



Ref No. FD09/1622298/230119

Date: 26.11.2018

FORWARDING LETTER

M/s _____

Sub: Tender No. SDG9848P19/09 for SUPPLY OF PRE-COATED LINE PIPE AND BENDS.

Dear Sirs,

- 1.0 OIL INDIA LIMITED (OIL), a "Navaratna" Category, Government of India Enterprise, is a premier oil Company engaged in exploration, production and transportation of crude oil & natural gas with its Headquarters at Duliajan, Assam. Duliajan is well connected by Air with nearest Airport being at Dibrugarh, 45 km away.
- 2.0 In connection with its operations, OIL invites International Competitive Bids (ICB) from competent and experienced manufacturers through OIL's e-procurement site for "SUPPLY OF PRE-COATED LINE PIPE AND BENDS". One complete set of Bid Document for above is uploaded in OIL's e-procurement portal. You are invited to submit your most competitive bid on or before the scheduled bid closing date and time through OIL's e-procurement portal. For your ready reference, few salient points of the Tender are highlighted below:

E-Tender No	:	SDG9848P19/09
Type of Bidding	:	SINGLE STAGE TWO BID SYSTEM
Tender Fee	:	Not Applicable
Bid Closing Date & Time	:	23.01.2019; 11:00 HRS.
Technical Bid Opening Date & Time	:	23.01.2019; 14:00 HRS.
Price Bid Opening Date & Time	:	To be decided later and shall be intimated separately to the qualifying bidders.
Reverse Auction	:	Applicable
Bid Submission Mode	:	Bids must be uploaded online in OIL's E-procurement portal
Bid Opening Place	:	Office of GM-Materials, Materials Department, Oil India Limited, Duliajan -786602, Assam, India.
Bid Validity	:	Bid should be valid for 120 days from actual bid closing date.

Bid Security Amount	:	INR 6,33,800.00 OR USD 9,800.00
Bid Security Validity	:	Upto 31.08.2019
Original Bid Security to be submitted	:	Office of GM-Materials, Materials Department, Oil India Limited, Duliajan -786602, Assam, India.
Performance Guarantee	:	Applicable @ 10% of Order value
Integrity Pact	:	To be submitted as per attached format
Pre-bid Conference	:	Not Applicable
Contact Details	:	AMRIT L BORA, MANAGER MATERIALS E-MAIL: MMFD1@OILINDIA.IN; TEL: 0374-2808720
E-Tender technical Support	:	TEL: 0374- 2804903, 2807171, 2807192, E-MAIL: ERP_MM@OILINDIA.IN
Bids to be addressed to	:	GM-Materials, Materials Department, Oil India Limited, Duliajan -786602, Assam, India.

LIST OF ANNEXURES APPLICABLE

General Terms & Conditions	:	MM/GLOBAL/E-01/2005 for E-Procurement ICB Tenders
Annexure-A	:	Specification and various notes to bidders
Appendix-A1	:	Detailed specification and Scope of work
Appendix-A2	:	PPLC Policy
Appendix-A3	:	Special Terms & Conditions for Reverse Auction
Appendix-A4	:	Format of undertaking by Bidders towards submission of authentic information/documents
Annexure-B	:	Bid Evaluation & Rejection Criteria
Appendix-B1 & B2	:	Price bid formats for Indigenous & Foreign bidders
Annexure-C	:	Check List (Technical & Commercial)
Annexure-D	:	Certificate of Annual Turnover & Net Worth
Annexure-E	:	BEC/BRC Evaluation Matrix
Others	:	Any other document uploaded online in OIL's E-procurement portal.

3.0 OIL now looks forward to your active participation in the Tender.

Thanking you,
Yours faithfully,
OIL INDIA LIMITED

sd/-
(Amrit Loushon Bora)
Manager Materials(FD)
For GM Materials (HOD)
For Resident Chief Executive

AA::TECHNICAL SPECIFICATIONS

SL NO	ITEM DESCRIPTION	QUANTITY
10	<p>Line pipe, Bevel Ended, 3LPE coated, 150mm NB dia , ERW/LSAW/HSAW, Grade API 5L X-46, PSL-2, W/T 6.4 mm as per API 5L latest edition having following specification:</p> <p>i) Pipe Outside diameter 168.3mm ii) Thickness : 6.4mm iii) Length : Double random length iv) Weight per meter : 25.55 kg/m v) Test mill Pressure (Hydraulic): 184.5kg/sq cm</p>	8,000 M
20	<p>Line pipe, Bevel Ended, 3 LPE coated, 200mm NB dia , ERW/LSAW/HSAW, Grade API 5L X-46, PSL -2, W/T 6.4 mm as per API 5L latest edition having following specification:</p> <p>i) Pipe Outside diameter 219.1mm ii) Thickness : 6.4mm iii) Length : Double random length iv) Weight per meter : 33.57 kg/m v) Test mill Pressure (Hydraulic): 142kg/sq cm</p>	3,000 M
30	<p>Bend Bevel Ended, Pre- coated by Polyethylene Heat Shrinkable sleeves, as per ISO-21809-3 latest edition, Long Radius 90 Degree, Fabricated from line pipe 200mm, NB (8") dia, ERW/LSAW/HSAW, Grade API 5L X-46, PSL -2, W/T 6.4mm as per API 5L latest edition having following specification:</p> <p>i) Pipe Outside diameter 219.1mm, ii) Thickness : 6.4mm, iii) Weight per meter : 33.57 kg/m, iv) Test mill Pressure (Hydraulic) : 142kg/sq cm v) Deg of Bend : 90Deg Bend radius $R=6D$ where R is the radius of the bend and D is the diameter.</p>	15 Nos.
40	<p>Bend Bevel Ended, Pre- coated by Polyethylene Heat Shrinkable sleeves, as per ISO-21809-3 latest edition, Long Radius 45 Degree, Fabricated from line pipe 200mm (8") NB diameter, ERW/LSAW/HSAW Grade API 5L X-46, PSL -2, W/T 6.4 mm as per API 5L latest edition having following specification :</p> <p>i) Pipe Outside diameter 219.1mm, ii) Thickness:6.4mm, iii) Weight per meter : 33.57 kg/m, iv) Test mill Pressure (Hydraulic): 142kg/sq cm v) Deg of Bend: 45Deg Bend radius $R=6D$ where R is the radius of the bend and D is the diameter.</p>	20 Nos.


50	<p>Bend Bevel Ended, Pre- coated by Polyethylene Heat Shrinkable sleeves, as per ISO-21809-3 latest edition, Long Radius 60Deg, Fabricated from line pipe 200mm, NB (8") dia , ERW/LSAW/HSAW, Grade API 5L X-46,PSL -2,W/T 6.4mm as per API 5L latest edition having following specification :</p> <p>i) Pipe Outside diameter 219.1mm, ii) Thickness : 6.4mm, iii) Weight per meter : 33.57 kg/m, iv) Test mill Pressure (Hydraulic) : 142kg/sq cm v) Deg of Bend : 60Deg Bend radius R=6D where R is the radius of the bend and D is the diameter.</p>	15 Nos.
60	<p>Bend Bevel Ended, Pre- coated by Polyethylene Heat Shrinkable sleeves, as per ISO-21809-3 latest edition, Long Radius 90Deg, Fabricated from line pipe 150mm (6") NB dia, ERW/LSAW/HSAW , Grade API 5L X-46,PSL -2, W/T 6.4mm as per API 5L latest edition having following specification :</p> <p>i) Pipe Outside diameter168.3mm, ii) Thickness:6.4mm, iii) Weight per meter : 25.55 kg/m, iv) Test mill Pressure (Hydraulic) : 184.5kg/sq cm v) Deg of Bend : 90Deg, Bend radius R=6D where R is the radius of the bend and D is the diameter</p>	20 Nos.
70	<p>Bend Bevel Ended, Pre- coated by Polyethylene Heat Shrinkable sleeves, as per ISO-21809-3 latest edition, Long Radius 45Deg, Fabricated from line pipe 150mm (6") NB dia , ERW/LSAW/HSAW , Grade API 5L X-46,PSL -2, W/T 6.4mm as per API 5L latest edition having following specification :</p> <p>i) Pipe Outside diameter 168.3mm, ii) Thickness : 6.4mm, iii) Weight per meter : 25.55 kg/m, iv) Test mill Pressure (Hydraulic) : 184.5kg/sq cm, v) Deg of Bend : 45Deg Bend radius R=6D where R is the radius of the bend and D is the diameter.</p>	20 Nos.

FOR DETAILED SPECIFICATION, SCOPE OF WORK OF THE ABOVE ITEMS PLEASE REFER APPENDIX - A1.

BB::GENERAL NOTES TO BIDDERS

SI No	Clause description
1.0	<p>a) Bidders without having E-tender Login ID and Password should complete their online registration at least seven (7) days prior to the scheduled bid closing date and time of the tender. For online registration, Bidder may visit the OIL's E-tender site https://etender.srm.oilindia.in/irj/portal</p> <p>b) Necessary Login ID & Password will be issued by OIL only after submitting the complete online registration by the Bidder. In the event of late registration/incomplete registration by Bidder, OIL INDIA LIMITED shall not be responsible for late allotment of User ID & Password and request for bid closing date extension on that plea shall not be entertained by Company.</p>

	<p>c) MSEs Units (manufacturers/Service Providers only and not their dealers/distributors) who are already registered with District Industry Centers or Khadi & Village Industries Commission or Khadi & Village Industries Board or Coir Board or National Small Industries Corporation or Directorate of Handicrafts & Handloom or any other body specified by Ministry of MSME are exempted from payment of Bid Security (EMD) irrespective of monetary limit mentioned in their registration, provided they are registered for the item they intend to quote/participate.</p> <p>d) For availing benefits under Public Procurement Policy (Purchase preference & EMD exemption), the interested MSE Bidders must ensure that they are the manufacturer/ service provider of tendered item(s) and registered with the appropriate authority for the said item(s). Bids without EMD shall be rejected, if the technical offer does not include a valid copy of relevant MSE Certificate issued by appropriate authority specifying the item as per tender. Therefore, it is in the interest of such MSE Vendors to furnish a copy of complete certificate to the concerned tender handling officer of OIL at least seven (7) days prior to the scheduled Bid Closing Date of the tender; seeking clarification/confirmation as to whether their registered item is eligible for EMD exemption or not. Late communications in this regard and request for bid closing date extension on that plea shall not be entertained by Company.</p>
2.0	<p>Bid Security (EMD)/Performance Bank Guarantee – Must be paid either through online mode or Submission of Bank Guarantee/LC only. No DD/Cheques/Cashier Cheque or any other mode will be acceptable.</p> <p>The Bank Guarantee issued by bank must be routed through SFMS platform as per following details:</p> <p>a. (i) "MT760/ MT760 COV for issuance of bank guarantee (ii) MT767/ MT767 COV for amendment of bank guarantee</p> <p>The above message/intimation shall be sent through SFMS by the BG issuing bank branch to Axis Bank, Duliajan Branch, IFS Code: UTIB0001129. Branch Address: Axis Bank Ltd., Duliajan Branch, Daily Bazar, Jyotinagar, Duliajan, Dist-Dibrugarh, Pin- 786602.</p> <p>b. The vendor shall submit to OIL the copy of the SFMS message as sent by the issuing bank branch along with the original bank guarantee.</p>
3.0	<p>The tender will be governed by "General Terms & Conditions" for e-Procurement as per Booklet No. MM/GLOBAL/E-01/2005 for E-procurement (ICB Tenders) including Amendments & Addendum to "General Terms & Conditions" for e-Procurement.</p>
4.0	<p>Bid must be submitted online through OIL's e-procurement portal. Bid submitted in any other form will be rejected.</p>
5.0	<p>Please note that all tender forms and supporting documents are to be submitted through OIL's e-Procurement site only except following documents which are to be submitted manually in sealed envelope super scribing tender no. and due date to The DGM Materials, Materials Department, Oil India Limited, Duliajan- 786602, Assam on or before 13:00 hrs (IST) on the Bid Closing Date mentioned in the Tender.</p> <p>a) Original Bid Security alongwith two duplicate copies of Bid Security. b) Any other documents which have been particularly asked for in this tender for submission.</p>

6.0	Bidders must ensure that their bid is uploaded in the system before the tender closing date and time. Also, they must ensure that above documents which are to be submitted in a sealed envelope are also submitted at the above mentioned address before the bid closing date and time, failing which the offer shall be rejected.
7.0	<p>The tender is invited under SINGLE STAGE-TWO BID SYSTEM. The bidder has to submit both the “TECHNO-COMMERCIAL UNPRICED BID” and “PRICED BID” through electronic form in the OIL’s e-Tender portal within the Bid Closing Date and Time stipulated in the e-Tender. The “Techno-commercial Unpriced Bid” shall contain all technical and commercial details except the prices which shall be kept blank. Details of prices as per Bid format / Commercial bid to be uploaded as attachment in the Attachment Tab “Notes and Attachments”. Any offer not complying with above submission procedure will be rejected as per Bid Rejection Criteria mentioned in the tender.</p> <div style="display: flex; justify-content: space-between; margin-bottom: 10px;"> <div style="border: 1px solid black; padding: 2px 5px; width: 20%;">Notes and Attachments</div> <div style="background-color: yellow; padding: 2px 5px; width: 75%;">→ Only Price Details Should Be Uploaded</div> </div> <div style="display: flex; justify-content: space-between; margin-bottom: 10px;"> <div style="border: 1px solid black; padding: 2px 5px; width: 20%;">Technical attachments</div> <div style="background-color: yellow; padding: 2px 5px; width: 75%;">→ All technical bid documents except price details</div> </div> <p>Please do refer “NEW INSTRUCTION TO BIDDER FOR SUBMISSION” for the above two points and also please refer “ New Vendor Manual (effective 12.04.2017) ” available in the login Page of the OIL’s E-tender Portal.</p> <div style="border: 1px solid black; padding: 10px; margin-bottom: 10px;">  </div>
8.0	<p>In Technical Bid opening, only Technical Rfx will be opened. Therefore, the bidder should ensure that “TECHNO-COMMERCIAL UNPRICED BID should contain details as mentioned in the technical specifications as well as BEC/ BRC and upload the same in the Technical RFX Response-> User - > Technical Bid. <u>NO PRICE SHOULD BE GIVEN IN ABOVE TECHNICAL RFX OTHERWISE THE OFFER WILL BE REJECTED.</u> Please go through the help document in details before uploading the document and ensure uploading of technical bid in the Technical RFX Response-> User - > Technical Bid only. The “PRICE BID” must contain the price schedule and the bidder’s commercial terms and conditions. Details of prices as per Bid format / Commercial bid can be uploaded as Attachment under the attachment option under “Notes & Attachments”.</p>
9.0	PRICED BIDS OF ONLY THOSE BIDDERS WILL BE OPENED WHOSE OFFERS ARE FOUND TO BE TECHNO-COMMERCIALLY ACCEPTABLE.

10.0	Bidders are requested to examine all instructions, forms, terms and specifications in the bid. Failure to furnish all information required as per the bid or submission of offers not substantially responsive to the bid in every respect will be at the bidders risk and may result in rejection of its offer without seeking any clarifications.
11.0	Please mention clearly in your quotation the Net. Weight, Gross Weight & Volume, Indian Agent's Name and its Commission, Payment Terms, Ocean Freight/Air Freight Charges, Port of Loading, Delivery period, Country of origin with manufacturer's name, etc.
12.0	To ascertain the substantial responsiveness of the bid, OIL reserves the right to ask the bidder for clarification in respect of clauses covered under BRC also and such clarifications fulfilling the BRC clauses in toto must be received on or before the deadline given by OIL, failing which the offer will be summarily rejected.
13.0	Other terms and conditions of the tender shall be as per "General Terms & Conditions" for e- Procurement as per Booklet No. MM/GLOBAL/E-01/2005 for E-procurement (ICB Tenders). However, if any of the Clauses of the Bid Rejection Criteria (BRC) / Bid Evaluation Criteria (BEC) mentioned here contradict the Clauses in the "General Terms & Conditions" for e-Procurement as per Booklet No. MM/GLOBAL/E-01/2005 for E-procurement (ICB Tenders) of the tender and/or elsewhere, those mentioned in this BEC / BRC shall prevail.
14.0	All the Bids must be Digitally Signed using "Class 3" digital certificate (e-commerce application) only as per Indian IT Act obtained from the licensed Certifying Authorities operating under the Root Certifying Authority of India (RCAI), Controller of Certifying Authorities (CCA) of India. The bid signed using other than "Class 3" digital certificate, will be liable for rejection.
15.0	Please do refer the User Manual provided on the portal on the procedure How to create Response for submitting offer.
16.0	Bidders to note that Govt. of India under Micro, Small and Medium Enterprises Development (MSMED) Act 2006, has proclaimed the Public Procurement Policy, 2012 with effect from 1st April, 2012 in respect of procurement of goods and services, produced and provided by micro and small enterprises, by its Ministries, Departments and Public Sector Undertakings for promotion and development of Micro and Small Enterprises. A new Clause on applicability of Public Procurement Policy for procurement of goods from Micro and Small Enterprises (MSE) in the tender is furnished vide Amendment to General Terms and Conditions for Global Tender (MM/GLOBAL/E-01/2005). Bidders are requested to take note of the same and to submit their offers accordingly.
17.0	The items shall be brand new, unused & of prime quality. The manufacturer shall warrant (in the event of an order) that the product supplied will be free from all defects & fault in material, workmanship & manufacture and shall be in full conformity with ordered specifications. This clause shall be valid for 18 months from date of shipment or 12 months from date of commissioning and handing over to OIL, whichever is earlier. The defective materials, if any, rejected by OIL shall be replaced by the supplier at their own expense. Bidders must confirm the same in their quotations.
18.0	Quantity of Individual item may be increased or decrease at the time of final placement of order. The minimum FOB/FCA charges in case of partial order for reduced quantity/enhanced quantity shall have to be indicated by the bidder. In case, this is not indicated specifically, the charges quoted would be pro-rata calculated and the same will be binding on the bidder.

