



# PETROLEUM EXPLORATION (PVT) LTD.

Bldg.#19, St.13, Sector G-8/1, P.O. Box 1440, Islamabad, Pakistan

Tele: 92-51-2261280-85 (6 Lines), Fax: 92-51-2261287

E-Mail: [scm@pepl.com.pk](mailto:scm@pepl.com.pk)

PEL/SCM/2684/21

March 18, 2021

## INVITATION TO BID

**Subject: TENDER ENQUIRY NO. PEL/AYUB-1/WASU-1/BADAR-3/254/21 FOR THE PROCUREMENT OF DOWN-HOLE COMPLETION EQUIPMENT FOR AYUB-1, WASU-1 AND BADAR-3 WELLS.**

*Dear Sirs,*

You are invited to please quote your most competitive prices for the supply of Down-Hole Completion Equipment as per details given in Schedule of Requirements Annexure-B attached. The following documents may be examined while submitting your offer:-

- |    |  |              |
|----|--|--------------|
| 1) | Introduction / Instructions to Bidders |              |
| 2) | Terms & Conditions                     | Annexure "A" |
| 3) | Schedule of Requirements               | Annexure "B" |
| 4) | Data Summary Sheet                     | Annexure "C" |

Please acknowledge receipt of the tender enquiry.

Yours faithfully,  
*for* **Petroleum Exploration (Pvt.) Ltd.**

**Khawaja Manzur Hussain**  
General Manager  
Supply Chain Management

## **INTRODUCTION**

Petroleum Exploration (Pvt.) Limited (PEL), a Pakistani Exploration and Production Company in private sector (hereinafter referred to as “the Company”), invites sealed bids under two envelope bidding procedure on CFR Karachi by Sea basis from reputed Bidders for efficient provision of the material and equipment described in the Schedule of Requirement as **Annexure-B** enclosed.

## **INSTRUCTIONS TO BIDDERS**

The quotation shall be strictly in accordance with PEL tender documents. Failure to furnish all information required by the tender documents or submission of a Bid not substantially responsive to the tender documents will be at the Bidder’s risk and may result in the rejection of his Bid.

1. Firm prices must be quoted on CFR Karachi by Sea Basis.
2. Due date of Bid submission is **April 09, 2021.**
3. Supplier must quote minimum possible delivery period.
4. Data Summary Sheet **Annexure-C** must accompany with the Financial Bid.
5. Bid should remain valid for 60 days from the date of bid submission.
6. Bidders when submitting their Bids should stamp their proposals by affixing official stamp on all the pages.
7. Bidders have the right to **request for clarification** provided that such request is received 05 days before the closing date.
8. Answers to the queries seeking clarification on technical specifications will be sent to all Bidders without identifying the source of the query.
9. The Bidders are advised to submit their Technical and Financial bids separately in sealed envelopes. The outer envelope must indicate tender enquiry reference, due date & Technical/Financial bid should be addressed and delivered to:

### **PETROLEUM EXPLORATION (PVT.) LIMITED**

Attention: General Manager (SCM)  
Building # 19, Street # 13, Adjacent to Islamabad Chamber of Commerce,  
Main Mauve Area, Aiwan e Sanat o Tijarat Road,  
G-8/1, Islamabad  
Tel: +92 51 2261280 to 85 Dir: +92 51 2261291  
Fax: +92 51 2261287  
E-mail: [scm@pepl.com.pk](mailto:scm@pepl.com.pk); [sharyar@pepl.com.pk](mailto:sharyar@pepl.com.pk)

9.1 First envelope marked: “**TENDER ENQUIRY NO. PEL/AYUB-1/WASU-1/BADAR-3/254/21**” – “**TECHNICAL BID**” should contain the technical documentation and technical specifications with reference, statements, literature, drawings, standards etc.

9.2 Second envelope marked: “**TENDER ENQUIRY NO. PEL/AYUB-1/WASU-1/BADAR-3/254/21**” – “**FINANCIAL BID**” should contain:

- A Financial offer indicating all terms & conditions, a price sheet as per Annexure “B”. (Schedule of Requirement)
- Additional price or alternative bid, if any, to be submitted on a separate sheet.

Offer indicating all terms & conditions, a price sheet as per Annexure “B”. (Schedule of Requirement)

10. It must be indicated in the bid that the quotation fully conforms to Technical Specifications and Terms & conditions of the Tender Documents. **Bid** documents must be legible and clearly written with no crossing out, rubbing out, or insertions. Each copy shall be completed with all pertinent information, drawings, brochures, data sheets etc. as necessary for a comprehensive commercial and technical evaluation. All documents pertaining to this bid shall be signed & stamped by an authorized representative of the bidder.

