, If, within these specified periods, Contractor receives notice from COMPANY of any alleged defect in or non conformance of any product or repair and if in the Contractor's sole judgment the product or repair does not conform or is found to be defective in material or workmanship then COMPANY shall at Contractor's request, return the part or product F.O.B. for Foreign Contractor and F.O.R Duliajan (Despatching Station) for Indian Contractor to Contractor's designated plant or service location. Any repair work performed by Contractor is warranted for one year from completion of such repairs and applies only to work performed.</p> <p>If the Contractor feels that any variation in work or in quality of materials or proportions would be beneficial or</p>

		<p>completion of such repairs and applies only to work performed.</p> <p>Contractor has no liability for removal or reinstallation of products or equipment. Contractor, at Contractor's option and expense, shall repair or replace the defective part or product, or repay to COMPANY the full price paid by COMPANY for such defective part, repair or product. Any repayment of the purchase price shall be without interest. Contractor's warranty liability, including for defects caused by Contractor's negligence, shall be limited to such repair, replacement or refund, and shall not include claims for labor costs, removal and re-installation costs, heavy lifting, rig stand-by time, expenses of COMPANY resulting from defects, recovery under general tort law or strict liability or for damages resulting from delays, loss of use, or other direct, indirect, incidental or consequential damages of any kind.</p> <p>Contractor will not be responsible for failures of products which have been in any way tampered with or altered by anyone other than Contractor's authorized representative, failures due to lack of compliance with recommended maintenance procedures or products which have been repaired or altered in such a way (in Contractor's judgment) as to affect the products adversely.</p> <p>THIS WARRANTY IS EXPRESSLY IN LIEU OF ALL OTHER WARRANTIES, EXPRESS,</p>	<p>necessary to fulfil the guarantees called for, he shall bring this to the notice of the Consultant/OIL in writing.</p> <p>Defective goods / materials or parts notified by OIL to the Seller shall be replaced immediately by the Seller on F.O.R destination basis for Indian Contractor and C.I.F Kolkata for Foreign Contractor including payment of all taxes and duties at Seller's expense. Also, an additional Contractal Performance Guarantee shall be furnished separately for the extended period of liability for that portion of work/equipment only.</p> <p>Contractor, at Contractor's option and expense, shall repair or replace the defective part or product, or repay to COMPANY the full price paid by COMPANY for such defective part, repair or product. Any repayment of the purchase price shall be without interest. Contractor's warranty liability, including for defects caused by Contractor's negligence, shall be limited to such repair, replacement or refund, and shall not include claims for labor costs, heavy lifting, rig stand-by time, expenses of COMPANY resulting from defects, recovery under general tort law or strict liability or for damages resulting from delays, loss of use, or other direct, indirect, incidental or consequential damages of any kind.</p> <p>However, Guarantee for the Basic Engineering & FEED of PLANTS in respect of suitable, appropriate & fault-free design, and system adaptability, process philosophy, etc. without defects/faults that affect operation of the plant will be provided by the Consultant (Kavin).</p> <p>Any Liability arising due to failure to obtain required mandatory statutory approval for the Plant and the installed instrument/facility as stipulated vide provisions of Oil Mines Regulations, DGMS, Indian Explosives Act, Indian</p>
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			<p>STATUTORY OR IMPLIED, INCLUDING THE WARRANTY OF MERCHANTABILITY AND FITNESS FOR PARTICULAR PURPOSE WHICH EXCEED THE FOREGOING WARRANTY.</p>	<p>Electricity Rules, Petroleum Rules, Indian Boiler Regulations etc. in force or byelaws / directives promulgated by Govt. Circulars/ Regulatory Boards/Panels, Enforcement Directorates etc will be borne by the Consultant.</p> <p>Any liability due to wrong/improper framing of commissioning & testing procedures and Safe Operating Procedures (SOPs) for all field equipments, system, etc. will be borne by Consultant.</p> <p>Contractor will not be responsible for failures of products which have been in any way tampered with or altered by anyone other than Contractor's authorized representative, failures due to lack of compliance with recommended maintenance procedures or products which have been repaired or altered in such a way (in Contractor's judgment) as to affect the products adversely.</p> <p>THIS WARRANTY IS EXPRESSLY IN LIEU OF ALL OTHER WARRANTIES, EXPRESS, STATUTORY OR IMPLIED, INCLUDING THE WARRANTY OF MERCHANTABILITY AND FITNESS FOR PARTICULAR PURPOSE WHICH EXCEED THE FOREGOING WARRANTY.</p> <p>-Unquote</p>
2	General Terms & Conditions	Clause 51.1 (page 39)	<p>We kindly request to limit our liability to 50% of value of Purchase Order and add at the end of the clause the following:</p> <p>"Company shall indemnify and keep indemnified Contractor harmless from and against any and all claims, costs, losses and liabilities in excess of the aggregate liability amount".</p>	<p>1.0 OIL considers limiting the liability of Bidder to 50% of value of Purchase Order provided that this limitation shall not be applicable to cost of repairing or replacing defective equipment by the Contractor, or to any obligation of the Contractor to indemnify the Company with respect to Intellectual Property Rights and in cases of willful misconduct and or criminal acts.</p> <p>2.0 OIL shall indemnify and keep indemnified Contractor harmless from and against any and all claims, costs, losses and liabilities in excess of the aggregate liability amount in</p>