19.0	Any deviation(s) from the tender specification should be clearly highlighted specifying justification in support of deviation.
20.0	<p>The Integrity Pact is applicable against this tender. OIL shall be entering into an Integrity Pact with the bidders as per format enclosed vide Annexure XII of the tender document. This Integrity Pact proforma has been duly signed digitally by OIL's competent signatory. The proforma has to be returned by the bidder (along with the technical bid) duly signed (digitally) by the same signatory who signed the bid, i.e., who is duly authorized to sign the bid. Uploading the Integrity Pact with digital signature will be construed that all pages of the Integrity Pact has been signed by the bidder's authorized signatory who sign the Bid. If any bidder refuses to sign Integrity Pact or declines to submit Integrity Pact with the offer, their bid shall be rejected straightway.</p> <p>OIL's Independent External Monitors at present are as under:</p> <p>SHRI RAJIV MATHUR, IPS (Retd.), Former Director (IB) Govt. of India e-Mail ID : rajivmathur23@gmail.com</p> <p>SHRI SATYANANDA MISHRA, IAS(Retd.) Former Chief Information Commissioner & Ex-Secretary, DOPT, Govt. of India E-mail Id : satyanandamishra@hotmail.com</p> <p>SHRI JAGMOHAN GARG, Ex-Vigilance Commissioner, CVC e-Mail id : jagmohan.garg@gmail.com</p>
21.0	Original Bid Closing Date shall be considered by OIL for evaluation of BRC Criteria in case of any extension of the original bid closing date.
22.0	<p>Performance Security clause (Clause No. 10.0 of Section-A) of "General Terms & Conditions for Global Tenders (MM/GLOBAL/01/2005)" has been amended and the new clause is detailed in the Amendment dated 25.04.2016 issued to MM/GLOBAL/01/2005. Successful bidder will be required to furnish a Performance Bank Guarantee @10% of the order value. Bidders to note the same and to confirm its acceptance in their offers.</p> <p>The Bank Guarantee issued by bank must be routed through SFMS platform as per following details:</p> <p>a. (i) "MT760/ MT760 COV for issuance of bank guarantee (ii) MT767/ MT767 COV for amendment of bank guarantee</p> <p>The above message/intimation shall be sent through SFMS by the BG issuing bank branch to Axis Bank, Duliajan Branch, IFS Code: UTIB0001129. Branch Address: Axis Bank Ltd., Duliajan Branch, Daily Bazar, Jyotinagar, Duliajan, Dist-Dibrugarh, Pin- 786602.</p> <p>b. The vendor shall submit to OIL the copy of the SFMS message as sent by the issuing bank branch along with the original bank guarantee.</p>
23.0	Bidder to sign and submit completely filled up Technical & Commercial check list and Technical Evaluation Matrix for Bid evaluation criteria and Technical specification failing which their offer will be rejected.
24.0	Payment terms: Refer to "General Terms & Conditions" for e-Procurement as per Booklet No. MM/GLOBAL/E-01/2005 for E-procurement (ICB Tenders). Bidders must confirm the same while quoting.

25.0	<p>Liquidated Damage: Refer to “General Terms & Conditions” for e-Procurement as per Booklet No. MM/GLOBAL/E-01/2005 for E-Procurement (ICB Tenders). The applicable GST on the Liquidated Damage shall have to be borne by the Seller. Accordingly, the Liquidated Damage shall be recovered from the Seller along with applicable GST.</p>
26.0	<p>The items covered by this enquiry shall be used by Oil India Limited in the PEL/ML areas and hence Nil Customs Duty during import will be applicable in case of Foreign Bidders. Indigenous Bidders shall be eligible for concessional rate of GST against Essentiality Certificate for invoice valuing 10 lakh and above.</p> <p>In the event of an order on indigenous bidder, OIL will issue Project Authority Certificate (PAC) under Deemed Export, where import content is declared by the bidder for availing Custom Duty benefit on the import content.</p> <p>Supplier shall arrange to provide all necessary documents to apply for the essentiality certificate on receipt of request from OIL, if any. Further, supplier shall affect dispatch only on receipt of relevant certificates from OIL, failing which all related liabilities shall be to Supplier’s account.</p>
27.0	<p>Bidders to note that Ministry of Petroleum & Natural Gas, Government of India implemented PPLC Policy to provide Purchase Preference (linked with local content) by notification no. Ref. O-27011/44/2016-ONG-II/FP dtd.25.04.2017. Bidders are requested to take note of the same and to submit their offers accordingly wherever applicable. Policy details are available in <u>APPENDIX-A2</u></p>
28.0	<p>OIL reserves right to go for Reverse Auction process or may finalize the tender without Reverse Auction, if required. However, the decision to conduct Reverse Auction or not will be conveyed to short-listed bidders prior to opening of price bid. Bidders must confirm to participate in the Reverse Auction in case OIL decided to go for Reverse Auction. Bidders not confirming to participate in Reverse Auction will be rejected.</p> <p>Special Terms & Conditions and salient features for Reverse Auction are furnished in <u>APPENDIX - A3</u>. The Business Rules for Reverse Auction and Process Compliance Form are enclosed with above Annexure. Bidders are required to sign the Business Rules for Reverse Auction and Process Compliance Form attach this document along with the technical bid.</p>
29.0	<p><u>Clauses related to GST</u></p> <ol style="list-style-type: none"> 1. For the purposes of levy and imposition of GST, the expressions shall have the following meanings: <ol style="list-style-type: none"> (a) GST - means any tax imposed on the supply of goods and/or services under GST Law. (b) Cess – means any applicable cess, existing or future on the supply of Goods and Services as per Goods and Services Tax (Compensation to States) Act, 2017. (c) GST Law - means IGST Act 2017, CGST Act 2017, UTGST Act, 2017 and SGST Act, 2017 and all related ancillary Rules and Notifications issued in this regard from time to time. 2. The rates quoted by the bidders shall be inclusive of all taxes, duties and levies. However, bidders are required to provide separately the rate and amount of all types of taxes, duties and levies. In case, the quoted

information related to various taxes, duties & levies subsequently proves wrong, incorrect or misleading, OIL will have no liability to reimburse the difference in the duty/ tax, if the finally assessed amount is on the higher side and OIL will have to right to recover the difference in case the rate of duty/ taxes finally assessed is on the lower side. Further, bidders have to clearly show the amount of GST separately in the Tax Invoices. Further, it is the responsibility of the bidders to make all possible efforts to make their accounting / IT system GST compliant in order to ensure availability of Input Tax Credit (ITC) to Oil India Ltd.

3. Offers without giving any of the details of the taxes (Including rates and amounts) as specified above will be considered as inclusive of all taxes including GST. When a bidder mentions taxes as extra without specifying the rates & amount, the offer will be loaded with maximum value towards taxes received against the tender for comparison purposes. If the bidder emerges as lowest bidder after such loading, in the event of order on that bidder, taxes mentioned by OIL on the Purchase Order/ Contracts will be binding on the bidder.
4. Bidders are required to pass on the benefit arising out of introduction of GST, including seamless flow of Input Tax Credit, reduction in Tax Rate on inputs as well as final goods by way of reduction of price as contemplated in the provision relating to Anti-Profiteering Measure vide Section 171 of the CGST Act, 2017. Accordingly, for supplies made under GST, the bidders should confirm that benefit of lower costs has been passed on to OIL by way of lower prices/taxes and also provide details of the same as applicable. OIL reserves the right to examine such details about costs of inputs/input services of the bidders to ensure that the intended benefits of GST have been passed on to OIL.
5. Oil India Ltd. shall declare the value of free issue of materials and services, if any, involved in the execution of the contract. The Contractor should consider the same while working out the GST liability, if any. Further in cases where GST is leviable on any facilities provided by OIL and used by bidders and the consideration for which is recovered by OIL in the form of reduction in the invoice raised by bidders then OIL will raise GST invoices on such transactions and the same will be reimbursed by bidders.
6. **When Input tax credit is available for Set Off**
Evaluation of L-1 prices shall be done based on Quoted price after deduction of Input Tax Credit (ITC) of GST, if available to OIL. OIL shall evaluate the offers on the basis of the quoted rates only and any claim subsequently by the bidders for additional payment/liability shall not be admitted and has to be borne by the bidders
When Input tax credit is NOT available for Set Off
Evaluation of L-1 prices shall be done based on Quoted price only. OIL shall evaluate the offers on the basis of the quoted rates only and any claim subsequently by the bidders for additional payment/liability shall not be admitted and has to be borne by the bidders
7. Bidders agree to do all things not limited to providing GST compliant Tax Invoices or other documentation as per GST law relating to the supply of goods and/or services covered in the instant contract like raising of and /or acceptance or rejection of credit notes / debit notes as the case may be, payment of taxes, timely filing of valid statutory Returns for the tax period on the Goods and Service Tax Network (GSTN), submission of general information as and when called for by OIL in the customized format shared by OIL in order to enable OIL to update its database etc. that may be necessary to match the invoices on GSTN common portal

	<p>and enable OIL to claim input tax credit in relation to any GST payable under this Contract or in respect of any supply under this Contract.</p> <p>8. In case Input Tax Credit of GST is denied or demand is recovered from OIL by the Central / State Authorities on account of any non-compliance by bidders, including non-payment of GST charged and recovered, the Vendor/Supplier/Contractor shall indemnify OIL in respect of all claims of tax, penalty and/or interest, loss, damages, costs, expenses and liability that may arise due to such non-compliance. OIL, at its discretion, may also withhold/recover such disputed amount from the pending payments of the bidders.</p>
30.0	<p>Bidders must submit duly filled undertaking as per format provided vide Appendix-A4 as undertaking towards submission of authentic information/documents</p>

***** END OF ANNEXURE - A *****

DETAILED SPECIFICATION, SCOPE OF WORK AND SPECIAL INSTRUCTIONS**PART – A**

1.0 Line pipes 3LPE Coated of sizes 150 & 200mm NB diameter and Coated LR bends of 45, 60 & 90 degrees, for 150 & 200mm NB diameters.

2.0 All the tendered items shall be procured from same source.

3.0 SCOPE OF WORK AND SPECIFICATIONS FOR SUPPLY OF 3LPE COATED & BARE LINE PIPES & BENDS

3.1 SPECIFICATIONS:

3.1.1 Line Pipes must be manufactured as per API 5L Latest Edition and must bear API monogram. A valid API Specification 5L certificate from the manufacturer shall be submitted along with the quotation without which offer shall be rejected. The pipes shall be brand new, unused, and of prime quality and in double random length without any jointers.

3.1.2 Pipe ends: Ends must be prepared as per relevant API specifications. Suitable end protectors as specified shall be used to protect the ends.

3.2 MILL INSPECTION / CERTIFICATION

All line pipes shall be manufactured, tested and certified in accordance with API Specification 5L, Latest Edition.

3.3 PHYSICAL / MECHANICAL TEST:

The following tests shall be carried out on each heat of steel from which the pipes are manufactured as per API Specification 5L, Latest Edition, and test results thereof shall be submitted to OIL along with the materials.

- (i) Chemical Analysis
- (ii) Heat Analysis
- (iii) Product Analysis
- (iv) Recheck Analysis
- (v) Mill-Control Check Analysis
- (vi) Tensile tests
- (vii) Yield strength tests
- (viii) Mill control tensile tests
- (ix) Flattening tests
- (x) Guided bend tests/tensile elongation tests
- (xi) Dimension and weight tests including drift and straightness.

(Note: ix and x are required for ERW pipes only)

3.3.1 While conducting the above tests if any of the pipe fails, retest of the same shall be carried out as per API Specification 5L, API 5L Latest Edition.

3.4 Hydrostatic Test:

Each joint of pipe shall be tested hydrostatically to the recommended pressure at the mill in accordance with the relevant API specifications.

- 3.5 Non-Destructive Tests:
Non-destructive tests shall be carried out as specified in API Specification 5L Latest Edition.
- 3.6 **SUPPLIERS should give details of mills inspection and QC methods available. OIL may require such details in case of an Order.**

3.7 SPECIFICATION FOR ELECTRIC WELDED LINE PIPE FOR ONSHORE APPLICATION

Electric welding shall be performed with a minimum welder frequency of 200 kHz. The welding system shall have an integrated control in which following data as a minimum shall be monitored.

- Time
- Welding speed
- Current and Voltage
- Heat treatment temperature

Maximum Carbon Equivalent

For pipes of all grades, size and wall thickness, Carbon Equivalent shall comply with the following limits :

$$\text{CE (Pcm)} \leq 0.20\%$$
$$\text{CE (IIW)} \leq 0.40\%$$

Tensile Properties

The finished pipes shall conform to the requirements of Table 3B of API Spec 5L.

Charpy Impact Test for PSL 2

As per API Spec 5L.

Metallographic Examination

Vickers hardness test shall be carried out on each specimen taken for metallographic examination in accordance with ASTM E-92. The resulting Vickers hardness value at any point shall not exceed 248HV10. The maximum difference in hardness between the base metal and any reading taken on the weld or heat affected zone shall be less than 80 HV10. Modalities of retest shall be in accordance with para 9.10.2 of API Spec. 5L

Reverse Bend Test

Reverse bend test shall be executed with the same number of tests and retests specified for flatter test in para 9.3.2 of API Spec 5L.

WALLTHICKNESS

In addition to API requirements, the wall thickness of each pipe shall be checked along the circumference at both ends of pipe body at 12 o'clock, 3 o'clock, 6 o'clock and 9 o'clock positions. The wall thickness tolerance shall comply with the requirements of API Spec 5L specification.

LENGTH

All pipes shall be supplied with length between 11.5 m and 12.5 m. However pipe with length between 10.0 m and 11.5 m can also be accepted for a max. of 5% of the ordered quantity. The minimum average length of the entire ordered quantity in any case shall be 12.0 m. API Spec 5L Table 11 shall not be acceptable. The minimum overall length tolerance shall be (-) zero and (+) one pipe length to complete the ordered quantity. Each pipe shall be measured for conformance to above requirements and all measurements shall be recorded.

STRAIGHTNESS

The deviation from a straight line for shall not exceed 0.2% along any length. Each pipe shall be checked for conformance to this requirement.

PIPE ENDS

Unless specified otherwise, the pipe ends shall be beveled as per API Spec. 5L. In removing the inside burrs at the pipe ends, care shall be taken not to remove excess metal and not to form an inside cavity or bevel. Removal of excess metal beyond the minimum wall thickness as indicated elsewhere in this specification, shall be a cause for rebeveling. In case root face of bevel is less than that specified, the pipe ends shall be re bevelled and rectification by filing or grinding shall not be done.

BEVEL PROTECTORS

Both pipe ends of all pipes shall be provided with metallic or high impact plastic bevel protectors as per Manufacturer's standard. Bevel protectors shall be of a design such that they can be re-used by coating applicator.

PURCHASER AND THIRD PARTY INSPECTION (ENGAGED BY PURCHASER)

Manufacturer shall comply with the provisions regarding inspection notice, plant access, compliance and rejection mentioned in Appendix H of API Spec 5L. The Manufacturer shall give reasonable notice of the starting date of normal production and the work schedule. Any action or omission on part of Purchaser's Representative shall not relieve the Manufacturer of his responsibility and obligation to supply material in accordance with this specification.

4.0 THIRD PARTY INSPECTION

4.1 THIRD PARTY INSPECTION FOR LINE PIPES:

4.1.1 Inspection by an independent third party to cover the following will be required against line pipes:

- (i) Material Identification
- (ii) Stage inspection at random visit basis during manufacturing
- (iii) Audit and endorsement of all chemical analysis and physical test reports
- (iv) Witness dimensional checks
- (v) Witness mechanical tests (as per API 5L, the Latest Edition)
- (vi) Witness NDT
- (vii) Witness hydrostatic tests
- (viii) Visual inspection for imperfection
- (ix) Longitudinal defect identification
- (x) Transverse defect identification (The same is not required for ERW Pipe)
- (xi) Wall thickness measurement
- (xii) Joint Inspection & Grade confirmation
- (xiii) End area defect identification
- (xiv) Inspection of end bevelling
- (xv) Check and verify length of each joint of pipe
- (xvi) Issue of certificate

4.1.2 Manufacturer will carry out physical / chemical / mechanical / hydrostatic, NDT tests etc. for raw material and finished pipes as per relevant API specification (Latest Edition) for all the pipes i.e. 100% (hundred percent). Third Party will check & verify manufacturer's test data, records, reports etc. of raw materials and finished tubes in respect of all the pipes i.e. 100% (hundred percent). Over and above checking and verification of records and reports, third party will carry out inspection for the followings on the percentage basis given below in his presence:

(a) **Raw material inspection for chemical composition and mechanical properties:**

10% of number of heats and plates of raw materials will be tested at random by the third party. If the percentage of number of heats/plates for manufacture of particular item is 05(five) or less, then all the raw materials will be tested for chemical composition and mechanical properties, as per relevant codes.

(b) **Finished tube inspection:**

- (i) Checking dimensions, wall thickness, quality, end beveling (for Beveled ended pipes), surface imperfection etc. : 5% of the tubes at random will be checked/tested by third party.
- (ii) Checking chemical composition and mechanical properties – Sample frequency as per API 5L Latest Edition will be tested by the third party.

(c) **Witnessing NDT through ultrasonic testing/magnetic particulars method/other methods:**

- (i) Longitudinal defects -5% of the tubes at random will be tested by third party.
- (ii) Transverse defects-1% of the tubes at random will be tested by third party.

- (d) **Hydraulic testing:** 10% of the tube at random will be tested by third party.

4.1.3 The Third Party Inspection is to be carried out by an internationally reputed inspection agency. SUPPLIERS must indicate the availability of such a Third Party Inspection Agency in their area furnishing following information:

- (i) Name of the Inspection Agency (OIL's clearance has to be obtained prior to engagement except for M/s. Lloyds, M/s. Rites, M/s. I.R.S., M/s DNV, M/s. BV and M/s. Tuboscope Vetco, who are in the approved panel of OIL INDIA LIMITED).
- (ii) All inclusive charges for Third Party Inspection per metre (to be indicated separately).

4.1.4 SUPPLIERS to confirm that transportation will be carried out as per API-RP-5L1 (Latest Edition).

4.2 **THIRD PARTY INSPECTION FOR COATINGS:**

4.2.1 Independent Third Party Inspection for coatings is to be carried out by an internationally reputed Inspection Agency in their area furnishing following information:

- (i) Name of the Inspection Agency (OIL's clearance has to be obtained prior to engagement except for M/s. Lloyds, M/s. Rites, M/s. IRS, M/s DNV, M/s. BV and M/s. Tuboscope Vetco, who are in the approved panel of OIL INDIA LIMITED).
- (ii) All inclusive charges for Third Party Inspection per metre (to be indicated separately).

4.2.2 Third Party shall carry out inspection of the coating as per para 6.10 'INSPECTION AND TESTING' and quantum of inspection to be carried out by TPIA shall be as per table 4.2.2(t1) below.