11. For ease of comparison, prices are to be quoted as described in the Schedule of Requirement (Annexure "B"). Annexure "B" containing requirement of 3 Wells. Rates and Freights must be quoted separately.

12. PEL reserves the right to increase or decrease the quantities or reject any or all bids or may annul the tender altogether and may not necessarily accept the lowest bidder without assigning any reasons what so ever and without thereby incurring any liability to the affected bidder(s) or any obligation there under. Public opening of bids is not in line with PEL's policy.

13. In case a bidder **does not wish to participate**, he is kindly requested to advise PEL Pakistan by e-mail/fax referring to relevant Tender Document number. Message should be addressed to Manager (SCM) Fax No. +92-51-2299028 or E-mail: [scm@pepl.com.pk](mailto:scm@pepl.com.pk).

14. In case a Bidder is **interested to participate** in the referred Tender, it should send back by e-mail/fax the Acknowledgement Letter to the Company within one week from the date of receipt of the Tender Documents.

15. The Tender, Bid, any supporting documentation, literature and the Contract shall be in the English language.

16. Once the evaluation is complete, the Company will notify the evaluated bidder by a Letter of Intent for negotiations.

17. Partial and Trans-Shipment is not allowed.

18. Insurance Charges will be on the A/C of Purchaser, therefore, Prices quoted must be without Insurance charges.

19. Packing must be sufficiently robust and strictly in accordance with the international standard to with stand rough handling during the journey.

20. Goods must be shipped through any regular Liner Vessel.

21. The weight and Dimension of the consignment must be clearly specified given in the bid

22. For Technical Clarifications, please send your email to our Manager (Production), Email: [Waqar.bhatti@pepl.com.pk](mailto:Waqar.bhatti@pepl.com.pk) with copies to [scm@pepl.com.pk](mailto:scm@pepl.com.pk), [mud@pepl.com.pk](mailto:mud@pepl.com.pk) & [sharyar@pepl.com.pk](mailto:sharyar@pepl.com.pk).

23. The equipments supplied shall conform to the applicable codes and standards specified in the Purchaser's Proposal and, when no applicable standard is mentioned, the highest standard(s) acceptable in the international petroleum exploration and production sector appropriate to the equipment will apply and such standards shall be the latest issued by the concerned institution.

24. The Bidder(s) shall bear all the cost associated with the preparation and delivery of its Bid, and the Purchaser will in no case be responsible or liable for those costs.

25. The Bidder is expected to examine all instructions, forms, terms and specifications in the Bidding Documents. Failure to furnish all the information required by the Bidding Documents or submission of a Bid not substantially responsive to Bidding Documents in every respect will result in the rejection of the Bid.

26. The Bidder should have strong financial creditability and rating to establish the LC as required under the prevailing laws of State Bank of Pakistan.

27. If the Bid value of the equipment under this Tender exceeds USD 10,000/-, in such event an agreement/ contract in addition to the Purchase Order shall be executed between the parties based on the terms and conditions as stipulated under Annexure- A

**TERMS & CONDITIONS**

The Bidders are expected to examine all instructions, annexures, terms & conditions and specifications attached/included in the tender documents. Failure to furnish all information required by the tender documents or submission of a Bid not substantially responsive to the tender documents will be at the Bidder's risk and may result in the rejection of his Bid.

1. **BID PRICES:**

Firm Prices must be quoted on CFR Karachi by Sea basis. Prices should be quoted in accordance with the price schedule format Annexure "B". Conditional bid will not be acceptable.

2. **VALIDITY OF PRICES:**

Quoted price shall be considered valid for sixty (60) days from the opening date of the bids.

3. **TECHNICAL LITERATURE:**

Technical Brochure/Literature preferably confirming size, brand & country of origin of quoted items/material must be attached with the quotation, where applicable.

4. **ISSUANCE OF INTENT AND PURCHASE ORDER:**

The Purchaser shall inform the successful Bidder of its intent. The Purchaser will issue the Purchase Order to the successful Bidder as soon as possible. Once LOI is issued within bid validity, the prices will remain valid till successful execution of Contract/Purchase Order.

5. **PAYMENT:**

Progressive Payments will be made through irrevocable Letter of Credit at sight in the name of beneficiary. Please intimate particulars of the beneficiary and bank.

The Bank will immediately release payment of 95% of the total L.C/P.O. amount on shipment by retaining 5% as performance of the supplier which will be released immediately on receipt of complete consignment free of discrepancy at destination.

The charges of LC opening in Pakistan will be borne by Purchaser, Pakistan while all charges outside Pakistan will be on the account of supplier. Data Summary Sheet (Annexure-C) will be provided along-with the bid for the purpose of LC opening.