				terms of clause 1.0 above.
3	General Terms & Conditions	Clause 60 (page 42)	<p>Please amend second sentence in point 1 as follows:</p> <p>In the event of delay on the part of the Contractor to deliver package material/items, within the stipulated period of 10 months after a 4 weeks grace period, Liquidated damage 0.5 % of per unit package cost per week subject to maximum of 5 % will be applicable.</p> <p>Please add point 2 with the following: “It is agreed that the payment of such liquidated damages shall represent the sole remedy available to the Company in respect of delay under Contract or otherwise at law”.</p>	<p>Clause 60 stands modified to read as under instead of existing: Quote-</p> <p>60. LIQUIDATED DAMAGE</p> <p>1.0 The duration for supplying all the contractual package materials/items as per TOR and specification shall be 10 months from the date of issue of Letter of Award (LOA). In the event of delay on the part of the Contractor to deliver package material/items, within the stipulated period of 11 months, Liquidated damage 0.5 % of per unit package cost per week or part therefore of subject to maximum of 7.5 % will be applicable. Should there be default on the part of the Seller for more than 26 Weeks from the scheduled date to complete the delivery or to complete the installation/commissioning & Training (wherever applicable) successfully, OIL shall have the right, in addition to the provisions as above to invoke the Performance Security without causing any notice to the Seller to this effect.</p> <p>2.0 The parties agree that the sum specified above is not a penalty but a genuine pre-estimate of the loss/damage which will be suffered by OIL on account of delay/breach on the part of the Contractor and the said amount will be payable without proof of actual loss or damage caused by such delay/breach and without any demur and shall not be open for any dispute whatsoever. It is agreed that the payment of such liquidated damages shall represent the sole remedy available to the Company in respect of delay</p>