Table 4.2.2(t1)

Sl.no.	Inspection and testing description.	Scope of TPIA.	Quantum of check.	Verifying document.
1.	Visual Inspection	Visual check	10% of total ordered quantity	
2.	Coating Thickness	Physical check	10% of total ordered quantity	
3.	Holiday Detection	Witness	10% of total ordered quantity	
4.	Bond Strength Test	Verify.	Random	Suppliers test report.
5.	Impact Strength	Verify.	Random.	Suppliers test report.
6.	Indentation Hardness	Verify.	Random.	Suppliers test report.
7.	Air Entrapment Test	Verify.	Random.	Suppliers test report.
8.	Degree of Cure	Verify.	Random.	Suppliers test report.
9.	Epoxy Layer Adhesion Test	Verify.	Random.	Suppliers test report.
10.	Cathodic Disbondment Test	Verify.	Random.	Suppliers test report.

4.2.3 Third party will carry out additional tests and inspections which they feel deem necessary as per DIN-30670, 1991 and also issue necessary inspection certificate.

4.3 THIRD PARTY INSPECTION FOR BENDS:

Third Party will check, verify and certify the following for the bends before coating.

4.3.1 Test certificate of chemical, mechanical tests, heat treatment, dimensional inspection and hydro-test carried out on pipe used for fabrication of bend.

4.3.2 Certificate of non-destructive test / examination carried out on bends.

4.3.3 Records of heat treatment, if carried out for bends.

4.4.4 Dimensional tolerance of bends.

Third party will check, verify and certify the following for the bends after coating.

4.4.5 Third party will carry out all necessary test / inspection as per requirement of Para – 4.2 i.e THIRD PARTY INSPECTION FOR COATINGS or as per ISO-21809-3 latest edition for Polyethylene Heat Shrinkable Sleeve coating for LR bends only.

5.0 SCOPE OF WORK AND SPECIFICATIONS FOR PIPE HANDLING, LOADING, TRANSPORTATION TO COATING PLANT AND UNLOADING AT COATING PLANT.

- 5.1 The SUPPLIER (whether they are pipe manufacturer or pipe coating applicator or supplier of the pre-coated pipes as referred to PART B, Bid rejection criteria & Bid evaluation criteria) shall be fully responsible for the custody of the pipes from the start of manufacturing until the time the coated pipes are 'handed over' to COMPANY and/ or installed in permanent installation of the COMPANY in the case may be as per terms of the tender.
- 5.2 The SUPPLIER shall load, transport, the bare pipes to the coating plant(s) and unload and stockpile the same using suitable means and in a manner to avoid damage to pipes. The SUPPLIER shall stockpile the bare pipes at the storage area of the coating plant. The SUPPLIER shall prepare and furnish to COMPANY a procedure/calculation generally in compliance with API RP-5L1 for stacking of pipes of individual sizes, which shall be approved by COMPANY prior to commencement.
- 5.3 The SUPPLIER shall load, unload, transport and stockpile the bare pipes within the coating plant using approved suitable means and in a manner to avoid damage to the pipe. The COMPANY shall approve such procedure prior to commencement of work.
- 5.4 In case bare line pipe supply is from foreign origin, it will be the sole responsibility of the SUPPLIER to receive and take-over the line pipes from the pipe manufacturer and SUPPLIER shall be solely responsible for port clearance, stevedoring, liaison, port fees, easements, warehousing, wharf age, handling, unloading / loading as applicable. SUPPLIER shall then transfer the pipes to the coating facility.
- 5.5 Coated pipes may be handled by slings and belts of minimum 60 mm width made of non- abrasive/ non-metallic materials. In this case, stacked pipes shall be separated row by row to avoid damages by rubbing the coated surface in the process of taking off the slings. Use of round sectional slings is prohibited. Fork lifts may be used provided that the arms of the forklift are covered with suitable pads, preferably rubber.
- 5.6 Bare / coated pipes at all times shall be stacked completely clear from the ground, at least 300 mm, so that the bottom row of pipes remain free from any surface water. The pipes shall be stacked at a slope so that driving rain does not collect inside the pipe. Bare / coated pipes may be stacked by placing them on ridges of sand free from stones and covered with a plastic film or on wooden supports provided with suitable cover. This cover can be of dry, germ free straw covered with plastic film, otherwise foam rubber may be used. The supports shall be spaced in such a manner as to avoid permanent bending of the pipes. Stacks shall consist of limited number of layers such that the pressure exercised by the pipe's own weight does not cause damages to the coating. SUPPLIER shall submit calculations for COMPANY approval in this regard. Each pipe section shall be separated by means of spacers suitably spaced for this purpose. Stacks shall be suitably secured against falling down and shall consist of pipe sections having the same diameter and wall thickness. The weld seam of pipes shall be positioned always in a manner so as not to touch the adjacent pipes. The ends of the pipes during handling and stacking shall always be protected with bevel protectors.

- 5.7 The lorries used for transportation shall be equipped with adequate pipe supports having as many round hollow beds as there are pipes to be placed on the bottom of the lorry bed. Total width of the supports shall be at least 5% of the pipe length and min. 2 no. support shall be provided. These supports shall be lined with a rubber protection and shall be spaced in a manner as to support equal load from the pipes. The rubber protection must be free from all nails and staples where pipes are in contact. The second layer and all following layers shall be separated from the other with adequate number of separating layers of protective material such as straw in plastic covers or mineral wool strips or equivalent, to avoid direct touch between the coated pipes. All stanchions of lorries used for transportation shall be covered by non-abrasive material like rubber belts or equivalent. Care shall be exercised to properly cover the top of the stanchions and other positions such as reinforcement of the truck body, rivets, etc. to prevent damage to the coated surface. Slings or non-metallic straps shall be used for securing loads during transportation. They shall be suitably padded at the contact points with the pipe.
- 5.8 Materials other than pipes and which are susceptible of deteriorating or suffering from damages especially due to humidity, exposure to high thermal excursions or other adverse weather conditions, shall be suitably stored and protected. Deteriorated materials shall not be used and shall be replaced at SUPPLIER's expenses. These materials, shall always be handled during loading, unloading and storage in a manner so as to prevent any damage, alteration and dispersion. When supplied in containers and envelopes, they shall not be dropped or thrown, or removed by means of hooks, both during the handling operations till their complete use. During unloading, transport and utilization, any contact with water, earth, crushed stone and any other foreign material shall be carefully avoided. The SUPPLIER shall strictly follow Manufacturer's instructions regarding storage temperature and methods for volatile materials that are susceptible to change in properties and characteristics due to unsuitable storage. If necessary the SUPPLIER shall provide for a proper conditioning.
- 5.9 In case of any marine transportation of bare/coated line pipes involved, the same shall be carried out in compliance with API RP 5LW. SUPPLIER shall furnish all details pertaining to marine transportation including drawings of cargo barges, storing/stacking, sea fastening of pipes on the barges/marine vessels to the company for approval prior to undertaking such transportation works. In addition SUPPLIER shall also carry out requisite analyses considering the proposed transportation scheme and establish the same is safe and stable. On-deck overseas shipment shall not be allowed.
- 5.10 The above scopes from 5.1 to 5.9 shall also cover transportation of requisite bare pipes from pipe manufacturing yard to LR bend fabrication unit and onward transportation of the LR bends to coating unit.

6.0 SCOPE OF WORK AND SPECIFICATIONS FOR 3 LAYER SIDE EXTRUDED POLYETHYLENE COATING

6.1 SCOPE:

This specification covers the minimum requirements for supply/arrangement of all materials, plant, equipment, plant sites, consumables, utilities and application including all labour, supervision, inspection and tests etc. for application of external anti-corrosion coating of pipes by using 3 Layer Side Extruded Polyethylene coating conforming to DIN-30670, 1991, 'Polyethylene Coating for Steel Pipes and Fittings' and the requirements of this specification.

6.2 REFERENCE STANDARDS

Reference has also been made to the latest edition of the following standards, codes and specifications. The edition enforce at the time of floating the enquiry shall be termed as latest edition.

- a) ASTM D-149 : Standard Test Methods of Dielectric Breakdown Voltage and Dielectric Strength of Solid Electrical Insulating Materials at Commercial Frequencies.
- b) ASTM D-257 : Standard Test Methods for D-C Resistance or Conductance of Insulating Materials.
- c) ASTM D-543 : Standard Method of Test for Resistance of Plastics to Chemical Reagents.
- d) ASTM D-570 : Standard Method of Test for Water Absorption of Plastics.
- e) ASTM D-638 : Standard Method of Test for Tensile Properties of Plastics.
- f) ASTM D-792 : Standard Test Method for Density and Specific Gravity (Relative Density) of Plastics by Displacement.
- g) ASTM D-1238 : Test Method for Flow Rates of Thermoplastics by Extrusion
- h) ASTM D-1525 : Test Method for Vicat Softening Temperature of Plastics
- i) ASTM D-1603 : Test Method for Carbon Black in Olefin Plastics
- j) ASTM D-1693 : Test Method for Environmental Stress Cracking of Ethylene Plastics
- k) ASTM D-2240 : Test Method for Rubber Property – Durometer Hardness.
- l) ASTM D-3895 : Test Method for Oxidative-Induction Time of Polyolefins by Differential Scanning Calorimetry
- m) ASTM G-42 : Tentative Methods for Cathodic Disbonding of Pipeline coatings Subjected to Elevated or Cyclic Temperatures.
- n) API RP 5L1 : Recommended Practice for Railroad Transportation of Linepipe.
- o) API RP 5LW : Transportation of Line Pipe on Barges and Marine Vessels
- p) DIN EN 10204 : Metallic Products – Types of Inspection Documents
- q) DIN 53735 : Testing of Plastics: Determination of Melt Index of Thermoplastics.
- r) IEC 454 – 2 : Specification for Pressure-Sensitive Adhesive Tapes for Electrical Purposes.
- s) ISO 8501-1 : Preparation of Steel Substrates before Application of Paints and Related Products – Visual Assessment of Surface Cleanliness : Part 1 - Representative Photographs of the Change of Appearance imparted to Steel when Blast Cleaned with different Abrasives
- t) ISO 8502 – 3 : Preparation of Steel Substrates before Application of Paints and Related Products – Part 3 - Assessment of Dust on Steel Surfaces Prepared for Painting (Pressure Sensitive Tape Method)
- u) ISO 9002 : Quality Systems : Model for Quality Assurance in Production, Installation and Servicing
- v) ISO 11124 : Preparation of Steel Substrates Before Application of Paints and Related Products
- w) API 5L, Latest Edition: Specification for Line Pipe
- x) ASME B31.8 : Gas Transmission and Distribution Piping Systems.
- y) ASME B31.4 : Liquid Transportation Systems for Hydrocarbons, Liquid Petroleum Gas, Anhydrous Ammonia, and Alcohols.
- z) CSA Z245.20-02 : External Fusion Bond Epoxy Coating for Steel Pipe.

The SUPPLIER shall be familiar with the requirements of these documents and shall make them readily available at the coating plant to all persons concerned with carrying out the works specified in this specification.

6.3 PLANT SCALE AND INSTALLATION

- 6.3.1 SUPPLIER shall size coating plant(s) after evaluating the scale of work and the time schedule required for the works. Coating plant(s), both new or existing, shall be installed into a yard whose geometry and dimensions are such as to allow the execution of a continuous work schedule. For this purpose the SUPPLIER shall ensure non-stop work execution owing to prohibitive adverse weather conditions and install requisite equipment and plant in roofed and adequately weather protected areas.
- 6.3.2 Plant equipment, machinery and other facilities shall be in first class operating condition to at least meet the job requirements of quality and production. Worn out and improvised plants are not acceptable.
- 6.3.3 The SUPPLIER shall, at his own responsibility and cost, provide and prepare all necessary area for the storage of bare and coated pipe and all other materials, for coating yard, stock-piling and other temporary installation. For each area, SUPPLIER shall provide necessary agreements as required with the land owner(s) / relevant Authorities, and, on work completion, to clean and pay settlement and claims for damages, as applicable.
- 6.3.4 The SUPPLIER shall at its own responsibility and cost, provide for water and power supply and other utilities and consumables and obtain authorization regarding access roads and other permits required for the execution of works conforming to all the requirements of the governing Authorities.
- 6.3.5 The SUPPLIER shall at its own expense provide a fully equipped laboratory and test facilities with adequate inventory to carry out tests required for the procedure qualification and regular production. Outside testing for qualification and regular production is not acceptable to COMPANY.
- 6.3.6 The SUPPLIER shall be fully responsible for adherence to all statutory regulations applicable for handling and disposal of the hazardous chemicals during the coating works
- 6.3.7 The SUPPLIER shall be responsible for obtaining all statutory approvals / clearances from relevant Authorities including Pollution Control Board, as applicable for the coating plant(s).

6.4 MATERIALS

- 6.4.1 The three layer coating system shall comprise of a powder epoxy primer, polymeric adhesive and a polyethylene top coat. Coating materials shall be suitable for the service conditions and the pipe sizes involved. The coating materials i.e. epoxy powder, adhesive and polyethylene compound shall have proven compatibility. The coating system and materials shall be pre-qualified and approved by COMPANY in accordance with provisions of Para 6.5.4, Annexure I of this specification. SUPPLIER shall obtain prior approval from COMPANY for the coating system and coating materials.
- 6.4.2 The coating materials Manufacturer shall carry out tests for all properties specified in para 6.5.1 and 6.5.2 for each batch of epoxy, adhesive and polyethylene compound. In addition, the Manufacturer shall also furnish Infra-red Scan for each batch of epoxy powder. The coating materials Manufacturer shall issue test certificates as per DIN EN 10204, 3.1B for each batch of materials supplied to SUPPLIER and the same shall be submitted to COMPANY for approval prior to their use.
- 6.4.3 In addition to Manufacturer's certificate, the SUPPLIER shall draw samples from each batch of epoxy, adhesive and polyethylene in the presence of COMPANY Representative and test for the following properties at the coating yard at least one week prior to its use, to establish compliance with the Manufacturer's test certificates.

(a) Epoxy Powder:

- Gel Time
- Cure time
- Moisture content
- Thermal Characteristics (Tg1, Tg2 , ΔH)

(b) Adhesive:

- Specific Gravity
- Melt Flow Rate
- Vicat Softening Point

(c) Polyethylene:

- Melt Flow Rate
- Specific Gravity
- Vicat Softening Point.
- Moisture Content
- Oxidative Induction Time

In case of failure of any of the above tests in a batch, that batch of material shall be tested for all other tests required as per para 6.5.1 and 6.5.2 including the tests which failed. If all tests pass, the batch shall be accepted for coating. If any of the tests fail, entire batch of material shall be rejected and shall not be used for the coating.

6.4.4 All materials to be used shall be supplied in sealed, damage free containers and shall be suitably marked with the following minimum information:

- Name of the Manufacturer
- Type of Material
- Batch Number
- Place and Date of Manufacture
- Shelf Life/Expiry Date (if applicable)
- Quantity

All materials noted to be without above identification shall be deemed suspect and shall be rejected by COMPANY. Such materials shall not be used for coating and shall be removed from site and replaced by SUPPLIER at his expense.

6.4.5 SUPPLIER shall ensure that all coating materials are properly stored in accordance with the Manufacturer's recommendation at all times, to prevent damage and deterioration in quality prior to use.

6.4.6 SUPPLIER shall be required to use all materials on a date received rotation basis, i.e. first in- first used basis.

6.5 FUNCTIONAL REQUIREMENTS AND PROPERTIES OF COATING:

6.5.1 The coating shall be able to withstand a maximum in service operating temperature of (+)65°C and shall conform to 'S' Type of coating as per DIN 30670. In addition, in open storage the coating must be able to withstand a temperature of at least (+)80°C, without impairing its serviceability and properties specified.

6.5.2 The top coat polyethylene used shall be a black readymade compound, fully stabilized against influence of ultraviolet radiation (i.e. sunlight), oxygen in air and heat (due to environmental temperature as specified above). No appreciable changes shall occur during exposure to such environments up to at least a period of 6000 hours. The SUPPLIER shall submit certificate from Manufacturer in this regard

6.5.3 Properties:

Properties of coating system and coating material shall comply the requirements indicated in subsequent paragraphs. In case the coating / material properties are tested as per test methods / standards other than specified herein below, the same may be accepted provided the test procedures and test conditions are same or more stringent than the specified.

Properties of Epoxy Powder and Adhesive

SUPPLIER shall choose such a brand of epoxy powder and adhesive that will achieve the functional requirements and properties of coating system as specified in para 6.5.1 and 6.5.3 of this specification respectively. Epoxy powder properties shall be as per CSA Z245.20-02. The colour of epoxy powder shall be either green or dark red or any other colour approved by COMPANY except grey colour. Copolymer grafted adhesive shall have the following properties:

SI. No	Properties	Unit	Requirement	Test Method
a	Melt Flow Rate (190°C / 2.16 kg)	g/10 min	1.0 min	ASTM D 1238
b	Vicat Softening Point	°C	100 min	ASTM D 1525
c	Specific Gravity	.-	0.926 min	ASTM D 792

6.5.2 Properties of Polyethylene Compound

SI. No	Properties	Unit	Requirement	Test Method
a	Tensile Strength @ + 25 °C	N/mm ²	17 min	ASTM D 638
b	Melt Flow Rate (190°C / 2.16 kg)	g/10 min	0.25 min.	ASTM D 1238/ DIN 53735
c	Specific Gravity @ + 25 °C	-	0.926 min. (MDPE) 0.941 min. (HDPE)	ASTM D 792
d	Hardness @ + 25 °C	Shore D	50 min	ASTM D 2240
e	Water Absorption, 24 hours, @ + 25 °C	%	0.05 max	ASTM D 570
f	Volume Resistivity @ + 25°C	Ohm-cm	10 ¹⁵ min	ASTM D 257
g	Dielectric withstand, 1000 Volt/sec rise @ + 25 °C	Volts/mm	30,000 min	ASTM D 149
h	Vicat Softening Point	°C	110 min	ASTM D 1525

i	Elongation	%	600 min.	ASTM D 638
j	Oxidative Induction Time in Oxygen at 220°C, Aluminium pan, no screen	Min	10	ASTM D3895
k	Environmental Stress Crack Resistance (ESCR) (for F ₅₀) - Medium Density, Condition "C" - High Density, Condition "B"	Hours	300 300	ASTM D1693
l	Carbon Black Content	%	2 min.	ASTM D 1603

6.5.3 Properties of Coating System

Sl. No	Properties	Unit	Requirement	Test Method
a	Bond Strength (using Type 2 Test Assembly i.e. Dynamometer) - @ 20 +/- 5°C - @ 65 +/- 5°C	Kg/Cm	8.0 min 5.0 min	DIN 30670
b	Impact Strength (Min. of 30 impacts on body along the length. No breakdown allowed when tested at 25 Kv)	Joules/mm of coating thickness	7 min	DIN 30670
c	Indentation Hardness .- @ 23 +/- 2°C .- @ 70 +/- 2°C	mm	0.2 max 0.3 max	DIN 30670
d	Elongation at Failure	%	300 min.	DIN 30670
e	Coating Resistivity (*)	Ohm – m ²	10 ⁸ min.	DIN 30670
f	Heat Ageing (*)		Melt Flow Rate shall not deviate by more than 35% of original value	DIN 30670
g	Light Ageing (*)		Melt Flow Rate shall not deviate by more than 35% of original value	DIN 30670
h	Cathodic Disbondment (**) - @ + 65° C after 30 days - @ + 65°C after 48 hrs	mm radius of dis bondment	15 max. 7 max	ASTM G42
i	Degree of Cure of Epoxy (***) - Percentage Cure, ΔH - Δ Tg %	% °C	95 +3 / -2	CSA Z 245.20-98

- (*) Test carried out in an independent laboratory of national / international recognition on PE top coat is also acceptable.
- (**) Disbondment shall be equivalent circle radius of total unsealed area as per ASTM G 42.
- (***) Temperature to which the test specimens are to be heated during cyclic heating shall however be as per the recommendations of epoxy powder manufacturer.