6. **WARRANTY:**

The Supplier shall warrant that all supplied material/ Services under Purchase Order shall be according to specifications given in Purchase Order and approved drawings/design etc. Any deviation in material, drawing/design (where applicable) will be replaced by the Supplier/ Contactor at his cost.

Supplier shall warrant that all equipment supplied under the Purchase Order shall be brand new and shall have no defect arising from design, materials or workmanship or from any other defect during any act of omission of the Supplier that may develop under normal use under the conditions prevailing at the final destination.

The Purchaser shall promptly notify the Supplier in writing of any claims arising under this Warranty. Upon receipt of such notice, the Supplier shall replace the defective goods without any cost to the Purchaser.

The supplier/ contactor will invariably provide warranty/guarantees

**7. TAXES AND DUTIES**

A foreign supplier/bidder shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside of Purchaser's country.

**8. DELIVERY**

Supplier will ensure delivery as specified in the Purchase Order/Contract. Failure to deliver the goods or non-compliance of contractual obligations may result in cancellation of the order and Liquidated Damages.

**9. EXPERIENCE**

a. The manufacturer must have manufactured & supplied material to international customers, multinational renowned E&P companies. Detail of supply during last five years may also be provided. The supply record must confirm this fact. The supply record should also specify the customer's contact person's Name, Designation and Contact details inclusive of e-mail. Further furnish purchase orders as proof of statement.

**10. LIQUIDATED DAMAGES:**

a. Subject to PO clause of these conditions of Contract "General", if the contractor/supplier fails to deliver any or all of the goods within the time period(s) specified in the Contract/PO, the purchase shall, without prejudice to other remedies under the contract, deduct from the contract price/Performance guarantee as liquidated damages, a sum not more than 0.5% of the contract price per week or part thereof for first two weeks, 1.00 % per week for next two weeks and 1.5% per week exceeding four week up to maximum extent of 10% of the contract value.

b. In case the Purchaser is satisfied that the delayed/defective shipment was due to some mistake or circumstances beyond the control of the contractor and the contractor has not intentionally or negligently contributed in the delay, the Purchaser may impose Liquidated Damages for not more than a sum equivalent to 0.5% of the contract price per week or part thereof for first two weeks, 1.00 % per week for next two weeks and 1.5% per week exceeding four week up to maximum extent of 10% of the contract value. The purchaser may however, impose Liquidated Damages as per (a) above if the delayed or defective shipment has affected the project completion schedule or has resulted in production losses.

c. If the supplier fails to materialize the delivery (material and or services), the purchaser reserves the right to cancel Purchase order/contract/LC after intimating the supplier for such cancellation.

**11. CHARGES FOR L/C ESTABLISHMENT**

- All charges of credit opening bank for credit will be borne by PEL.
- All charges of corresponding bank such as negotiation of documents, adding confirmation to credit etc, will be to the account of beneficiary.
- All charges for amendments/extension in L/C will be to the account of beneficiary.

**12. FORCE MAJEURE**

Notwithstanding any provision to the contrary contained for damages or be deemed in default of the provisions of the Contract/Order for failure to perform or delay in the performance of obligations assumed by such party pursuant hereto in so far as the said affected party can clearly establish that its performance has been prevented or delayed by Force Majeure. The term "Force Majeure" as employed herein shall mean natural calamities, war, civil disturbance, military action, fire as well as other circumstance proved to the satisfaction of the Purchaser to be beyond the reasonable control of the

supplier, which may impede the fulfillment of the obligations under the Purchase Order/Contract.

If a party wishes to claim relief by reasons of Force Majeure, it shall within 07days of its occurrence serve written notice of occurrence of such a Force Majeure on the other party through registered airmail and email. The two parties shall consult each other and agree upon the measures to be taken. As soon as the Force Majeure ends, the affected party shall promptly resume performance of its obligations under the agreements and intimate the other party about this.

### **13. INSPECTION AND TEST**

- a) Mill Test Certificate, Mill Inspection Certificate or Quality Assurance Certification will be provided upon delivery for which no additional cost will be paid.
- b) Pre-shipment inspection by third party inspectors if required by the Purchaser will be at the cost of Purchaser.
- c) Notwithstanding the requirement of Para (a) as above, purchaser reserves the right to have the item(s) inspected at Supplier's Works prior to the dispatch to Petroleum Exploration (Pvt.) Limited by a third party at purchaser's cost. It shall, however, not absolve the Suppliers obligation to supply the goods/equipment according to the specifications of the Purchase Order. Purchaser may depute its technical staff for pre-shipment inspection at supplier premises.
- d) Should any inspected or tested goods fail to conform to the specifications the purchaser shall reject them and supplier shall replace the rejected goods. All costs incurred on such replacement shall be entirely born by the supplier
- e) Acceptance/rejection of the material by 3rd party (where & if required) will be final and binding on both the parties.

