



**HINDUSTAN OIL EXPLORATION COMPANY LIMITED**

# **Request for Proposal**

**E-AUCTION for Sale of Crude Oil from  
B-80 Field**

**BLOCK: MB/OSDSF/B80/2016 (B80)  
e-Tender No: HOEC/RFP/B80/2023/2**

**e-Auction Partner  
M/s mjunction services ltd.**



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## 1. Overview

1. Hindustan Oil Exploration Company Ltd. ("HOEC") is the Operator of the MB/OSDSF/B80/2016 (B80) Block located in Offshore Mumbai, India. Adbhoot Estates Private Ltd (AEPL) is the other Joint Venture Partner.
2. B-80 JV is currently producing crude oil and natural gas from its B-80 field. The crude oil produced after processing and stabilization is stored in FSO Prem Pride located at B-80 field offshore Mumbai.
3. In accordance with the Revenue Sharing Contract (RSC) for the B 80 Block and as per Ministry of Petroleum and Natural Gas regulations, B80 JV wishes to conduct e-Auction for sale of crude oil produced from B80 field and have engaged mjunction service limited, to conduct the e-Auction.
4. HOEC on behalf of B80 JV is planning to conduct an online competitive auction (e-Auction) for sale of B-80 crude oil produced and stored in FSO Prem Pride. In line with this, HOEC has launched an e-Auction for sale of one lot of crude oil of size 4,00,000 bbls. (+/- 10%)
5. The crude oil for sale will be available ex-FSO Prem Pride, B-80 field offshore Mumbai for a period of 1 month from 1<sup>st</sup> January 2024 to 31<sup>st</sup> January 2024.
6. HOEC invites offers from Interested crude oil consumers / bidders to source available B-80 crude oil by participating in this e-Auction process in accordance with the terms and conditions of this Request for Proposal (RFP) and the Crude Off-take and Sales Agreement (COSA).
7. HOEC has appointed M/s mjunction services limited as an independent agency, to conduct the e-Auction process for sale of B80 Crude Oil through an online web based electronic auction platform. All information regarding the bidding process is available in this document and shall be hosted in mjunction website for registration and Technical Evaluation (the "e-Tendering Portal") and (the "e-Bidding Portal") for bidding (collectively hereinafter referred as the "e-Bidding Platform").
8. The bidding process will consist of following stages and will be as follows:
  - Stage – I: Bidders shall be required to submit their technical bid & Initial price bid to be quoted as per the details in this document in this tendering process within the timeline mentioned in this document. The bids will be submitted online only as per the process specified herein.
  - Stage – II: Technical bids of all bidders will be opened by the mjunction team for this purpose and evaluated.
  - Stage – III: e-Forward Auction will be conducted where in only technically qualified Bidders who have quoted their initial price bid will be eligible to participate.
9. At the end of the E-Bidding Process, identified (successful) Bidder ("**Buyer**") shall be required to execute a Crude Off-take and Sales Agreement (COSA) at the respective Crude Oil Price that was bid and make the necessary arrangements for offtake of crude oil from the Delivery Point.

## 2. Crude Oil on Offer

Details of the Crude Oil on Offer:

S. No	Parameter	Particulars
1	Quantity of Crude Oil on Offer	1 Lot of size 4,00,000 (+/- 10%)
2	Quality of Crude Oil on Offer	As typically made available by Seller at Delivery Point Overview of Broad parameters of crude oil based on assay report is appended for reference in Appendix VI
3	Term	1 months (January 1, 2024 – January 31, 2024)
4	Supply Location / Loading Point	Ex- Prem Pride FSO, B-80 Field, Offshore Mumbai
5	Mode of Supply	Marine Vessel to be arranged by Buyer
6	Delivery Point	Crude will be loaded directly from Prem Pride FSO into marine vessel chartered by Buyer. Delivery Point shall be the inlet flange of such marine vessel. Risk, Liability and Title of goods would be transferred from Seller to Buyer at Delivery Point
7	Pricing Formula	Benchmark Price plus Quoted Price Bid P (Zero or Positive) “Benchmark Price” in USD per Barrel applicable for crude supplied under this RFP shall be the average of the daily mean values of the high and low assessments of Dated Brent (PCAAS00) Crude Oil quotations (as published under the Spot Crude Assessment Heading in Platt’s Crude Oil MARKETWIRE spot assessment) in US \$ per barrel for the month on which the B/L falls, calculated upto the date of B/L, to be rounded off to THREE decimal places. “Price Bid (P)” can be positive/negative/zero quoted as percentage of Benchmark price. Starting price of E-auction will be the highest initial price bid quoted in the Initial price bid stage in % of Benchmark Price. During the auction only upward increments of “P” shall be allowed in increments of 0.1%
8	Taxes and Duties	All applicable taxes & duties in respect of transfer of title and risk of the crude oil (including sales tax / VAT / GST) shall be to Buyer’s account. Further, Buyer agrees to pay the Basic Excise Duty & NCCD as applicable.
9	Date of SELLER readiness to supply crude oil	1 <sup>st</sup> January 2024
10	URL for registration and uploading of documents by interested entities for technical evaluation	<a href="https://eps.buyjunction.in/gasbidding">https://eps.buyjunction.in/gasbidding</a>

1. Successful bidder (Buyer) will have to sign the Crude Off-take and Sales Agreement (COSA) attached as Exhibit-1 within 10 days of issue of NOA.
2. Crude Oil is offered for a term of 1 month from 1<sup>st</sup> January 2024 to 31<sup>st</sup> January 2024. Buyer is required to offtake crude from Delivery Point within this period as per terms of the COSA.
3. It is the responsibility of the Successful Bidder to complete the signing of the COSA and adhere to all terms and conditions mentioned in this RFP.

### 3. Eligibility Criteria

1. All the Public and Private refineries appearing in the latest Monthly Production Report published by MoPNG are considered as empaneled Buyers and only those Refiners shall be invited for the e-Auction process. Copy of latest MoPNG monthly report listing the public / private refiners is available at [https:// mopng.gov.in/en/petroleum-statistics/monthly-production](https://mopng.gov.in/en/petroleum-statistics/monthly-production).
2. Bidders who can arrange for crude oil offtake from the Delivery Point during the term as per this RFP should submit their bids.
3. Successful Bidder (Buyer) is responsible to obtain all necessary statutory / regulatory approvals and compliances for crude oil offtake from the Delivery Point. B 80 JV / HOEC shall not be liable for the failure of the Buyer to obtain any statutory / regulatory clearance. Buyers shall submit an undertaking in the format prescribed at **Appendix II** of the RFP for the above compliances.

### 4. IT Requirement / Responsibility of the Bidder

- a. Bidder should have a laptop or a desktop with decent internet connection (10mbps and above).
- b. E-Bidding Portal shall be best viewed in Internet Explorer 9.0 or Microsoft Edge, Chrome, Firefox. If bidder/s are using Internet Explorer 10 or above, then compatibility view is to be enabled which is available under Tools Menu.

- c. Due to cyber security vulnerabilities, all bidder/s are requested to configure the following changes in Browser (Internet Explorer) & Java console.
  - A. Configuration of TLS 1.2 in Internet Explorer.
  - B. Customers needs to install the pki component (available under download section) in the machine for using DSC.
- d. Configuration of TLS 1.2 in Java Control Panel.
- e. Bidder/s may please refer to the 'Browser Setup' tab for details.

## Registration and DSC Mapping

Every Bidder would be required to fill a small registration form and will have to enter his/her name, designation, contact number, organization name, PAN number of organization, GSTIN number, gas consumption facility name & address, and other required details. Bidder/s would need to attach a valid Class III Digital Signature Certificate (DSC) issued in the name of authorized person of the bidding organization. The DSC should be issued on the email address of the authorized person and same should be used for registering on the platform. Bidders who are registered need not to register again.