6.5.4 The acceptable combinations of coating material shall be as per Annexure-I.

ANNEXURE-I: LIST OF ACCEPTABLE COMBINATIONS OF COATING MATERIALS

The following combinations of coating materials are considered acceptable. In case any of the combinations listed below are offered, details regarding properties of the offered materials need not be furnished with bid. However, In the event of award of contract, SUPPLIER shall furnish the combination(s) proposed and re-confirmation of compatibility of the proposed combination (s) from the raw materials Manufacturers.

Epoxy Powder (Manufacturer)	Adhesive (Manufacturer)	PE Compound (Manufacturer)
CORRO-COAT EP-F 2001 (JOTUN)	FUSABOND 158D (DUPONT)	SCLAIR 35 BP HDPE (NOVACOR)
PE 50-8190/8191 (BASF) or CORRO-COAT EP-F 2001 (JOTUN)	LUCALEN G3510H (BASF)	LUPOLEN 3652 D SW 00413 (BASF)
PE 50-6109 (BASF) or CORRO-COAT EP-F 2001 (JOTUN) or SCOTCHKOTE 226N (3M)	ME 0420 (BOREALIS)	HE 3450 (BOREALIS)
CORRO-COAT EP-F 2001 (JOTUN) or CORRO-COAT EP-F 2002 (JOTUN)	LE - 149 V (S K CORPORATION)	ET 509 B (S K CORPORATION)

Although the above combinations would be acceptable to COMPANY, the responsibility of suitability for application, performance and compliance to the coating system requirements shall unconditionally lie with the SUPPLIER. SUPPLIER shall ensure that adhesive as well as polyethylene is manufactured by the same Manufacturer.

6.6 MEASUREMENT AND LOGGING

The SUPPLIER shall maintain records in computer using standard database Software containing all the relevant data of individual pipe and pipe coating including pipe number, heat number, diameter, length, wall thickness, defects, coating number, batches of materials, sampling, testing, damages, repairs, rejects and any other information that COMPANY considers to be relevant and required for all incoming bare pipes and COMPANY approved outgoing coated pipes as applicable. SUPPLIER's documentation shall be designed to ensure full traceability of pipe and coating materials through all stages of coating and testing. SUPPLIER shall submit this information in the form of a report at the agreed intervals. The above data shall also be provided in MS ACCESS format in Compact Disc (CD). SUPPLIER shall provide the use of one Computer Terminal to COMPANY Representative for monitoring/tracking of the above. In addition SUPPLIER shall also submit the material balance details to COMPANY for information.

6.7 COATING PROCEDURE AND QUALIFICATION

6.7.1 Upon award of the PURCHASE ORDER, the SUPPLIER shall submit within two (2) weeks, for COMPANY approval, a detailed report in the form of bound manual outlining, but not limited to, the following:

- Details of plant(s), location(s), layout, capacity and production rate(s).
- Details of the equipment available to carry out the coating works including surface preparation, epoxy powder application and its recycling system, adhesive & polyethylene extrusion, moisture control facilities available for coating materials.
- Details of process control and inspection equipment required for the coating process such as temperature control, thickness control, holiday testers, etc.
- Facilities in the yard for unloading, handling, transport, production, storage, stockpiling, loading of bare and coated pipes and warehouses for storage of other coating materials.
- Plant Organization Chart and availability of manpower including coating specialist
- Details of utilities/facilities such as water, power, fuel, access roads and communication etc.

After COMPANY has given approval, no change in plant set-up shall be made. However, unavoidable changes shall be executed only after obtaining written approval from COMPANY.

6.7.2 At least four (4) weeks prior to the commencement of production coating, a detailed procedure of the SUPPLIER's methods, material proposed, etc., shall be formulated by the SUPPLIER and submitted for COMPANY approval in the form of a bound manual. The procedure shall include, but not limited to, the following information and proposals:

- Pipe inspection at the time of bare pipe receipt.
- Steel surface preparation, including preheating, removal of steel defects, method of pipe cleaning, dust removal, abrasive blast cleaning and surface profile; methods of measurements and consumables.
- Pipe heating, temperatures and control prior to epoxy application.
- Complete details of raw materials including current data sheets showing values for all the properties specified together with quality control and application procedure recommendations from manufacturer(s).
- Application of FBE powder, adhesive and polyethylene, including characteristics, temperature, line speed, application window, curing time, etc.
- Quenching and cooling, including time and temperature.
- Quality Assurance System, Quality Plan, Inspection and Test Plan and reporting formats, including instrument and equipment types, makes and uses, etc
- Detailed method of repair of coating defects duly classified depending upon nature and magnitude of defects and repair thereof including coating stripping technique
- Details of instrument and equipment calibration methods including relevant standards and examples of calibration certificates.
- Complete details and inventory of laboratory and equipment for procedure qualification and regular production
- Pipe handling and stock piling procedures
- Sample of recording and reporting formats, including laboratory reports, certificates and requirement as per clause 6.0 of this specification.
- Complete details of test certificates for raw materials including test methods and standards used.

- Test certificates from PE compound manufacturer for tests for thermal aging, coating resistivity and aging under exposure to light. These test certificates shall not be older than three years
- Health, Safety and Environment Plans.
- Storage details of coating materials and chemicals.
- Continuous temperature monitoring at various stages of coating

Procedure Qualification Tests (PQT) shall be carried out only after obtaining written approval of the above procedure from COMPANY. No change in the procedure shall be made after the COMPANY has given approval. However, unavoidable changes shall be executed only after obtaining written approval from COMPANY.

- 6.7.3 Prior to start of production, the SUPPLIER shall, at his expense, carry out a coating PQT for each pipe diameter on max. wall thickness, for each type of pipe, for each coating material combination, and for each plant, to prove that his plant, materials, and coating procedures result in a quality of end product conforming to the properties stated in clause 5.3, relevant standards, specifications and material manufacturer's recommendations. SUPPLIER shall give seven (7) working days notice to witness all procedures and tests. A batch representing a normal production run, typically 15 pipes, shall be coated in accordance with the approved coating procedure and the coating operations witnessed by COMPANY Representative. Out of these pipes, at least one pipe shall be coated partly with epoxy and partly with both epoxy and adhesive layers.

At least 5 (five) test pipes shall be selected by COMPANY Representative (optional) for coating procedure approval tests and shall be subjected to procedure qualification testing as described hereinafter. COMPANY Representative shall witness all tests. Out of 5 (five) test pipes, 1 (one) pipe partly coated with epoxy and partly coated with both epoxy and adhesive layers shall be included. Remaining 4 (four) test pipes shall have all three layers. During PQT, the SUPPLIER shall qualify various procedures forming a part of coating operations as detailed subsequently.

6.7.4 Qualification of Procedures

- 6.7.4.1 **Epoxy Powder Application & Recycling:** During pre-qualification, air pressure in the epoxy spray guns, satisfactory functioning of monitoring system, line speed vs coating thickness, etc. shall be established. Dew point of air used to supply the fluidised bed, epoxy spray system and epoxy recycling system shall be recorded during the PQ.

Also, the SUPPLIER shall remove samples of reclaimed powder from the reclamation system. These samples of reclaimed powder shall be subject to a detailed visual examination, thermal analysis and moisture content tests. The properties of the reclaimed powder shall be within the range specified by the Manufacturer of epoxy powder. In case the properties of the reclaimed powder are out of the range specified by the Manufacturer, SUPPLIER shall not use the reclaimed powder during the regular production.

- 6.7.4.2 **Pipe Pre-heating:** The SUPPLIER shall establish the temperature variation due to in-coming pipe temperature, line speed variation, wall thickness variation, emissivity, interruptions, etc. and document the same during the PQT stage. During PQT, proper functioning of pipe temperature monitoring and recording system including alarm/hooter shall be demonstrated to the COMPANY Representative.

6.7.4.3 **Surface Preparation:** The procedure to clean and prepare the pipe surface shall be in accordance with the requirements of this specification. The ratio of shot to grit shall be established during procedure qualification testing, such that the resultant surface profile is not dished and rounded. The qualification shall be performed through a visual inspection, measurement of roughness and check of the presence of dust on the abrasive blast cleaned pipe surface.

6.7.4.4 **Coating Application:** The COMPANY Representative will check the correctness of each coating application operation, values of the main parameters of each operation, pre-heating pipe surface temperature prior to epoxy powder application temperature, line speed, fusion bonded epoxy curing time, temperature and flow rate of co-polymer adhesive and polyethylene, etc. and the same shall be recorded. These values shall be complied with during regular production.

6.7.5 Qualification of Applied Coating

6.7.5.1 Tests on pipe coated partly with epoxy and partly with epoxy & adhesive layers Degree of Cure: Epoxy film samples (minimum 4 no.) shall be scrapped from the coated pipe and the samples shall be taken for cure test using Differential Scanning Calorimetry (DSC) procedure. Care shall be taken to remove the samples of full film thickness avoiding inclusion of steel debris. Glass transition temperature differential (ΔT_g) and % cure (ΔH) shall comply with the specified requirements.

- Epoxy Layer Thickness: Epoxy layer thickness shall be checked at every one metre spacing at 3, 6, 9 and 12 o'clock positions. The thickness shall comply with the specified thickness requirements.
- Adhesive layer Thickness: Adhesive layer thickness shall be checked at every one metre spacing at 3, 6, 9 and 12'o clock positions. The thickness shall comply with the specified thickness requirements.
- Holiday Inspection: Entire pipe shall be subject to holiday inspection and the test voltage shall be set to exceed 5 v/micron of epoxy thickness specified for the portion coated only with epoxy layer.
- Adhesion Test
 - i. Adhesion Test (24 hrs or 48 hrs) shall be carried out on the epoxy coated pipe. Test method, no. of test specimen and acceptance criteria shall comply CSA Z.245.20-02, Table 4.
 - ii. Adhesion of FBE shall also be separately determined at ambient temperature at two locations by the "St Andrews Cross" method and the test shall comply with the specified requirements.
- 2.5° Flexibility Test: 2.5° Flexibility test shall be carried out on the epoxy coated pipe at test temperature of 0°C. Test method, no. of test specimen and acceptance criteria shall comply CSA Z.245,20-02, Table 4.
- Cross-section & Interface Porosity Test: Cross section porosity and interface porosity tests shall be carried out on the epoxy coated pipe. Test method, no. of test specimen and acceptance criteria shall comply CSA Z.245,20-02, Table 4.

6.7.5.2 Tests on pipes coated with all three layers

- Bond Strength: Three test pipes shall be selected for bond strength tests. On each of the selected pipes, three bond strength test shall be performed for each specified temperature i.e. one at each end and one in the middle of the pipe and specified requirements shall be complied with, i.e. bond strength as well as mode of separation. Length of peel shall be minimum 65 mm. None of these samples shall fail.
- Impact Strength: Three test pipes shall be selected for impact strength test and the test shall meet the specified requirements.

- Indentation Hardness: Two samples for both temperatures from all pipes shall be taken. If any one of these samples fail to satisfy the specified requirements, then the test shall be repeated on four more samples. In this case, none of the samples shall fail.
- d. Elongation at failure: Six samples each from three coated pipes i.e. 18 samples in all shall be tested and the test shall comply the specified requirement. Only one sample per pipe may fail.
- Cathodic Disbondment Test: Two CD tests shall be carried out for the total lot of test pipes having all three layers. One test shall be carried out for 30 days duration and another test for 48 hours duration. The tests shall comply the specified requirement. Whenever Procedure Qualification is necessitated for different pipe size with same coating material combination, 48 hours test only be conducted. 30 days CD test is not mandatory in this case.
- Holiday Inspection: All the pipes shall be subject to holiday inspection. The test voltage shall be as specified in para 6.10.4.
- Coating Thickness Measurement: All pipes shall be subject to coating thickness measurements. Acceptance criteria shall be as per para 6.10.3.
- Air Entrapment: One sample each from pipe body and on weld (if applicable) shall be taken from all four coated pipes and the specified requirements shall be complied with.
- Degree of Cure: Epoxy film samples (minimum 4 no., equally spaced) shall be scrapped from one coated pipe and the samples shall be taken for cure test using Differential Scanning Calorimetry (DSC) procedure. Silicon coated sulphite paper shall be placed between the epoxy layer and adhesive layer immediately after epoxy application, to ensure physical separation of epoxy & adhesive as well as to prevent contamination of epoxy with adhesive layer, at a location from where the epoxy samples are to be removed for the test. Care shall be taken to remove the samples of full film thickness avoiding inclusion of steel debris. Glass transition temperature differential (ΔT_g) and % cure (ΔH) shall comply with the specified requirements.

6.7.5.3 Inspection of all test pipes

All pipes shall be subject to the following inspections:

- Surface cleanliness, surface roughness measurements and dust control immediately after second abrasive blast cleaning and salt test immediately after deionised water wash.
- pH of pipe surface before and after phosphoric acid wash.
- visual inspection of finished coating, cut back dimension, internal/external cleanliness, end sealing and bevel inspection. Acceptance criteria for all inspection and testing shall be as specified in this specification.

6.7.6 After completion of the qualification tests and inspection as per para 6.7.5.2 and 6.7.5.3 above, the SUPPLIER shall prepare and issue to COMPANY for approval a detailed report of the above tests and inspection including test reports/certificates of all materials and coatings tested. Only upon written approval from COMPANY, SUPPLIER shall commence production coating.

6.7.7 On successful completion of PQT, coating of all five (5) test pipes shall be removed and completely recycled as per the approved coating procedure specification, at SUPPLIER's expense. Remaining pipes will be accepted by COMPANY provided they meet the requirements of this specification and need not be stripped and re-cycled

- 6.7.8 The SUPPLIER shall re-establish the requirements of qualification and in a manner as stated before or to the extent considered necessary by COMPANY, in the event of, but not limited to, the following:
- Every time there is a change in the previously qualified procedure.
 - Every time there is a change in the manufacturer and change in formulation of any of the raw materials and change in location of raw material manufacture.
 - Every time the coating yard is shifted from one location to the other or every time the critical coating equipments (induction heater, epoxy spray system, extruder, etc) are shifted.
 - Any change in line speed during coating application
 - Any time when in COMPANY's opinion the properties are deemed to be suspect during regular production tests.
- 6.7.9 COMPANY reserves the right to conduct any or all the test required for qualification through an independent laboratory or agency at the cost of SUPPLIER when in COMPANY's opinion, the results are deemed suspect. COMPANY's decision shall be final.

6.8 PIPE SURFACE PREPARATION

- 6.8.1 Unless specified otherwise, the pipes shall be supplied free from mill applied oils but may be subject to contamination occurring during transit.
- 6.8.2 Prior to cleaning operation, SUPPLIER shall visually examine the pipes and shall ensure that all defects, flats and other damages have been repaired or removed. The SUPPLIER shall also remove marking stickers, if any, present within the pipe. Record shall be kept of such marking on the stickers to ensure traceability of pipe after coating.
- 6.8.3 Any oil, grease, salt or other contaminants detrimental to the formation of a good coating bond or coating quality shall be removed prior to coating application. Contaminants may be removed by the use of non-oily solvents. Gasoline or kerosene shall not be used for this purpose. Visible oil and grease spots shall be removed by solvent wiping. Solvent cleaning shall be in accordance with SSPC-SP1. Steel surface shall be allowed to dry before abrasive cleaning.
- 6.8.4 All pipes shall be preheated to a temperature of 65°C to 85°C prior to abrasive blast cleaning. The external surface of the pipe shall be cleaned using 2 no. dry abrasive blast cleaning units to achieve the specified surface cleanliness and profile. The abrasive blast cleaning units shall have an effective dust collection system to ensure total removal of dust generated during blast cleaning from the pipe surface. During abrasive blast cleaning, the metallic abrasive shall be continuously sieved to remove "fines" and "contaminants" and the quality checked at every four hours. Abrasives used for blast cleaning shall comply ISO-11124
- 6.8.5 Suitable plugs shall be provided at both pipe ends to prevent entry of any shot/grit into the pipe during blast cleaning operations. These plugs shall be removed after blast cleaning. Alternatively the SUPPLIER may link the pipes suitably together to prevent the entry of any short/grit into the pipe.