### **14. SHIPPING DOCUMENTS INCASE PURCHASE ORDER IS AWARDED**

- a) In case a Purchase Order is placed on Foreign Supplier, advance copies of the following shipping documents, in duplicate, with number and date of the purchase order would be required to reach at least 7 days before the expected arrival of the vessel/ship at Karachi Sea/Air Port at the address of Petroleum Exploration (Pvt.) Limited, Building # 19, Street # 13, Main Mauve Area, G-8/1, Islamabad.
  - i) Non-negotiable Clean Bill of Lading/AWB showing actual freight paid.
  - ii) Supplier's signed invoice (showing separately value of each item) duly signed and stamped.
  - iii) Signed packing list showing measurement, quantity and weight of packages and their numbers.
  - iv) Freight Memo.
  - v) Inspection Certificate / Mill Test Certificates
  - vi) Warranty/Guarantee Certificate valid for 12 months from the date of shipment in case of main equipment/machinery.
  - vii) The local Delivery Order charges of shipping company's agent at the port will be the account of Supplier. Therefore, the supplier have to provide delivery order payment certificate along-with shipping documents to certify that the purchaser will not pay delivery order charges at the destination port.

- b) The above documents would be required to be dispatched through courier service to Petroleum Exploration (Pvt.) Ltd., 19, Street # 13, Main Mauve Area, G-8/1, Islamabad, attention of General Manager (SCM).
- c) In case Original Shipping Documents are not received in time and the consignment occurs storage/demurrage charges, these will be recovered from the supplier.
- d) Once Draft LC accepted, thereafter any amendment/extension in LC, the bank charges will be to the account of beneficiary.

**15. NEGOTIATION OF SHIPPING DOCUMENTS**

The beneficiary of LC will negotiate the shipping documents to the bank as under:

- 1. Within 15 days from the date of shipment if shipment arrives from USA/Europe/ China.
- 2. Within 7 days if shipment arrives from Middle East.

**16. RESOLUTION OF DISPUTES**

If any question, difference or dispute shall arise under this Contract regarding which the parties are unable to agree, such matter may be referred for arbitration. This includes without limitation, the question of whether one or the other is in default and what action, if any, shall be taken to remedy such default. Either party may notify the other in writing specifying the nature of dispute and designating one of the arbitrators to whom such dispute shall be referred, requesting that the other party be given notice in writing within thirty (30) days after the designation of the second arbitrator. The arbitrators shall within thirty (30) days appoint an umpire whose decision with respect to the dispute shall govern in the event that the arbitrators shall fail to agree. In the event that no second arbitrator is designated within the time specified, the first arbitrator shall have full and complete power to determine the dispute. Arbitration award shall be final and binding on all parties. It is further agreed that such arbitration shall be precedent to any action of law and that the provisions of the Arbitration Act, 1940, and the rules framed thereunder shall apply to the arbitration proceedings. The venue of the arbitration proceedings shall be at Islamabad in Pakistan.

The expenses of any arbitration hereunder shall be charged equally to the parties to the dispute unless the award of the arbitrator, the arbitrators, or the umpire, as the case may be, shall otherwise direct.

**17. QUALITY ASSURANCE MANUALS**

Please provide quality assurance manual and evidence of adequate testing facilities at your Works. Please note that such a facility may be subject to inspection by a third party inspector.

**18. SHIPPING/PACKING / PROTECTION**

Goods must be shipped through any Liner Vessel belonging to a well-reputed regular Shipping Line. Packing must be sufficiently robust and strictly in accordance with the international standard to withstand rough handling during ocean journey and up-country transportation for protection of the material against corrosion/deterioration/ingress of sea water must be given special attention.

**19. APPLICABLE LAW**

In the event where the Supplier is local company then the Purchase Order/Contract shall be interpreted, construed and governed in accordance with the laws of the Purchaser's



country. Whereas, in event where the Supplier is a foreign Company in such case the Purchase Order/Contract shall be interpreted, construed and governed in accordance with the laws of England & Wales.



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ANNEXURE "C"

## DATA SUMMARY SHEET

COMPLETE NAME AND ADDRESS OF  
MANUFACTURER.

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COMPLETE NAME AND ADDRESS OF L/C  
BENEFICIARY.

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COUNTRY OF ORIGIN

PORT OF SHIPMENT

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VALIDITY OF BID

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DELIVERY PERIOD

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TOTAL BID VALUE

CFR (BY SEA)

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ADDRESS OF BANKER WITH  
ACCOUNT NO.

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