## 5. Technical Documents to be submitted.

Each Bidder shall be required to submit their bids online and upload duly signed scanned copies of the following documents on the E-Bidding Portal:

- a) its Company Registration Certificate
- b) its Audited Financial Statements for the last three financial years
- c) its PAN, Value Added Tax Registration Certificate (if applicable)/ Central Sales Tax Registration Certificate (if applicable); and its Goods & Services Tax (GST) Registration Certificate
- d) its duly signed draft COSA
- e) Its duly signed RFP and amendments (if any)

f) its Power of Attorney

g) All filled-in bid formats

h) Check list for Prospective bidders as per Annexure -V

Each of the foregoing documents should be self- attested by the Bidder's Authorized Representative prior to uploading on the E-Bidding Portal

## 6. Pre-qualification Stage

All the Public and Private refineries appearing in the latest Monthly Production Report published by MoPNG are considered as empanelled Buyers and only those Refiners shall be invited for the e-Auction process. Copy of latest MoPNG monthly report listing the public / private refiners is available at [https:// mopng.gov.in/en/petroleum-statistics/monthly-production](https://mopng.gov.in/en/petroleum-statistics/monthly-production).

## 7. Techno-Commercial Evaluation

- Opening of the technical bid will be done on the specified date by mjunction.
- To facilitate its evaluation, mjunction may seek clarifications from any Bidder regarding the documents provided. Such clarification(s) shall be provided in writing. Any request for clarification(s) and all clarification(s) in response thereto shall be in writing.
- In case a Bidder does not provide the clarifications sought within the timeframe, its bid shall be deemed invalid and shall not be evaluated. No other intimation will be made at this stage.

### 7.1 Initial Price bid:

- "Benchmark Price" in USD per barrel applicable for supplies under this RFP shall be monthly average of the daily mean values of the high and low assessments of Dated Brent (PCAAS00) Crude Oil quotations (as published under the Spot Crude Assessment Heading in Platt's Crude Oil MARKETWIRE spot assessment) in US \$ per barrel for the month of supply in which B/L falls (calculated upto the date of B/L) , to be rounded off to THREE decimal places.
- The bidder is required to quote Initial Price Bid ('P'), which could be positive, zero or negative in percentage of Benchmark price.
- The H1 price determined basis initial price quoted in the tender portal will be considered in the e-bidding.

- The SBP determined by the above process would be communicated to the eligible bidders in advance via email.

## 8. e-Auction

**8.1 Bidder shall be required to quote valid bids against one parameter:** Premium/Discount over the Crude Oil Benchmark Price as a percentage of Benchmark price. "Benchmark Price" in USD per Barrel applicable for crude supplied under this RFP shall be the average of the daily mean values of the high and low assessments of Dated Brent (PCAAS00) Crude Oil quotations (as published under the Spot Crude Assessment Heading in Platt's Crude Oil MARKETWIRE spot assessment) in US \$ per barrel for the month of supply in which the B/L falls , calculated upto the date of B/L, to be rounded off to THREE decimal places.

**Start Bid Price (P): Highest initial price bid determined basis initial quotes as percentage of Benchmark price %**

**Price Ticker: 0.1 %**

"Price Bid (P)" in % is required to be quoted by bidder which can only be upward increments of 0.1% starting from Initial Price Bid .

**Pricing Formula: Benchmark Price plus Quoted final Price Bid P (Zero /negative/Positive in percentage of Benchmark price)**

**Term: 1 months (January 01, 2024 –January 31, 2024)**

**Quantity of Crude Oil on Offer: 1 Lot of size 4,00,000 bbls (+/- 10%)**

- Contract Crude Oil price shall be Crude Oil Benchmark Price + Quoted final Price Bid (Positive/Negative/zero) as a percentage of Benchmark price

**8.2 All the eligible bidders would be able to see the following at any point in time during the e-auction:**

- Provisionally allocation of Crude oil Lot on offer basis quotes in e-auction portal.
- Maximum price bid quoted at that point of time. However, Bidders would not be able to see the allocated Lot(s) and bid of other bidder/s

**8.3 The key features of the e-bidding round are as follows:**

- a. E-auction Duration: The total E-auction process shall be for a period of 60 minutes initially
- b. Dynamic e-auction: The entire e-auction process will be dynamic and will be subject to extensions as per clause 8.3.c.