- 6.8.6 All pipes shall be tested for salt contamination after blast cleaning unit. One test shall be carried out on each pipe. The acceptance criteria shall be $2 \mu\text{g}/\text{cm}^2$. An approved salt meter (SCM 400 or equivalent) shall be used to carry out salt tests and shall be calibrated in accordance with the equipment manufacturer's recommendations. Any pipe having salt contamination exceeding $2 \mu\text{g}/\text{cm}^2$ shall be either reblasted or deionised water washed and then rechecked for salt contamination. In case salt level less than $2 \mu\text{g}/\text{cm}^2$ is consistently achieved, the frequency of salt contamination testing may be relaxed to at least one pipe per hour at the sole discretion of the COMPANY Representative.
- 6.8.7 Abrasive cleaning carried out shall be such that the resultant surface profile is not dished and rounded when viewed with 30X magnification. The standard of finish for cleaned pipe shall conform to near white metal finish to Sa 2 ½ of ISO 8501-1. Surface of pipe after abrasive blast cleaning shall have an anchor pattern of 50 to 80 microns (RZ). This shall be measured for each pipe by a suitable instrument such as surface profile depth gauge. In addition the pipe surface after blast cleaning shall be checked for the degree of cleanliness (Sa 2½), degree of dust and shape of profile. Degree of dust shall comply the requirements of ISO 8502 – 3. Acceptance limit shall be either quality rating 2 or Class 2. Tape used for assessment of degree of dust shall comply IEC 454-2. Pressure shall be exerted on the applied tape using a 4 kg roller, prior to peeling-off to assess the degree of dust.
- 6.8.8 All pipes shall be visually examined for presence of any shot/grit/loose material left inside the pipe during blast cleaning. Suitable mechanical means (stiff brush) shall be employed to remove the same before the pipes are processed further. In addition, inside surface of the pipe shall also be visually inspected for presence of any foreign material or shots and grit (free or embedded/sticking to pipe inside surface). The pipe inside surface shall be examined using sharp floodlight focused at the middle of the pipe at one end while inspection is carried out visually from other end. Any foreign material or shots/grit present in the pipe shall be completely removed by mechanical brush, high pressure air jets, by tilting of pipe, etc.
- 6.8.9 At no time shall the blast cleaning be performed when the relative humidity exceeds 85%. The SUPPLIER shall measure the ambient conditions at regular intervals during blast cleaning and coating operations and keep records of prevailing temperature, humidity and dew point.
- 6.8.10 The blast cleaned surface shall not be contaminated with dirt, dust, metal particles, oil, water or any other foreign material, nor shall the surface or its anchor pattern be scarred or burnished. All blast cleaned pipe surface shall be kept in dust free enclosure prior to coating. After blast cleaning, all surfaces shall be thoroughly inspected under adequate lighting to determine anchor pattern, quality of blasting and identify any surface defects prior to coating application. All surface defects such as slivers, scab, burns, laminations, welds spatters, gouges, scores, indentations, slugs or any other defects considered injurious to the coating integrity made visible during blast cleaning shall be reported to the COMPANY Representative and on permission from COMPANY Representative, such defects shall be removed by filing or grinding. After any grinding or mechanical repairs, the remaining wall thickness shall be checked and compared with specified thickness. Any pipes having thickness less than 95% of specified thickness shall be kept aside and disposed off as per the instructions of COMPANY Representative. The method employed to remove surface defects shall not burnish or destroy the anchor pattern or contaminate the surface. Pneumatic tools shall not be used unless they are fitted with effective air/oil

and water traps. Where burnishing results in destruction of anchor pattern, the anchor pattern shall be restored by suitable means. Pipes that have damages repaired by grinding and have ground areas more than 50mm in diameter shall be re-blasted. Any dust or loose residues that have been accumulated during blasting and/or during filing/grinding operations shall be removed by vacuum cleaning. If contamination of surface occurs, the quality of blast cleaning method and process shall be examined. If the surface roughness is outside the specified limit, the blast cleaning material shall be checked and replaced.

- 6.8.11 Upon Completion of the blasting operations, the quality control supervisor shall accept the pipe for further processing or return for re-blasting after removal of defects/imperfections. In case imperfections are considered detrimental to the coating quality, the same shall be reported to COMPANY's Representative for final decision on rejection or re-blasting / removal of defects. Re-blasting / removal of defects or returning pipe to the yard shall be at the SUPPLIER's cost. COMPANY's Representative, in additions, reserves the right to initiate any of the above actions during periodic inspections for oil, dust, salt, imperfections, surface defects, lack of white metal finish, etc.
- 6.8.12 In order to ensure that pipe with defects are not processed further, provisions shall be available to lift the pipes from inspection stand.
- 6.8.13 The total allowable elapsed time between completion of the blasting operations and commencement of the pre-coating and heating operations shall be such that no detectable oxidation of the surface occurs. Relative humidity readings shall be recorded every half an hour during the blasting operations in the immediate vicinity of the operations. The maximum elapsed time shall not exceed the duration given below:

Relative Humidity%	Maximum elapsed time
> 80	2 hours
70 to 80	3 hours
< 70	4 hours

Any pipe not processed within the above time-humidity requirement shall be completely re-blasted. Any pipe showing flash rusting shall be re-blasted even if the above conditions have not been exceeded.

- 6.8.14 Pipe handling between abrasive blasting and pipe coating shall not damage the surface profile achieved during blasting. Any pipe affected by the damage to the surface exceeding 200mm² in area and/or having contamination of steel surface shall be rejected and sent for re-blasting.

6.9 COATING APPLICATION

The external surface of the cleaned pipe conforming to clause 8.0 of this specification shall be immediately coated with 3-layer extruded polyethylene coating in accordance with the procedures approved by COMPANY, relevant standards and this specification. In general, the procedure shall be as follows:

6.9.1 Pipe Heating

- 6.9.1.1 Immediately prior to heating of pipe, all dust and grit shall be removed from inside of the pipe by a combination of air blast, brushing and vacuum cleaning. Suitable arrangement shall be made to protect the bevel ends from getting damaged during the coating operation.
- 6.9.1.2 Induction heater or gas fired heating shall be used for heating the pipe. The method shall be capable of maintaining uniform temperature along the total length of the pipe, and shall be such that it shall not contaminate the surface to be coated. In case of induction heating, appropriate frequency shall be used to ensure 'deep heating' and intense skin heating is avoided. Gas fired heating system shall be well adjusted so that no combustion products are deposited on the steel surface. This shall be demonstrated on bare pipes prior to start of PQT. Oxidation of the cleaned pipe surfaces prior to coating (in the form of blueing or other apparent oxide formation) is not acceptable.
- 6.9.1.3 External surface of the pipe shall be heated to about 190 °C or within a temperature range (min. to max.) as recommended by the powder manufacturer. Required pipe temperature shall be maintained as it enters the coating chamber.
- 6.9.1.4 Temperature of the pipe surface shall be continuously monitored & recorded by using suitable instruments such as infrared sensors, contact thermometers, thermocouples etc. The recording method shall allow to correlate each line pipe. The monitoring instrument shall be able to raise an alarm / activate audio system (hooter) in the event of tripping of induction heater / gas fired heater or in the event of pipe temperature being outside the range recommended by the manufacturer. Any deviation from the application temperature range recommended by manufacturer shall be rectified. If immediate rectification is not feasible, the production shall be stopped until cause of deviation has been removed. Any pipe coated during the duration of temperature deviation shall be identified by marking and rejected. Such rejected pipes shall be stripped, re-cleaned and recoated.
- 6.9.1.5 Temperature measuring & monitoring equipment shall be calibrated twice every shift and/or as per COMPANY Representative's instruction.
- 6.9.1.6 SUPPLIER shall ensure that pipe surface emissivity variations are minimized during pipe heating. To avoid significant variance, more than once blasted joints should be coated at the same time and not mixed with joints blasted only once

6.9.2 Pipe Coating

- 6.9.2.1 Subsequent to pipe heating, coating consisting of following layers shall be applied onto the pipe.
- Electrostatic application of epoxy powder of minimum dry film thickness 0.150 mm, unless otherwise specified. The maximum thickness shall not exceed the epoxy thickness specified by epoxy powder manufacturer.
 - Grafted co-polymer adhesive application by extrusion, minimum thickness 0.200 mm.
 - Polyethylene application by extrusion. The coated pipe shall be subsequently quenched and cooled in water for a period that shall sufficiently lower the temperature of pipe coating to permit handling and inspection.

6.9.2.2 Minimum total thickness of finished coating shall be as under:

Pipe Size (Specified Outside Diameter)	Minimum Coating (*) Thickness (mm)	
	Normal Type (n)	Reinforced Type (v)
Up to 10¾" (273.1 mm)	2.0	2.7
Over 10¾" (273.1 mm) to below 20" (508.0 mm)	2.2	2.9
From 20" (508.0mm) to below 32" (813.0 mm)	2.5	3.2
From 32" (813.0 mm) and above	3.0	3.7

(*) In case HDPE material is used as top coat, 10% reduction in minimum coating thickness specified is permissible.

Required coating thickness shall be Normal Type (n), unless otherwise specified.

6.9.2.3 Coating materials shall be inspected in accordance with the manufacturer's recommendation prior to coating application and it shall be ensured that the materials are moisture free. In case the relative humidity exceeds 80%, the adhesive and polyethylene material shall be dried using hot dry air as per the directions of COMPANY Representative.

6.9.2.4 Prior to starting the application of fusion bonded epoxy powder, the recovery system shall be thoroughly cleaned to remove any unused powder remaining from a previous line pipe coating application. The use of recycled powder shall be permitted subject to

- Satisfactory qualification of the reclaimed system during PQT stage
- The proportion of the reclaimed powder in the working mix does not exceed 20% at any one time.
- The quality of the recycled powder being routinely checked during production, at a minimum frequency of once per shift and consistently meets the requirements stated at para 6.5.1

6.9.2.5 Dry air, free of oil and moisture shall be used in the coating chamber and spraying system and filters, dehumidifier/dryer as required along with control & monitoring system shall be provided for this purpose. Dew point of air used to supply the fluidized bed, epoxy spray system and epoxy recycling system shall be at least (-) 40°C and this shall be shall be monitored during the regular production.

6.9.2.6 Air pressure in the epoxy spray guns shall be controlled, continuously monitored and recorded by using suitable instruments. The air pressure shall be controlled within the limits established during coating procedure qualification. The monitoring system shall be able capable of raising an alarm / activate audio system (hooter) in the event of change in air pressure beyond the set limits. Any deviation from the pre-set limits shall be rectified. If immediate rectification is not feasible, the production shall be stopped until cause of deviation has been removed. Any pipe coated during the duration of air pressure deviation shall be identified by suitable marking and rejected. Such rejected pipes shall be stripped and recoated.

- 6.9.2.7 Extruded adhesive layer shall be applied before gel time of the epoxy coating has elapsed and within the window recommended by the manufacturer. The SUPPLIER shall establish, to the satisfaction of the COMPANY Representative, that the adhesive is applied within the gel time window of epoxy and at the temperature recommended by the adhesive manufacturer. The SUPPLIER shall state the minimum and maximum time interval between epoxy and adhesive application at the proposed pre-heat temperature and line speed.
- 6.9.2.8 Extruded polyethylene layer shall be applied over the adhesive layer within the time limit established during PQT stage and within the time/temperature range recommended by the manufacturer. The extrusion temperatures of the adhesive and polyethylene shall be continuously recorded. The monitoring instruments shall be independent of the temperature control equipment. The instruments shall be calibrated prior to start of each shift.
- 6.9.2.9 SUPPLIER shall ensure that there is no entrapment of air or void formation along the seam weld (where applicable) during application of coating. Air entrapment below the coating and also along the coating overlap shall be prevented by forcing the coating on to the pipe using high pressure roller of suitable design during coating application. In case it is not adequately achieved, SUPPLIER shall supplement by other methods to avoid air entrapment. The methods used shall be witnessed and approved by COMPANY.
- 6.9.2.10 Resultant coating shall have a uniform gloss and appearance and shall be free from air bubbles, wrinkles, holidays, irregularities, discontinuities, separation between layers of polyethylene & adhesive, etc.
- 6.9.2.11 Coating and/or adhesive shall terminate 120 mm (+) 20 / (-) 0 mm from pipe ends. The adhesive shall seal the end of applied coating. SUPPLIER shall adopt mechanical brushing for termination of the coating at pipe ends. Edge of the coating shall be shaped to form a bevel angle of 30° to 45°.
- 6.9.2.12 Failure to comply with any of the above applicable requirement and of the approved procedure shall be cause for the rejection of the coating and such coating shall be removed in a manner approved by COMPANY at SUPPLIER's expense.

6.10 INSPECTION AND TESTING

- 6.10.1 **General** : The SUPPLIER shall establish and maintain such quality assurance system as are necessary to ensure that goods or services supplied comply in all respects with the requirements of this specification. The minimum inspection and testing to be performed shall be as indicated subsequently herein.
- 6.10.2 **Visual Inspection**: Immediately following the coating, each coated pipe shall be visually checked for imperfections and irregularities of the coating. The coating shall be of natural colour and gloss, smooth and uniform and shall be blemish free with no dust or other particulate inclusions. The coating shall not show any defects such as blisters, pinholes, scratches, wrinkles, engravings, cuts, swellings, disbanded zones, air inclusions, tears, voids or any other irregularities. Special attention shall be paid to the areas adjacent to the longitudinal weld (if applicable), adjacent to the cut-back at each end of pipe and within the

body of the pipe. In addition inside surface of the pipe shall also be visually inspected for presence of any foreign material or shots and grit (free or embedded/sticking to pipe inside surface). The pipe inside surface shall be examined using sharp floodlight focused at the middle of the pipe at one end while inspection is carried out visually from other end.

6.10.3 Coating Thickness

- The coating thickness shall be determined by taking at least 10 measurements at locations uniformly distributed over the length and periphery of each pipe. In case of welded pipes, five of the above readings shall be made at the apex of the weld seam, uniformly distributed over the length of the coated pipe. All readings must meet the minimum requirements. However, localized coating thickness of less than the permissible minimum thickness can be tolerated on the condition that it does not attain a total extent of more than 5 cm² per meter length of coated pipe, and the actual coating thickness does not drop more than 10% below the permissible minimum coating thickness at these locations. The frequency of thickness measurement as stated above shall be initially on every pipe, but may be reduced depending upon consistency of results, at the sole discretion of COMPANY Representative. Results of all measurements shall be recorded.
- Thickness of epoxy and adhesive shall be measured at the beginning of each shift and whenever the plant re-starts after any stoppage for compliance. Coating of epoxy and adhesive on portion of pipe required for this purpose, stripping and recoating of such partly coated pipes shall be at SUPPLIER's expense.
- Coated pipes not meeting the above requirements shall be rejected. Rejected coated pipes shall be stripped and re-coated in accordance with approved procedure, at SUPPLIER's expense.

6.10.4 Holiday Detection

- Each coated pipe length shall be checked over 100% of coated surface by means of a "holiday detector" of a type approved by COMPANY for detecting holidays in the finished coating.
- The holiday detector shall be a low pulse D.C. full circle electronic detector with audible alarm and precise voltage control complying with DIN VDE 0433 Part 2. The set voltage for inspection shall be minimum 25 kV. Travel speed shall not exceed 300 mm/s.
- SUPPLIER shall calibrate the holiday detector at least once every 4 hours of production. SUPPLIER shall have necessary instruments or devices for calibrating the holiday detector.
- Any pipe coating shall be rejected if more than 1(one) holiday & area more than 100 cm² in size are detected in its length attributable to coating process.
- Holidays which are lesser in size than those mentioned above, shall be repaired in accordance with a approved procedure and shall be at SUPPLIER's expense.

6.10.5 Bond Strength Test

- SUPPLIER shall conduct bond strength test for composite coating as per Clause 5.3.3(a) of this specification. A minimum of 65 mm length shall be peeled. First 20 mm and last 20 mm shall not be counted for assessment of bond strength.
- The frequency of test for cut back portions shall be one pipe in every fifteen (15) pipes coated and for middle of pipe shall be one pipe in every sixty (60) pipes coated or one pipe per shift whichever is higher. On each selected pipe, bond strength shall be performed for each specified temperature. Test shall be performed at each cut back portion and one in

the middle of pipe. The system shall disbond/separate cohesively either in adhesive layer or in polyethylene layer. Majority of the peeled off area on the pipe shall show presence of adhesive. Disbondment/separation at epoxy to steel interface or epoxy / adhesive interface or adhesive / polyethylene interface shall not be permitted. The failure mode shall be recorded for each test.

- In case the test fails to comply the specified requirement, the SUPPLIER shall test the preceding and succeeding coated pipe. If both pipes pass the test, then the remainder of the pipe joints in that shift shall be deemed satisfactory. If either pipe fails to meet the specified requirements, all pipes coated during that shift shall be tested until the coating is proved acceptable. Rejected coated pipes shall be stripped and re-coated in accordance with approved procedure, at SUPPLIER's expense.
- The frequency of bond strength test as per para 6.10.5 for cut back portion may be reduced depending upon the consistency of result to one pipe in every twenty five (25) instead of every fifteen pipes, at the sole discretion of the COMPANY Representative.

6.10.6 Impact Strength

- Impact strength test shall be conducted as per clause 5.3.3(b) of this specification. Initially the frequency of test shall be two (2) coated pipes per shift that may be further reduced to one coated pipe per 2 weeks depending upon consistently acceptable results at the sole discretion of COMPANY's Representative.
- Minimum thirty (30) impacts located equidistant along the length of coated pipe shall be performed.
- Immediately after testing, the test area shall be subjected to holiday detection at the same voltage as used prior to impact strength test. The pipe shall be rejected if any holiday is noted in the test area.
- In case of test failure, retesting and disposal of coated pipe shall be as per para 6.10.5 (c) above.

6.10.7 Indentation Hardness

- Indentation hardness test shall be as per clause 5.3.3 (c) of this specification. The frequency of test shall be initially 2 (two) coated pipes per shift which shall be further reduced to one test each on 2 coated pipes per week at random after 1 week of consistently acceptable results. Two samples for each temperature shall be taken from the cut back portion of coated pipe and one in the middle of the pipe for this test.
- In case of test failure, retesting and disposal of coated pipe shall be as per para 10.5 (c) above.