				<p>under Contract or otherwise at law</p> <p>-Unquote</p>
4	Special Terms & Conditions	Clause 9.0 (page 91)	<p>Please delete the following:</p> <p>...and the Contractor shall carry out the related work in accordance with such altered specifications, orders, instructions, plans, drawings and /or designs as the case may be, on the same terms and conditions in all respects”</p> <p>Please add new point c:</p> <p>Notwithstanding anything else to the contrary If any change increases or decreases the cost or time required for Contractor’s performance, then as soon as practicable, the Parties shall agree to an equitable adjustment to the agreed price and performance schedule as applicable. In no event may Contractor delay initial Work or the Work proposed by the Company initiated change while the parties settle issues of price or performance schedule, unless the value of all disputed change orders equals or exceed 5% of the original Purchase Order value, in which case Contractor shall be entitled to cease its performance until all unresolved change orders have been resolved. Notwithstanding anything else to the contrary Contractor shall not, without Company’s prior written authorization, alter, substitute, or add to the Goods.</p>	<p>Clause 9.0 (a) stands modified to read as under instead of existing:</p> <p>Quote-</p> <p>a) The Consultant/ The Company shall have the power, by written notice to the Contractor at any time prior to or in the course of the execution of works or any part thereof, to alter or amend the specifications, orders and/or instructions or any of them by addition, omission, substitution or otherwise howsoever with or without altering or amending the plans, drawings and/or design and the Contractor shall carry out the related work in accordance with such altered specifications, orders, instructions, plans, drawings and/or designs as the case may be, on mutually agreed terms and conditions in all respects.</p> <p>-Unquote</p> <p>Addition of new Clause 9.0 (c)</p> <p>Quote-</p> <p>c) Notwithstanding anything else to the contrary If any change increases or decreases the cost or time required for Contractor’s performance, then as soon as practicable, the Parties shall agree to an equitable adjustment to the agreed price and performance schedule as applicable. In no event may Contractor delay initial Work or the Work proposed by the Company initiated change while the parties settle issues of price or performance schedule, unless the value of all disputed change orders equals or exceed 5% of the original Purchase Order value, in which case Contractor shall be</p>

				entitled to cease its performance until all unresolved change orders have been resolved. Notwithstanding anything else to the contrary Contractor shall not, without Company's prior written authorization, alter, substitute, or add to the Goods. -Unquote.
5	Special Terms & Conditions	Clause 11.0 (page 92)	Any work not conforming to execution drawings, specifications or codes shall be rejected forthwith and the Contractor shall carry out the rectifications at his own cost provided however that the Contractor maximum amount of any expense for which the Contractor shall be liable under this clause shall be limited to a maximum of an additional 10% that would have been invoiced by Contractor for that portion of the GOODS/work".	Follow tender document
6	Special Terms & Conditions	Clause 21.0 (page 95)	1) Please replace point c) with the following: If Company employs a third party to finish the work, Contractor will be liable for any documented, reasonable (as compared to Contractor's prices for the same work as set forth in this agreement), direct costs incurred by Company, provided, however, Contractor's maximum liability to Company under above point a & b of clause 21.0 for such costs shall not exceed the cost that would have been payable to Contractor for completion of the work. The remedies set forth herein constitute Company's sole and exclusive remedies, and all other rights and remedies under law are excluded.	Follow tender document

			<p>2) Please change last paragraph of clause 21.0 as follows:</p> <p>Before determining the Contract as per above clauses, provided in the judgement of the Company, the default or defaults committed by the Contractor is/are curable and shall be cured by the Contractor if an opportunity given to him, then the Company may issue notice in writing calling the Contractor to cure the default within the time specified in the written Notice from the Company.</p>	
7	Special Terms & Conditions	Clause 23.0 (page 96)	Already addressed in Clause 43 of General Terms & Conditions above	Clause 23.0 of Special Terms & Conditions stands deleted. Kindly refer to owner's response to Statement of Non-Compliance of clause sought for OIL's Approval under Sl. No. 1 of this Annexure for any reference made to clause 23.0 of Special Terms & Conditions in any part of the tender document.
8	Special Terms & Conditions	Clause 24.0 (page 96)	Please delete in its entirety	Clause 24.0 of Special Terms & Conditions stands deleted. Kindly refer to owner's response to Statement of Non-Compliance of clause sought for OIL's Approval under Sl. No. 1 of this Annexure for any reference made to clause 24.0 of Special Terms & Conditions in any part of the tender document.

***** **End of Corrigendum No. 5** *****