**c.** Extension of e-auction Duration: If a bid is received/revised within the last 5 minutes before the close of the e-auction duration and such bid alters the Provisional allocation Quantity determined by the e-Bidding Portal for any of the Bidder, there would be an automatic 15 minutes extension of the e-auction duration.

**d.** The 15 minutes auto extension will start from the time of the first bid received within the last 5 minutes before the closure of the e-auction period. There will be unlimited auto extensions.

**e.** In case the e-auction does not get closed within 20:30 hours of a particular day then the e-auction will get automatically paused and the same will be resumed at 11:00 hours of the next business day.

**f.** E-auction termination: The E-auction process ends if there is no bid revision in the period specified above of this RFP.

During the e-Bidding, as and when any new valid bid is received, the e-Bidding Portal shall follow the below mentioned steps:

**Step 1:** The 'Bid against price basis' shall be arranged in descending order.

**Step 2:** The process for provisional allocation will be as under:

**a.** The bidder who has quoted the highest premium will be provisionally allocated the Lot.

**b.** In case of tie in Premium quoted between multiple Bidders, then the time of Bid submission will be considered and the Bidder who has submitted their bids earlier, will then be given preference for provisional allocation. Hence bidders are well advised to submit the bids as early as possible.

**c.** There will be only one highest Price winner and the second bidder quoting the same highest price will need to improve its price to get allocation of the Lot.

**Step 3:** Steps 1 and 2 shall continue throughout the e-Bidding and the Provisional COSA Quantity shall continue to be determined by the e-Bidding Portal dynamically, until the conditions for the closing of the e-Bidding as specified in Section 8.3.d are met.

**Step 4:** Upon the closing of the e-Bidding, the Provisional COSA Quantity determined based on the last bids received shall be considered as the COSA Quantity for each Bidder.

## 9. Activity Schedule

S. No	Event	Date-Time
1.	Publication of, RFP and the COSA on the e-Bidding portal	8-Dec-23
2.	Last Date of query submission	19-Dec-23
3.	Pre-Bid Meeting and Portal Familiarization session (demonstration of the e-Bidding portal by MJUNCTION Limited.)	20-Dec-23
4.	Publication of Response to Queries if any on the e-Bidding Portal	21-Dec-23
5.	Last date of Submission of technical-Bids and initial Price bid	26-Dec-23 till 7:00PM
6.	Notification to technically qualified Bidders	28-Dec-23
7.	e-Auction Training Session / Mock Runs to qualified Bidders	27-Dec-23 / 28-Dec-23
8.	e-Auction Date	29-Dec-23
9.	Intimation (NOA) to successful Bidder	29-Dec-23
10.	Signing of COSA with the successful bidder	Within 10 days of completion of issue of NOA

## 10. General Guidelines

- (i) Each Bidder shall participate in the E-Bidding Process at its own expense and none of the expenses incurred in its participation can be claimed from the Consortium or mjunction, regardless of the outcome of the E-Bidding Process.
- (ii) Each Bidder shall be required to upload the scanned documents that are specified in Section-5 in the E- Bidding Platform. Physical copies of the same will not be required to be sent but should be made available when required.
- (iii) A bid, once submitted, shall be binding on the Bidder who has submitted such bid. Each Bidder undertakes to offtake the crude oil lot quantity at the price computed based on the premium quoted by bidder.
- (iv) In addition to the Crude Oil Price, each Bidder acknowledges and agrees that it shall be liable to pay: (a) all taxes, duties and levies on the sale of crude applicable----as per the terms of COSA; and (b) all transportation tariffs and charges and any taxes, duties and levies thereon as applicable to the relevant transporters.
- (v) Each Bidder acknowledges and agrees that the invitation by the B 80 JV for submission of bids does not constitute a commitment by the B 80 JV to supply or sell crude oil.
- (vi) Each Bidder is required to register on the e-Bidding Platform in accordance with the instructions provided in Section 7.2.1 of this RFP.
- (vii) Any erroneous or incomplete bids entered by any Bidder during the e-Bidding Process are liable for rejection.
- (viii) Any attempt by a Bidder to influence the bidding process or the evaluation and determination of bids shall immediately result in a disqualification of their bid.
- (ix) The outcome of the bidding process and the results determined pursuant to the e-Bidding Process shall be final and binding on all Bidders and shall not be a subject of dispute under any circumstances.
- (x) Each Bidder represents and acknowledges to the Consortium that it possesses the necessary experience, expertise, and ability to undertake and fulfill its obligations, under all phases involved, in the performance of the provisions of this RFP and the COSA.
- (xi) The Consortium reserves the right to withhold or withdraw the bidding process at any