6.10.8 Air Entrapment Test

- Strips from bond strength tests or coated pipe may be used to help determine the porosity of the finished coating. Strip shall be also cut from longitudinal weld (if applicable) at cut back portion and examined for the presence of voids.
- Bond strength strip shall be viewed from the side and at the failure interface. At the pipe bond strength test location, utility knife shall be used to cut the edge of the coating to a 45° angle and view with a microscope. Similar examination shall be done in the coating cut back area.
- One sample each either on the bond strength strip or coated pipe and strip cut from the longitudinal weld (if applicable) shall be examined for air entrapment per shift. Strips shall be viewed from the side.
- All examination shall done using a 30X magnification hand-held microscope. The polyethylene and adhesive layers shall have no more than 10% of the observed area taken up with air entrapment (porosity or bubbles). Air entrapment shall not occupy more than 10% of the thickness

- in each case. Bubbles shall not link together to provide a moisture path to the epoxy layer.
- In case of test failure, retesting and disposal of coated pipe shall be as per para 10.5 (c) above.
- 6.10.9 Degree of Cure**
- Epoxy film samples shall be removed from cut back portion of the coated pipe using hammer and cold chisel and the samples shall be taken for cure test using DSC procedure. Silicon coated sulphite paper shall be placed between the epoxy layer and adhesive layer immediately after epoxy application, to ensure physical separation of epoxy & adhesive as well as to prevent contamination of epoxy with adhesive layer, at a location from where the epoxy samples are to be removed for the test. Care shall be taken to remove the samples of full film thickness avoiding inclusion of steel debris. Glass transition temperature differential (.Tg) and % cure (.H) shall comply the specified requirements.
 - Frequency of this test shall be once per shift. Pipe shall be selected randomly by COMPANY Representative during the middle of a shift. Suitable provisions /arrangements as per the instructions of COMPANY Representative shall be made by the SUPPLIER for this purpose
 - In case of test failure, production carried out during the entire shift shall be rejected, unless the SUPPLIER proposes a method to establish the compliance with the degree of cure requirements of all pipes coated during that shift.
- 6.10.10 Epoxy Layer Adhesion Test**
- Adhesion of epoxy layer shall be determined at ambient temperature by the "St Andrews Cross" method i.e. by cutting two straight lines through the epoxy layer with a sharp knife. The incisions shall intersect at an angle of 30°/150°. The epoxy coating shall resist disbondment from the steel when attempts are made to flick/lift the coating from the 30° angle with a sharp knife.
 - Frequency of this test shall be once per shift. The test shall be carried out at the cut back portion on the pipe from which the Degree of Cure test has been carried out as per para 10.9 above.
 - In case of test failure, retesting and disposal of coated pipe shall be as per para 10.9 (c) above.
- 6.10.11 Cathodic Disbondment Test**
- 48 hours CD test shall be conducted as per clause 5.3.3 (h) of this specification.
 - The frequency of this test shall be once in every two weeks or one test representing each batch of epoxy powder used, whichever is more frequent.
 - In case the test fails to conform to the specified requirement, at the option of the SUPPLIER, all pipes coated after the previous acceptable test and prior to next acceptable test shall be rejected or the test shall be repeated using two additional samples taken from the same end of the affected pipe. When both retests conform to the specified requirement, the lot of pipes shall be accepted. When one or both the retests fail to conform to the specified requirement, all coated pipes after previous acceptable test and prior to next acceptable shall be rejected. All rejected pipes shall be stripped, re-cleaned and re-coated. COMPANY may consider a further retest program to determine whether any of the affected pipe meet the criteria for acceptance upon written request by the SUPPLIER.
- 6.10.12 Damages occurring to pipe coating during above tests shall be repaired in accordance with approved coating repair procedure.**

- 6.10.13 Repairs occurring on account of the production tests are however excluded from above mentioned limitations at para 6.10.4 above.
- 6.10.14 COMPANY reserves the right to perform inspection and witness tests on all activities concerning the pipe coating operations starting from bare pipe to finished coated pipe ready for despatch and also testing of raw materials. SUPPLIER shall give reasonable notice of time and shall provide without charge reasonable access and facilities required for inspection to the COMPANY's representative. Inspection and tests performed or witnessed by COMPANY's representative shall in no way relieve the SUPPLIERs obligation to perform the required inspection and tests.
- 6.10.15 In case rate of defective or rejected pipes and/or samples tests are 10% or more for a single shift (typically 8 hours), SUPPLIER shall be required to stop production and carry out a full and detailed investigation and shall submit findings to COMPANY for approval. SUPPLIER shall recommence the production only after getting the written permission from COMPANY. Under no circumstances any action or omission of the COMPANY's Representative shall relieve the SUPPLIER of his responsibility for material and quality of coating produced. No pipes shall be transported from the coating plant unless authorized by COMPANY in writing.

6.11 REPAIR OF COATING

SUPPLIER shall submit to COMPANY, its methods and materials proposed to be used for executing a coating repair and shall receive approval from COMPANY prior to use. In open storage the repair coating materials must be able to withstand a temperature of at least (+) 80°C without impairing its serviceability and properties. SUPPLIER shall furnish manufacturer's test certificates for the repair materials clearly establishing the compliance of the repair materials with the applicable coating requirements indicated in this specification. All pipe leaving coating plant, shall have sound external coating with no holiday or porosity on 100% of the surface.

Defects, repairs and acceptability criteria shall be as follows:

- Pipes showing porosities or very small damage not picked up during holiday test and having a surface less than 0.5 cm² or linear damage (cut) of less than 3 cm shall be repaired by stick using material of same quality.
- Damages caused to coating by handling such as scratches, cuts, dents, gouges, not picked up during holiday test, having a total reduced thickness on damaged portion not less than 2 mm and an area not exceeding 20 cm² shall be rebuild by heat shrink patch only and without exposing to bare metal.
- Defects of size exceeding above mentioned area or holidays of width less than 300 mm shall be repaired with heat shrink repair patch by exposing the bare metal surface.
- Defects exceeding the above and in number not exceeding 2 per pipe and linear length not exceeding 500 mm shall be repaired using heat shrinkable sleeves of HTLP 80 or equivalent.
- Pipes with bigger damage shall be stripped and recoated.
- In case of coating defect close to coating cut back, SUPPLIER shall remove the coating throughout the entire circumference of the pipe down to the steel surface and increase the coating cut back length. Now if the coating cut back exceeds 140 mm of linear length of pipe then the coating shall be repaired by the use of heat shrink sleeves thereby making up the coating cut back length of 120 mm.

Notwithstanding the above, if any defect exceeds 70 mm from the original coating cut back length, the entire coating shall be removed and the pipe shall be recycled through the entire coating procedure.

Irrespective of type of repair, the maximum numbers of repair of coating shall be as follows:

- Holiday repair of size =100 cm² attributable to process of coating application shall be maximum one number per pipe.
- In addition to the above, defects to be repaired by heat shrink patch/sleeve shall be maximum 2 (two) per pipe

Defects exceeding the above limits shall cause pipe coating rejection, stripping and recoating. The above is exclusive of the repairs warranted due to testing as per this specification.

All repairs carried out to coating for whatever reason shall be to the account of SUPPLIER.

Cosmetic damages occurring in the polyethylene layer only need not be repaired by exposing up to steel surface, as deemed fit by the COMPANY Representative. In any case the SUPPLIER shall establish his material, methods and procedure of repair that result in an acceptable quality of product by testing and shall receive approval from COMPANY prior to use.

Testing of repairs shall be in the same form as testing coating. All repairs shall result in a coating thickness no less than the parent coating thickness. SUPPLIER shall test repairs to coating as and when required by COMPANY.

6.12 MARKING

SUPPLIER shall place marking on the outside surface of the coating at one end of the coated pipe, and marking shall indicate, but not limited to the following information:

- Pipe number, Heat number
- Diameter & Wall thickness
- Coated pipe number
- Colour band
- Any other information considered relevant by COMPANY.
- Pipe Manufacturer Name
- Inspection Mark/Punch

SUPPLIER shall obtain prior approval on marking procedure to be adopted from the COMPANY.

6.13 QUALITY ASSURANCE

- 6.13.1 The SUPPLIER shall have established within his organization and, shall operate for the contract, a documented Quality System that ensures that the requirements of this specification are met in all aspects. The Quality System shall be based upon ISO 9001/2 or equivalent.

- 6.13.2 The SUPPLIER shall have established a Quality Assurance Group within its organization that shall be responsible for reviewing the Quality System and ensuring that it is implemented.
- 6.13.3 The SUPPLIER shall submit the procedures that comprise the Quality System to the COMPANY for agreement.
- 6.13.4 The SUPPLIER's Quality System shall pay particular attention to the control of Suppliers and Sub-SUPPLIERS and shall ensure that the requirements of this specification are satisfied by the Suppliers and Sub-SUPPLIERS operating Quality system in their organization.
- 6.13.5 The SUPPLIER shall, prior to the commencement of work, prepare and issue a Quality Plan for all of the activities required to satisfy the requirements of this specification. The plan shall include any sub-contracted work, for which the sub-SUPPLIERS Quality Plans shall be submitted. The plan shall be sufficiently detailed to indicate sequentially for each discipline the requisite quality control, inspection, testing and certification activities with reference to the relevant procedures and the acceptance standards.
- 6.13.6 The SUPPLIER's Quality system and associated procedures may, with due notice, be subject to formal audits. The application of quality control by the SUPPLIER will be monitored by the COMPANY Representatives who will witness and accept the inspection, testing and associated work required by this specification.

6.14 **SCOPE OF WORK AND SPECIFICATIONS FOR POLYETHYLENE HEAT SHRINKABLE COATING OF LR BENDS:**

6.14.1 Reference code ISO 21809-3, latest edition, Petroleum and Natural Gas Industries – External Coating for Buried or Submerged Pipelines used in Pipeline Transportation Systems – Part 3 Field Joint Coating. The maximum design temperature of the polyethylene heat shrinkable coating shall be 80 deg C.

6.14.2 The heat shrinkable coating material shall be as follows as per clause 14.2.3 of the reference code ISO 21809-3 :-

Type 14B-2 is a cross-linked heat shrinkable polyethylene-base material, with Tmax not greater than 80deg C., which applied with a liquid epoxy, FBE or any other compatible primer.

6.14.3 **SURFACE PREPARATION**

Surface preparation shall be carried out according to clause 14.3 of the reference code.

6.14.4 **Application of the coatings**

Application of the coating shall be carried out in accordance with clause 14.4 of the reference code.

6.14.5 **Testing of the applied coatings**

Testing of the applied coatings shall be carried out in accordance with clause 14.5 of the reference code.

Tests to be carried out :-

- i) Thickness (as per Annex B of the code)
- ii) Holiday detection (As per Annex C of the code)

- iii) Peel strength (As per Annex H of the code and shall meet the requirements of Table 17)
 - iv) Cathodic disbondment (As per Annex G of the code and shall meet the requirements of Table 17)
 - v) Hot-water immersion test (As per Annex I of the code and shall meet the requirements of Table 17)
 - vi) Impact resistance (As per Annex D of the code and shall meet the requirements of Table 17)
 - vii) Indentation resistance (As per Annex E of the code and shall meet the requirements of Table 17)
 - viii) Lap shear strength (As per Annex J of the code and shall meet the requirements of Table 17)
 - ix) Thermal ageing resistance (As per Annex M of the code and shall meet the requirements of Table 17)
- 6.14.6 Coating identification shall be as per Table 14.1 of the reference code which shall be furnished to the Company
- 6.14.7 Property of the type 14B-2 joint coatings — PE-with primer) shall be as per Table 17 of the reference code which shall be furnished to the Company
- 6.14.8 Data sheet of the primer shall be furnished to the Company as per the reference code.
- 6.14.9 Data sheet of the Heat Shrinkable materials shall be furnished to the Company as per the reference code.
- 6.14.10 Conditions of coating application shall be recorded as per the reference code and shall furnished to the Company.

7.0 SCOPE OF WORK FOR DELIVERY OF PRE-COATED PIPES AND SPECIFICATION

The pre coated / Bare Pipes and LR Bends are to be delivered at pipe yards in and around Duliajan. The pipes and bends should be carefully handled as per guidelines so that there is no damage to the coatings.

8.0 SCOPE OF WORKS AND SPECIFICATION FOR FABRICATION OF LONG RADIUS BENDS, INCLUDING 3 LAYER SIDE EXTRUDED POLYETHYLENE COATING OR HEAT SHRINKABLE SLEEVES COATING TYPE OF THE BENDS, HANDLING, DESPATCH AND DELIVERY OF THE BENDS AT DESIGNATED POINTS.

8.1 SCOPE :

- 8.1.1 Fabrication of long radius bends as per clause 1.4 and as per clause 8.2 to 8.8.
- 8.1.2 Handling, loading, transportation to coating plant and unloading at coating plant as per Para -5.0 PART – A.
- 8.1.3 External coating of the bends by using Polyethylene Heat Shrinkable Sleeve coating as per clause 6.14.
- 8.1.4 Handling, packing, loading, despatch and delivery of coated bends at designated points as per Para – 7.0, PART – A.

8.2 Reference has been made in this specification to the latest edition of the following codes, standards and specifications :

- a) ASME B 31.8:Gas Transmission and Distribution Piping Systems.
- b) MSS-SP-75 :Specification for High Test Wrought Welding Fittings.

8.3 MATERIAL

8.3.1 Bends shall be fabricated from steel line pipes of specification as per **SCOPE OF SUPPLY** mentioned in Para – 1.4 and scope as per Para – 3.0, PART – A.

8.3.2 Heat treatment shall be carried out for all finished bends, Heat treatment procedure shall be such that the mechanical properties and steel microstructure of the finished bends comply with the minimum requirements specified in the applicable line pipe specification referred under clause 3.1 When TMCP and OLAC sheets and micro alloyed steels are used, specific approval of the proposed heat treatment shall be obtained before bending process is employed. The finished product shall be evaluated for mechanical properties and micro structural stability.

8.4 MANUFACTURE

8.4.1 Bends shall be manufactured by high frequency induction heating and forming method. Once the bending operation has commenced no stoppage shall be permitted until the entire bend has been completed. If bending temperature, bending rate, cooling medium volume or heat treatment temperature depart from the Purchase approved bend manufacturing procedure, then the pipe shall be discarded and another bend shall be made in its place.

8.4.2 Unless otherwise specified differently in the Purchase Order, the bevels at the ends shall be as per relevant pipe specification.

8.4.3 No repair by welding is allowed on any part of the bends.

8.4.4 Bulges, dents and flat areas shall not appear within 100 mm front end of the bend. For the remaining part of the bend these deviations from the original contour of the pipe are permitted provided these deviations do not exceed 6.0 mm. The same shall not extend (in any direction) over a distance of more than 25% of nominal diameter of the bend.

8.4.5 All bends shall be provided with a tangent length at the ends. Tangent length shall be 300 mm or pipe outside diameter whichever is more.

8.5 TOLERANCES

The dimensions of bends shall be controlled to make sure that they are manufactured according to the tolerances indicated below in addition to the requirements of MSS-SP-75. However, the ends of finished pipe bend shall meet the dimensional tolerances of the relevant pipe specification as referred in Para – 1.1 and Para – 3.0, PART - A.

- 8.5.1 Bend Angle : ± 0.5 degree of specified angle
- Bend Radius : $\pm 1\%$ of bending nominal radius

- 8.5.2 The manufacturer shall measure the wall thickness of the pipe before bending along both the inside and outside radii of the bend between and including the start and stop points of the bend arc angle, at intervals approximately equal to pipe diameter or 300 mm whichever is less. The wall thickness shall be measured ultrasonically after bending at the same locations measured before bending. In addition, the wall thickness of the tangents shall also be measured. These measurements shall be taken at four equally spaced locations around the pipe circumference. The measured wall thickness shall be at least equal to :

$$t_{\min} = 0.95 (t_{\text{actual}} - \Delta t)$$

where :

t_{actual} = Actual wall thickness of pipe

Δt = 0.35 mm for a wall thickness <10 mm and 0.5 mm for a wall thickness \geq 10 mm

- 8.5.3 Out of roundness tolerance on the body and ends of the bend shall be as follows:

Body

Measurements of the outside diameter shall be taken in the plane of the bend at locations where wrinkles are present (OD max.) and at locations where wrinkles are not present (OD min.). Out of roundness shall be considered acceptable, if the value of $(OD_{\max} - OD_{\min}) / OD_{\text{nom.}}$ does not exceed 2.5%.

- 8.5.4 Off-Plane

Off-Plane of bends shall not exceed $(\theta/90) \times 10$ mm, where θ is the bend angle in degree or the tolerance limit specified in MSS-SP-75 whichever is less. The measurement shall be in accordance with MSS-SP-75.

8.6 INSPECTION & TESTS

- 8.6.1 The manufacturer shall perform all inspection and tests as per the requirements of this specification and MSS-SP-75 prior to transfer to the coating plant. Such inspection and tests shall be as a minimum, but not limited to the following:

- 8.6.1.1 Verify that the uncoated bends arrive at coating shop is in full compliance with the pipe specification as referred from Para – 8.2 to Para – 8.5.

- 8.6.1.2 Visual inspection.

- 8.6.1.3 Dimensional and tolerances check as per MSS-SP-75 and requirements of Section 4.0 of this specification.

- 8.6.1.4 Check heat treatment, if carried out, as required and maintain its records.

- 8.6.1.5 Temperature against time recorder charts for each induction heating.

- 8.6.1.6 A check shall be performed on each bend by passing a gauging pig consisting of two discs having a diameter equal to 95% of the nominal internal diameter of the pipe, connected rigidly together at a distance equal to 500 mm. Details of the gauging pig. Including its dimensions shall be approved by Purchaser.

8.6.2 Purchaser reserves the right to perform stage wise inspection and witness tests on all bends as indicated in Clause 5.1 at Manufacturer's works, prior to shipment.

8.7 **TEST CERTIFICATES:** The manufacturer shall submit the following certificates;

8.7.1 Records of heat treatment, if carried out for bends.

8.7.2 Certified reports of dimensional tolerance of bends.

8.7.3 Certificates of all other tests as required in this specification.

The Certificate shall be valid only when signed by Third Party Inspection Agency. Only those bends which have been certified by Third Party Inspection Agency shall be dispatched from Manufacturer's works.

8.8 MARKING, PACKING AND SHIPMENT

8.8.1 All bends shall be marked as per MSS-SP-75.

8.8.2 Both ends of all bends shall be suitably protected to avoid any damage during transit by means of metallic or high impact plastic bevel protectors.

***** **END OF ANNEXURE – A1** *****

BID EVALUATION CRITERIA (BEC)/BID REJECTION CRITERIA (BRC)

The bids shall conform generally to the specifications and terms as well as conditions laid out in the tender. Bids will be rejected in case the items offered do not conform to the required parameters stipulated in the technical specifications and to the respective international/national standards wherever stipulated. Notwithstanding the general conformity of the bids to the stipulated specifications and terms & conditions, particularly the following requirements will have to be met by the bidders, without which, the offer will be considered as non-responsive and rejected.

A. BID REJECTION CRITERIA:

A.1 BRC - TECHNICAL:

- 1.0** Bidder shall either be a Line Pipe Manufacturer or a Supply House/ Dealer/Distributor/Sole Selling Agent duly authorized by a Line Pipe Manufacturer. Bidder must submit such authorization letter, if applicable, alongwith the Technical Bid clearly specifying their status.
- 1.0** All the tendered items shall be procured from same source against this tender and hence, bidder must quote for all items in full quantity strictly complying with the technical specifications as per tender.
- 3.0** Bidder must be in a position of supplying the entire tendered quantity within a period of 16 Weeks (i.e., FOB Port of export in case of Overseas bidder from LC and FOR Despatching Station in case of Indigenous Bidder from the date of PO). Bids without delivery schedule or with higher delivery schedule than above shall be rejected.
- 4.0 Experience Criteria:**
 - 4.1 For Line Pipe Manufacturer:** The Line Pipe Manufacturer must have experience of manufacturing and successfully executing orders/contracts to any Oil & Gas specific Companies for at least 50% tendered quantity of same type (as per tender specifications) Line Pipes compliant to API Spec. 5L at PSL-2 during the last 5 (five) years preceding the original bid closing date of the tender (either by themselves or through their sole selling agent/distributor/dealer/supply house). Manufacturer/Mill having such experience for supplying higher outer diameters and/or higher Grades and/or minimum wall-thickness of 6.4 mm shall also be acceptable. Documentary evidence in this regard must be submitted as per Para 4.4.
 - 4.2 For Bend Manufacturer:** The Manufacturer of offered Pipe Bends must have experience of manufacturing and successfully executing orders/contracts to any Oil & Gas specific companies for at least 50% tendered quantity of same type (as per tender specifications) Pipe Bends compliant to API Spec. 5L at PSL-2 during the last 5 (five) years preceding the original bid closing date of the tender (either by themselves or through their sole selling agent/distributor/dealer/supply house). Manufacturer/ Mill having such experience for supplying higher outer diameters and/or higher Grades and/or minimum wall-thickness of 6.4 mm shall also be acceptable. Documentary evidence in this regard must be submitted as per Para 4.4.

- 4.3 **For Coating Applicator:** The Coating Applicator must have experience of successfully carrying out API Line Pipe coating jobs as per tender specifications for at least 50% tendered quantity for use by Oil and Gas specific companies in the last 5 (five) years preceding the original bid closing date of the tender. Documentary evidence in this regard must be submitted as per Para 4.4.
- 4.4 Documentary evidences to substantiate past supply experience as above should be submitted alongwith the technical bid in the form of copies of relevant Purchase Orders/Contracts placed by Oil & Gas specific Companies together with copies of any of the following documents against each of those Orders/contracts:
- (i) Signed and sealed Satisfactory supply / completion report (in original on user's letter head) (OR)
 - (ii) Bill of Lading (OR)
 - (iii) Consignee delivery receipt / challan (OR)
 - (iv) Central Excise Gate Pass/Tax Invoice issued under relevant rules of Central Excise/Vat (OR)
 - (v) Commercial Invoice/ Payment Invoice

Note:

- i. The Purchase Orders/contracts date need not be within 5 (five) years preceding original bid closing date of this tender. However, the execution of supply must be within 5 (five) years preceding the original bid closing date of this tender.
- ii. In the event of any extension to the bid closing date of the tender, the original scheduled bid closing date shall be considered for evaluation of BRC clauses.
- iii. Documentary evidences regarding satisfactory supply/completion/ installation report should be submitted alongwith the technical bid on client's letterhead, duly signed & sealed by the authorised officials of such client/customer. Original documents, if & when warranted, must be produced for verification by OIL.

5.0 In case the Bidder is a LINE PIPE MANUFACTURER:

- 5.1 The manufacturing mill of the offered line pipes must have API Spec. 5L – Product Specification Level 2 (PSL 2) certifications for the preceding five (5) years from the original bid closing date of the tender and the same must be valid as on the scheduled original bid closing date. Copies of relevant API license to use API monogram (API 5L at PSL-2) for the last 5 (Five) years (i.e. continuous without having any break in between) shall be submitted alongwith the techno-commercial bid. Bids without copies of valid API certificates or with break in between shall be rejected.
- 5.2 The Bidder must meet the past supply experience criteria as stipulated in Para 4.1 above for Coated Line Pipes and submit documentary evidences thereof as per para 4.4 above.
- 5.3 The Bidder should either themselves meet the criteria for Bends as stipulated in Para 4.2 above or propose to engage a third party Bend Manufacturer who meets the said criteria. Bidder proposing to engage a third party Bend Manufacturer must execute an MOU (Memorandum of Understanding) with such bend manufacturer before submission of their Bid and a copy of which must be submitted alongwith the technical bid. Requisite documentary evidences for supply experience of the Bend Manufacturer as called for vide para 4.4 complying with the criteria mentioned in para 4.2 above must also be submitted together with the MOU.

- 5.4 The Bidder should either have their own coating facility meeting the tender specifications or propose to engage a third party Coating Applicator who meets the coating criteria. Bidders proposing to engage a third party Coating Applicator, must execute an MOU (memorandum of understanding) with such Coating Applicator before submission of their Bid and a copy of which must be submitted alongwith the technical bid. Requisite documentary evidences for experience of Line Pipe Coating jobs as called for vide para 4.4 complying with the criteria mentioned in para 4.3 above must also be submitted together with the MOU.
- 5.5 As may be necessary, the Bidder can propose only one Bend Manufacturer and only one Coating Applicator in their Bid. Offers highlighting multiple Bend Manufacturers and/or multiple Coating Applicators shall be rejected without any reference.
- 5.6 Subsequent to submission of Bid, Bidder shall not be permitted to change the Bend Manufacturer or Coating Applicator. Request for such change(s) will amount to post-tender modification/withdrawal of bid and liable for bid rejection, besides other penal actions.
- 6.0 In case the Bidder is an authorized Dealer/Distributor/Supply House/Sole Selling Agent of a Line Pipe Manufacturer, the following criteria must be met by the Bidder:**
- 6.1 The Bidder must identify its status (whether Dealer/Distributor/Supply House/Sole Selling Agent) in its technical Bid and undertake to supply Line Pipes & Bends produced by the manufacturer(s), who meets the experience requirements stipulated under para 4.1 & 4.2 above. Similarly, the Coating shall be applied by the party who meets the criteria as mentioned in para 4.3 above. Documentary evidences in this regard for Line Pipe Manufacturer, Bend Manufacturer and Coating Applicator must be submitted as per para 4.4 above.
- 6.2 The bidder must additionally have own experience of successfully executing at least 01 (One) purchase order/contract for Coated API Line Pipe of minimum 25% of the tendered quantity of any size & grade to Oil and Gas specific companies in the last 5 (Five) years preceding the original bid closing date of the tender. Documentary evidence in this regard must be submitted as per Para 4.4 above.
- 6.3 The Bidder shall furnish due Authorisation Certificate from the Line Pipe Manufacturer with specific stipulation to the effect that the Pipe Manufacturer does not quote/participate against tendering process, but sells through their authorized dealer/distributor/supply houses/sole selling agents only. Such authorization must remain valid throughout execution of the order arising out of this tender and the manufacturer must guarantee supply of offered API Line Pipes, if ordered.
- 6.4 In case the Bidder offers Bends and/or Coating from vendors other than the pipe manufacturer, a copy of MOU (Memorandum of Understanding) from each such vendors must be submitted alongwith the technical bid as per para 5.3 & 5.4 above.
- 6.5 As may be necessary, the Bidder can propose only one Pipe Manufacturer, one Bend Manufacturer and one Coating Applicator in their Bid. Offers highlighting multiple Pipe Manufacturers and/or multiple Bend Manufacturers and/or multiple Coating Applicators shall be rejected without any reference.

- 6.6 Subsequent to submission of Bid, Bidder shall not be permitted to change the Pipe Manufacturer/Bend Manufacturer/Coating Applicator. Request for such change(s) shall amount to post-tender modification/withdrawal of bid and liable for bid rejection, besides other penal actions.
- 7.0 Bidders who have already executed Purchase Orders of OIL INDIA LIMITED (OIL) for Coated API Line Pipes (API 5L) during the last five (5) years preceding to the original Bid Closing Date of this Tender and propose the same set of manufacturers & coating applicator against this tender also, need not be required to submit documentary evidences as per para 4.4 above. **However, for availing this exemption, the Bidder must highlight OIL's such Purchase Order No. & Date as well as the name of Pipe Manufacturer, Name of Bend Manufacturer and Name of Coating Applicator in their Technical Bid.** Notwithstanding above, the Bidder must submit other documents viz; copy of API License & valid MOU (for subject tender) etc. as called for above.

A.2 BRC - FINANCIAL:

- 1.0 The bidder shall have an annual financial turnover of minimum US\$ 243,800.00 or Rs. 159.00 Lakh during any of the preceding 3 (Three) financial/accounting years reckoned from the original bid closing date of the tender.
- 2.0 "Net Worth" of the bidder must be positive for the financial/accounting year just preceding to the original Bid Closing Date of the Tender (**i.e., Year 2017-18**).
- 3.0 Considering the time required for preparation of Financial Statements, if the last date of preceding financial/accounting year falls within the preceding six months reckoned from the original bid closing date and the Financial Statements of the preceding financial/accounting year are not available with the bidder, then the financial turnover of the previous three financial/accounting years excluding the preceding financial/accounting year will be considered. In such cases, the Net worth of the previous financial/accounting year excluding the preceding financial/accounting year will be considered. However, the bidder has to submit an affidavit/undertaking certifying that 'the balance sheet/Financial Statements for the financial year 2017-18 has actually not been audited so far'.

Note:

- a) For proof of Annual Turnover & Net worth any one of the following document must be submitted along with the technical bid:-
- i) A certificate issued by a practicing Chartered Cost Accountant (with Membership Number and Firm Registration Number), certifying the Annual Turnover & Net worth as per format prescribed in ANNEXURE-D.
OR
- ii) Audited Balance Sheet alongwith Profit & Loss account. In case of foreign bidders, self-attested/digitally signed printed published accounts are also acceptable.
- b) In case the bidder is a Central Govt. Organization/PSU/State Govt. Organization/Semi-State Govt. Organization or any other Central/ State Govt. Undertaking, where the auditor is appointed only after the approval of Comptroller and Auditor General of India and the Central Government, their certificates may be accepted even though FRN is not available. However, bidder to provide documentary evidence for the same.

- 4.0 In case the Audited Balance Sheet and Profit & Loss Account submitted along with the bid are in currencies other than INR or US\$, the bidder shall have to convert the figures in equivalent INR or US\$ considering the prevailing conversion rate on the date on which the Audited Balance Sheet and Profit & Loss Account is signed. A CA certificate is to be submitted by the bidder regarding converted figures in equivalent INR or US\$.

A.3 BRC – COMMERCIAL:

Commercial Bid Rejection Criteria will be as per Section D of General Terms & Conditions of Global Tender (MM/GLOBAL/E-01/2005) with following Special Bid Rejection Criteria.

- 1.0 Bids are invited online under **Single Stage Two Bid System**. Bidders must prepare the Techno-Commercial Bid (Unpriced) as well as the Priced Bid separately and upload both these bids in OIL's e-procurement portal at the designated fields separately assigned. **Please note that no price details should be furnished in the Technical (i.e. Unpriced) bid.** The "Unpriced Bid" shall contain all techno-commercial details except the prices/costs. The rate and amount columns in the unpriced technical bid must be kept blank. The "Price Bid" must contain the price schedule and the bidder's commercial terms and conditions.

Bidder not complying with above submission procedure will be rejected.

- 2.0 The prices/rates offered against the tender must remain firm through delivery and not subject to variation on any account. A bid submitted with an adjustable price condition shall be treated as non-responsive and rejected. No discount whatsoever should be quoted separately. Rates/prices quoted must be net of all discount.
- 3.0 Bids received in physical form against online invitation shall be rejected (except the documents specifically called for in hard copies, if any). Also, modifications to bids received after the bid closing date & time shall not be entertained.
- 4.0 Bids containing incorrect/false/misleading statement(s) shall be rejected.
- 5.0 Validity of the bid shall be **minimum 120 days** from the date of actual Bid Closing Date. Bids with lesser validity shall be straightway rejected.
- 6.0 **Bid Security (EMD) must be submitted in ORIGINAL** on or before the scheduled Bid Closing Date & Time. The Validity and Amount of Bid Security (EMD) must be strictly as specified in the covering letter of this bid document. A bid shall be rejected straightway if Original Bid Security is not received within the stipulated date & time mentioned in the Tender and/or if the Bid Security validity is shorter than the validity indicated in Tender and/or if the Bid Security amount is lesser than the amount indicated in the Tender.
- 6.1 For exemption for submission of Bid Security please refer Clause No. 9.8 (Section A) of "General Terms & Conditions" for e-Procurement as per Booklet No. MM/GLOBAL/E-01/2005 for E-procurement (ICB Tenders).

- 7.0 Bidders must confirm that goods/materials to be supplied against the order arising out of this tender shall be of recent make, unused, of the best quality & workmanship and free from defects. The Bidder must undertake to stand guaranteed the supplies for a period of 18 months from the date of shipment/dispatch or twelve (12) months from the date of receipt of items at destination, whichever is earlier against any defects arising from faulty materials, workmanship or design. Defective goods/materials rejected by OIL, whether the entire lot or part thereof, shall be replaced immediately by the supplier at the supplier's expenses at no extra cost to OIL.
- 8.0 Successful bidder shall be required to furnish a Performance Security equivalent to ten percent (10%) of total evaluated value of Order within 30 days of receipt of LOI/notification of award. The Performance Bank Guaranty must remain valid throughout the period of execution, including extension if any. Non-submission of Performance Security as above by the successful Bidder shall lead to cancellation/termination of award including forfeiture of their Bid Security, besides other penal actions as per OIL's Banning Policy. Bidders should undertake in their bids to submit Performance Security as stated above
- 9.0 Online Bid must be uploaded together with the Integrity Pact and the same must be duly signed digitally. If any bidder refuses to sign Integrity Pact or declined to submit Integrity Pact with the offer, their bid shall be rejected straightway.
- 10.0 All the tendered items are to be procured from the same source for the reasons of compatibility. Bidders are requested to quote accordingly for all the items in full quantity, else their bid shall be rejected outright.
- 11.0 **Bidders are required to submit the summary of the prices in their price bids as per price bid formats vide [Appendix B1& B2](#)**
- Note: The tendered items are intended to be used for transportation of crude oil in OIL's PEL/ML areas, for which Nil rate of Customs Duty and Concessional GST @5% against Essentiality Certificate shall be applicable as per Govt. policy in vogue.**
- 12.0 Bidders must confirm to participate in the Reverse Auction in case OIL decided to go for Reverse Auction. Bidders not confirming to participate in Reverse Auction will be rejected. **The Business Rules for Reverse Auction and Process Compliance Form are enclosed. Duly signed and stamped Business Rules for Reverse Auction and Process Compliance Form must be submitted along with the technical bid.**
- 13.0 Bidder shall accept and comply with the following clauses as given in the Bid Document, failing which bid shall be liable for rejection:
- i) Liquidated Damages
 - ii) Warranty/Guarantee of material
 - iii) Arbitration / Resolution of Dispute
 - iv) Force Majeure
 - v) Applicable Laws

14.0 A bid shall be rejected straightway if it does not conform to any one of the following clauses:

- a) Validity of bid shorter than the validity indicated in the Tender.
- b) Original Bid Security not received within the stipulated date & time mentioned in the Tender.
- c) Bid Security with (i) validity shorter than the validity indicated in Tender and/or (ii) Bid Security amount lesser than the amount indicated in the Tender.

B. BID EVALUATION CRITERIA:

The bids conforming to the specifications, terms and conditions stipulated in the enquiry and considered to be responsive after subjecting to the Bid Rejection Criteria will be considered for further evaluation as per General Terms and Conditions for Global Tender and the Bid Evaluation Criteria given below:

- 1.0 The evaluation of bids shall be done as per the Price Bid Format (SUMMARY) provided in the Tender and detailed below.
- 2.0 If there is any discrepancy between the unit price and the total price, the unit price will prevail and the total price shall be corrected. Similarly, if there is any discrepancy between words and figure, the amounts in words shall prevail and will be adopted for evaluation.
- 3.0 For conversion of foreign currency into Indian currency, B.C. selling (Market) rate declared by State Bank of India, one day prior to the date of price bid opening shall be considered. However, if the time lag between the opening of the bids and final decision exceed 3(three) months, then B.C. Selling(Market) rate of exchange declared by SBI on the date prior to the date of final decision shall be adopted for conversion and evaluation.
- 4.0 To ascertain the inter-se-ranking, bid prices shall be converted into Indian Rupees and the comparison of responsive bids shall be made as under, subject to corrections / adjustments, if any.

Note: 1) Domestic Bidders must quote inland freight/transportation charges upto Duliajan, Assam. In case bidder fails to quote inland freight charges, highest freight quoted by any domestic bidder (considering pro-rata distance) against this tender or OIL's estimated freight, whichever is higher, shall be loaded to their offer for ascertaining inter-se-ranking of the Bidders.

2) For enquiries with duty exemption benefit – The items covered under this enquiry shall be used by OIL in the PEL/ML areas and hence, applicable rate customs duty for import of goods shall be zero for foreign bidders. However, IGST @5% shall be applicable. IGST @5% shall be applicable for Indigenous bidders also under Integrated Goods and Services Act, 2017(13 of 2017), Notification No. 3/2017-Integrated Tax (Rate) dated 28/06/2017.

4.1 **When only foreign bidders are involved:**

Comparison of bids shall be done on the basis of "TOTAL CIF+GST VALUE (G)" quoted by the Bidders comprising all the tendered items as per Price Bid Format adopted in the Tender considering the following:

- (A) Basic material value including TPI :
- (B) Overseas Freight Charges upto Kolkata, India :
- (C) Insurance Charges @ 0.5% of A:
- (D) Banking Charges* @ 1% of A :
- (E) CIF value, (A+B+C+D) :
- (F) IGST @ 5% (including cess, if any) on E :
- (G) Total CIF + GST value (E+F) :

NOTE: *Banking charge in the country of the foreign bidder shall be borne by the bidder. Banking charge 1% for payment through Letter of Credit. And 1.5 % if confirmed LC at buyer's account is required.

4.2 **When only domestic bidders are involved or when more than one domestic bidders are in contention in case of mixed response:**

Comparison of bids shall be done on the basis of "TOTAL FOR DULIAJAN VALUE (F)" quoted by the Bidders comprising all the tendered items as per Price Bid Format adopted in the Tender considering the following:

- (A) Material value including TPI :
- (B) GST @5% on A :
- (C) Total FOR Despatching Station price, (A+B) above :
- (D) Road Transportation charges upto Duliajan including GST :
- (E) Insurance Charges inclusive of GST:
- (F) Total FOR Duliajan value, (C+D+E) above :

4.3 **When both foreign and domestic bidders are involved:**

The Total Value of domestic bidder as worked out as per para 4.2 (C) above and Total Value of the foreign bidder worked out as per Para 4.1(G) above will be compared.

5.0 Other terms and conditions of the enquiry shall be as per General Terms and Conditions for Global Tender. However, if any of the Clauses of the Bid Rejection Criteria / Bid Evaluation Criteria (BEC / BRC) mentioned here contradict the Clauses in the General Terms & Conditions of Global Tender of the tender and/or elsewhere, those mentioned in this BEC / BRC shall prevail.

***** **END OF ANNEXURE – B** *****

CHECK LIST

THE CHECK LIST MUST BE COMPLETED AND RETURNED WITH YOUR OFFER. PLEASE ENSURE THAT ALL THESE POINTS ARE COVERED IN YOUR OFFER. THESE WILL ENSURE THAT YOUR OFFER IS PROPERLY EVALUATED. PLEASE SELECT "Yes" OR "No" TO THE FOLLOWING QUESTIONS, IN THE RIGHT HAND COLUMN.

A. TECHNICAL

Sl. No	DESCRIPTIONS	REMARKS
1	Whether Bidder is a Manufacturer of API 5L, 3LPE line pipes? <i>If yes, reply to sl.no. from 2 to 9.</i>	YES / NO
2	Whether valid license to use API monogram on line pipes of API 5L specification submitted? API certificate must be valid for the last 5 years (i.e. continuous without having any break in between).	YES / NO
3	Whether documentary evidence ie. Purchase orders/invoices etc submitted by Manufacturer against the same type (as per tender spec) or higher OD, grade and wall thickness of the line pipes, at least 50% of tendered quantity to various companies, during last 5 years reckoned from the BCD?	YES / NO
4	Whether 3LPE coating facility available with line pipe manufacturer? <i>If yes, need not reply to slno.5.</i>	YES / NO
5	If line pipe manufacturer propose to engage 3LPE coating applicator, whether copy of MOU submitted, as per BEC & BRC clauses?	YES / NO
6	Whether credential for 3LPE coating of Bare line pipes of same or higher sizes, during last 5 years reckoned from date of commencement of sale of bidding document submitted?	YES / NO
7	Whether infrastructure for fabrication of pipe bends, available with the line pipe manufacturer? <i>If yes, need not to reply slno.8.</i>	YES / NO
8	If line pipe manufacturer propose to engage a bend manufacturer, whether copy of MOU submitted?	YES / NO
9	Whether credential for bend manufacturing and supply of bends same type and size during last 5 years reckoned from BCD submitted?	YES / NO
10	Whether Bidder is an Authorized Supplier of API 5L, line pipes? <i>If yes, reply to sl.no. from 11 to 18.</i>	YES / NO
11	Whether proposed line pipe manufacturer's documents as per Slno.2&3 of checklist, submitted by the supplier?	
12	Whether authorization certificate for supply of line pipe from proposed line pipe Manufacturer submitted by supplier?	YES / NO
13	Whether 3LPE coating facility available with proposed line pipe Manufacturer, as per BEC & BRC clauses? <i>If yes, need not reply to slno.14.</i>	YES / NO
14	If the Supplier proposes to engage 3LPE coating applicator, whether copy of MOU submitted, as per BEC & BRC clauses?	YES / NO
15	Whether credential for 3LPE coating of Bare line pipes of same or higher sizes, during last 5 years reckoned from date of commencement of sale of bidding document submitted?	YES / NO

16	Whether infrastructure for fabrication of pipe bends, available with proposed line pipe manufacturer/Coater, engaged by the supplier? <i>If yes, need not to reply slno.17</i>	YES / NO
17	If the Supplier proposes to engage a bend manufacturer, whether copy of MOU submitted?	YES / NO
18	Whether credential for bend manufacturing and supply of bends same type and size during last 5 years reckoned from BCD submitted?	YES / NO
19	Whether Bidder is a Coating Applicator? <i>If yes, reply to sl.no. from 20 to 26</i>	YES / NO
20	Whether credential for 3LPE coating of Bare line pipes of same or higher sizes, during last 5 years reckoned from date of commencement of sale of bidding document submitted?	YES / NO
21	Whether MOU between coating applicator and line pipe manufacturer submitted?	YES / NO
22	Whether proposed line pipe manufacturer's document is as per Slno.2&3 of checklist, submitted by the supplier?	
23	Whether infrastructure for fabrication of pipe bends, available with the proposed line pipe manufacturer, engaged by the Coating applicator? <i>If yes, need not to reply slno.24</i>	YES / NO
24	If the Supplier proposes to engage a bend manufacturer, whether copy of MOU submitted?	YES / NO
25	Whether credential for bend manufacturing and supply of bends of same type and size during last 5 years reckoned from BCD submitted?	YES / NO
26	Whether signed Integrity Pack submitted?	YES / NO

B. COMMERCIAL

Sl#	REQUIREMENT	COMPLIANCE
1.0	Whether bid submitted under Single Stage Two Bid System?	Yes / No
2.0	Whether quoted as manufacturer?	Yes / No
2.1	Whether quoted as OEM Dealer / Supply House. To Specify-	Yes / No
2.2	If quoted as OEM Dealer / Supply House	Yes / No
	(a) Whether submitted valid and proper authorization letter from manufacturer confirming that bidder is their authorized Dealer / supply House for the product offered ?	
	(b) Whether manufacturer's back-up Warranty/Guarantee certificate submitted?	
3.0	Whether ORIGINAL Bid Bond (not copy of Bid Bond) as per Revised Format(Annexure VII Revised) Sent separately? If YES, provide details	Yes / No
	(a) Amount :	
	(b) Name of issuing Bank :	
	(c) Validity of Bid Bond :	
4.0	Whether offered firm prices ?	Yes / No
4.1	Whether quoted offer validity of 120 days from the bid closing date of tender?	Yes / No
4.2	Whether quoted a firm delivery period?	Yes / No
4.3	Whether agreed to the NIT Warranty clause?	Yes / No
4.4	Whether confirmed acceptance of NIT Payment Terms	Yes / No
5.0	Whether confirmed to submit PBG as asked for in NIT?	Yes / No
5.1	Whether agreed to submit PBG within 30 days of placement of order?	Yes / No
6.0	Whether Price submitted as per Price Schedule ?	Yes / No

7.0	Whether quoted as per NIT (without any deviations)?	Yes / No
7.0	Whether quoted any deviation?	Yes / No
7.1	Whether deviation separately highlighted?	Yes / No
8.0	Whether indicated the country of origin for the items quoted?	Yes / No
8.1	Whether technical literature / catalogue enclosed?	Yes / No
8.2	Whether weight & volume of items offered indicated?	Yes / No
9.0	For Foreign Bidders - Whether offered FOB / FCA port of despatch including sea / air worthy packing & forwarding?	Yes / No
9.1	For Foreign Bidders - Whether port of shipment indicated. To specify:	Yes / No
9.2	For Foreign Bidders only - Whether indicated ocean freight up to Kolkata port (Excluding marine insurance) ?	Yes / No
9.3	Whether Indian Agent applicable ?	Yes / No
	If YES, whether following details of Indian Agent provided?	
	(a) Name & address of the agent in India - To indicate	
	(b) Amount of agency commission - To indicate	
	(c) Whether agency commission included in quoted material value?	
10.0	For Indian Bidders - Whether indicated the place from where the goods will be dispatched. To specify :	Yes / No
10.1	For Indian Bidders - Whether road transportation charges up to Duliagan quoted?	Yes / No
10.2	For Indian Bidders only - Whether offered Ex-works price including packing/forwarding charges?	Yes / No
10.3	For Indian Bidders only - Whether indicated import content in the offer?	Yes / No
10.4	For Indian Bidders only - Whether offered Deemed Export prices?	Yes / No
10.5	For Indian Bidders only - Whether all applicable Taxes & Duties have been quoted?	Yes / No
11.0	Whether all BRC/BEC clauses accepted ?	Yes / No
12.0	Whether Integrity Pact with digital signature uploaded?	Yes / No
12.1	Whether all the clauses in the Integrity Pact have been accepted?	Yes / No

C. TO BE FILLED UP IN DETAIL:

Sl No	Requirement	Bidder's Reply
01	Bid validity	
02	Payment Terms	
03	Guarantee/Warranty Terms	
04	Delivery Period	
05	Port of Despatch / Despatching Station	

08	Confirm submission Integrity pact, if required as per NIT	
09	Confirm submission PBG, if required as per NIT	
10	Compliance to: a) Liquidated Damage b) Warranty/Guarantee c) Arbitration/Resolution of Dispute d) Force Majeure e) Applicable laws	
11	Confirm submission of the balance sheet/Financial Statements for the financial year 2017-18. If not, whether declaration as per BRC submitted.	
12	Exception/Deviations quoted, if any, to be given in details or refer to respective page of the bid documents	

Signature _____
Name _____
Designation _____



CERTIFICATE OF ANNUAL TURNOVER & NET WORTH

TO BE ISSUED BY PRACTISING CHARTERED ACCOUNTANTS' FIRM ON THEIR LETTER HEAD

TO WHOM IT MAY CONCERN

This is to certify that the following financial positions extracted from the audited financial statements of M/s.....(Name of the bidder) for the last three (3) completed accounting years upto..... **(as the case may be)** are correct

YEAR	TURN OVER In INR (Rs.) Crores/ US \$ Million) *	NET WORTH In INR (Rs.) Crores / US \$ Million) *

*Rate of conversion (if used any): USD 1.00 = INR

Place:

Date:

Seal

Membership No:

Registration Code:

Signature

***Applicable only for GLOBAL tenders**

ANNEXURE-E

TECHNICAL EVALUATION MATRIX (TO BE FILLED IN BY BIDDER DULY SIGNED)			
BID EVALUATION CRITERIA			
Clause Number	DESCRIPTION	BIDDER'S RESPONSE (Complied / Not Complied/Deviation / Not Applicable)	TO BE FILLED BY THE BIDDER Relevant Location of their Bid to support the remarks/compliance (Reference of Document name / Serial number / Page number of bid for documentary evidence)
	The bids shall conform generally to the specifications and terms as well as conditions laid out in the tender. Bids will be rejected in case the items offered do not conform to the required parameters stipulated in the technical specifications and to the respective international/national standards wherever stipulated. Notwithstanding the general conformity of the bids to the stipulated specifications and terms & conditions, particularly the following requirements will have to be met by the bidders, without which, the offer will be considered as non-responsive and rejected.		
A. BID REJECTION CRITERIA			
A.1 BRC - TECHNICAL:			
1.0	Bidder shall either be a Line Pipe Manufacturer or a Supply House/ Dealer/Distributor/Sole Selling Agent duly authorized by a Line Pipe Manufacturer. Bidder must submit such authorization letter, if applicable, alongwith the Technical Bid clearly specifying their status.		

2.0	All the tendered items shall be procured from same source against this tender and hence, bidder must quote for all items in full quantity strictly complying with the technical specifications as per tender.		
3.0	Bidder must be in a position of supplying the entire tendered quantity within a period of 16 Weeks (i.e., FOB Port of export in case of Overseas bidder from LC and FOR Despatching Station in case of Indigenous Bidder from the date of PO). Bids without delivery schedule or with higher delivery schedule than above shall be rejected.		
4.0 Experience Criteria:			
4.1	For Line Pipe Manufacturer: The Line Pipe Manufacturer must have experience of manufacturing and successfully executing orders/contracts to any Oil & Gas specific Companies for at least 50% tendered quantity of same type (as per tender specifications) Line Pipes compliant to API Spec. 5L at PSL-2 during the last 5 (five) years preceding the original bid closing date of the tender (either by themselves or through their sole selling agent/ distributor/dealer/supply house). Manufacturer/Mill having such experience for supplying higher outer diameters and/or higher Grades and/or minimum wall-thickness of 6.4 mm shall also be acceptable. Documentary evidence in this regard must be submitted as per Para 4.4.		
4.2	For Bend Manufacturer: The Manufacturer of offered Pipe Bends must have experience of manufacturing and successfully executing orders/contracts to any Oil & Gas specific companies for at least 50% tendered quantity of same type (as per tender specifications) Pipe Bends compliant to API Spec. 5L at PSL-2 during the last 5 (five) years preceding the original bid closing date of the tender (either by themselves or through their sole selling agent/ distributor/dealer/supply house). Manufacturer/ Mill having such experience for supplying higher outer diameters and/or higher Grades and/or minimum wall-thickness of 6.4 mm shall also be acceptable. Documentary evidence in this regard must be submitted as per		

	Para 4.4.		
4.3	<p>For Coating Applicator: The Coating Applicator must have experience of successfully carrying out API Line Pipe coating jobs as per tender specifications for at least 50% tendered quantity for use by Oil and Gas specific companies in the last 5 (five) years preceding the original bid closing date of the tender. Documentary evidence in this regard must be submitted as per Para 4.4.</p>		
4.4	<p>Documentary evidences to substantiate past supply experience as above should be submitted alongwith the technical bid in the form of copies of relevant Purchase Orders/Contracts placed by Oil & Gas specific Companies together with copies of any of the following documents against each of those Orders/contracts:</p> <ul style="list-style-type: none"> (i) Signed and sealed Satisfactory supply / completion report (in original on user's letter head) (OR) (ii) Bill of Lading (OR) (iii) Consignee delivery receipt / challan (OR) (iv) Central Excise Gate Pass/Tax Invoice issued under relevant rules of Central Excise/Vat (OR) (v) Commercial Invoice/ Payment Invoice <p>Note:</p> <ul style="list-style-type: none"> i. The Purchase Orders/contracts date need not be within 5 (five) years preceding original bid closing date of this tender. However, the execution of supply must be within 5 (five) years preceding the original bid closing date of this tender. ii. In the event of any extension to the bid closing date of the tender, the original scheduled bid closing date shall be considered for evaluation of BRC clauses. iii. Documentary evidences regarding satisfactory supply/completion/ installation report should be submitted alongwith the technical bid on client's letterhead, duly signed & 		

	sealed by the authorised officials of such client/customer. Original documents, if & when warranted, must be produced for verification by OIL.		
5.0 In case the Bidder is a LINE PIPE MANUFACTURER:			
5.1	The manufacturing mill of the offered line pipes must have API Spec. 5L – Product Specification Level 2 (PSL 2) certifications for the preceding five (5) years from the original bid closing date of the tender and the same must be valid as on the scheduled original bid closing date. Copies of relevant API license to use API monogram (API 5L at PSL-2) for the last 5 (Five) years (i.e. continuous without having any break in between) shall be submitted alongwith the techno-commercial bid. Bids without copies of valid API certificates or with break in between shall be rejected.		
5.2	The Bidder must meet the past supply experience criteria as stipulated in Para 4.1 above for Coated Line Pipes and submit documentary evidences thereof as per para 4.4 above.		
5.3	The Bidder should either themselves meet the criteria for Bends as stipulated in Para 4.2 above or propose to engage a third party Bend Manufacturer who meets the said criteria. Bidder proposing to engage a third party Bend Manufacturer must execute an MOU (Memorandum of Understanding) with such bend manufacturer before submission of their Bid and a copy of which must be submitted alongwith the technical bid. Requisite documentary evidences for supply experience of the Bend Manufacturer as called for vide para 4.4 complying with the criteria mentioned in para 4.2 above must also be submitted together with the MOU.		
5.4	The Bidder should either have their own coating facility meeting the tender specifications or propose to engage a third party Coating Applicator who meets the coating criteria. Bidders proposing to engage a third party Coating Applicator, must execute an MOU (memorandum of understanding) with such Coating Applicator before submission of their Bid and a copy of which must be submitted alongwith the technical bid. Requisite documentary evidences for experience of Line Pipe		

	Coating jobs as called for vide para 4.4 complying with the criteria mentioned in para 4.3 above must also be submitted together with the MOU.		
5.5	As may be necessary, the Bidder can propose only one Bend Manufacturer and only one Coating Applicator in their Bid. Offers highlighting multiple Bend Manufacturers and/or multiple Coating Applicators shall be rejected without any reference.		
5.6	Subsequent to submission of Bid, Bidder shall not be permitted to change the Bend Manufacturer or Coating Applicator. Request for such change(s) will amount to post-tender modification/withdrawal of bid and liable for bid rejection, besides other penal actions.		
6.0 In case the Bidder is an authorized Dealer/Distributor/Supply House/Sole Selling Agent of a Line Pipe Manufacturer, the following criteria must be met by the Bidder:			
6.1	The Bidder must identify its status (whether Dealer/Distributor/Supply House/Sole Selling Agent) in its technical Bid and undertake to supply Line Pipes & Bends produced by the manufacturer(s), who meets the experience requirements stipulated under para 4.1 & 4.2 above. Similarly, the Coating shall be applied by the party who meets the criteria as mentioned in para 4.3 above. Documentary evidences in this regard for Line Pipe Manufacturer, Bend Manufacturer and Coating Applicator must be submitted as per para 4.4 above.		
6.2	The bidder must additionally have own experience of successfully executing at least 01 (One) purchase order/contract for Coated API Line Pipe of minimum 25% of the tendered quantity of any size & grade to Oil and Gas specific companies in the last 5 (Five) years preceding the original bid closing date of the tender. Documentary evidence in this regard must be submitted as per Para 4.4 above.		
6.3	The Bidder shall furnish due Authorisation Certificate from the Line Pipe Manufacturer with specific stipulation to the effect that the Pipe Manufacturer does not quote/participate against tendering process, but sells through their authorized dealer/distributor/supply houses/sole selling agents only.		

	Such authorization must remain valid throughout execution of the order arising out of this tender and the manufacturer must guarantee supply of offered API Line Pipes, if ordered.		
6.4	In case the Bidder offers Bends and/or Coating from vendors other than the pipe manufacturer, a copy of MOU (Memorandum of Understanding) from each such vendors must be submitted alongwith the technical bid as per para 5.3 & 5.4 above.		
6.5	As may be necessary, the Bidder can propose only one Pipe Manufacturer, one Bend Manufacturer and one Coating Applicator in their Bid. Offers highlighting multiple Pipe Manufacturers and/or multiple Bend Manufacturers and/or multiple Coating Applicators shall be rejected without any reference.		
6.6	Subsequent to submission of Bid, Bidder shall not be permitted to change the Pipe Manufacturer/Bend Manufacturer/Coating Applicator. Request for such change(s) shall amount to post-tender modification/withdrawal of bid and liable for bid rejection, besides other penal actions.		
7.0	Bidders who have already executed Purchase Orders of OIL INDIA LIMITED (OIL) for Coated API Line Pipes (API 5L) during the last five (5) years preceding to the original Bid Closing Date of this Tender and propose the same set of manufacturers & coating applicator against this tender also, need not be required to submit documentary evidences as per para 4.4 above. However, for availing this exemption, the Bidder must highlight OIL's such Purchase Order No. & Date as well as the name of Pipe Manufacturer, Name of Bend Manufacturer and Name of Coating Applicator in their Technical Bid. Notwithstanding above, the Bidder must submit other documents viz; copy of API License & valid MOU (for subject tender) etc. as called for above.		