stage or cancel or modify the process or change / modify / amend any or all provisions of this RFP, at any time, without assigning any reason whatsoever by notice to all Bidders.

- (xii) All future amendments, if any, to this RFP and the COSA during the bidding process shall be published at the e-Bidding portal for notification to all Bidders.
- (xiii) Each Bidder shall electronically submit its completed and digitally signed Bids on the e-Bidding portal. The bidder shall upload RFP (including any addendum or corrigendum if issued) and the COSA duly signed by its Authorized Representative on all pages, along with all other relevant details provided in this RFP on the e-Bidding Portal.
- (xiv) Upon first login on the e-Bidding portal the DSC of Each Bidder shall be automatically mapped with its login ID. All subsequent logins and activities in the e-Bidding portal shall require signing by the same DSC. Therefore, each bidder may ensure that their DSC has adequate validity before registering on the e-Bidding portal.
- (xv) By submitting a bid, each Bidder certifies that:
  - (a) it has arrived at its bid without agreement with any other Bidder of this RFP for the purposes of restricting competition or otherwise.
  - (b) the bid parameters submitted have not been disclosed and shall not be disclosed to any other Bidder.
  - (c) no attempt has been made by it to induce any other Bidder to submit or not to submit a bid for the purposes of restricting competition; and
  - (d) no attempt has been made by it to collude with another Bidder in determining its bids or influencing the decisions of other Bidders.
- (xvi) Each Bidder must ensure that its bid is complete in all respects and conforms to all the terms and conditions specified in this RFP.
- (xvii) In the unlikely event of data loss or corruption, and if the back-up facility is also affected, mjunction shall decide whether the E-Bidding Process shall be continued or suspended until further notice. In this case, the decision of MJUNCTION shall be final and binding upon all Bidders.
- (xviii) In case of any conflict between the provisions of this RFP and the COSA, the provisions of the COSA shall prevail.

## 11. Bidding Support

A Bidder who requires any clarifications pertaining to the E-bidding Process in general or any technical support during E-auction process may seek the required assistance at the following contact details:

Query Type	Contact Details
General clarification regarding bidding process OR for any kind of Technical Support	<a href="mailto:hoecbiddingsupport@mjunction.in">hoecbiddingsupport@mjunction.in</a>
Helpdesk Nos for e-bidding	033-6601-1717 / 033-6603-1747
Helpline numbers:	<b><u>Helpdesk Nos. for e-Tender:</u></b> <b>Rinku Ghosh - 8584008162</b> <b>Nirmalya Ghosh - 9163348285</b> <b>Ankit Kumar - 9009014831</b>
	<b><u>Helpdesk Nos. for e-Bidding:</u></b> <b>Shamima Shabnam - 9163348123</b> <b>Souvik Ghosh – 91633 48134</b> <b>Arijit Paul – 9163348277</b> <b>Amit Banerjee – 9163348281</b> <b>Arup Basak – 9163348262</b>

## 12. Bid Formats (To be submitted online only)

### 1.1 EXHIBIT (Annexure) I: Format for Bid Submission

(To be signed and uploaded with technical bid On Company's letter head)

Date [    ]

From:

[Company's exact legal name & address]

To:

General Manager – Commercial ,  
Hindustan Oil Exploration Company Ltd.,  
192, St. Mary's Road,  
Chennai - 600018

Dear Sir,

1. I/We hereby offer to purchase the crude oil as per the terms of RFP and COSA
2. I/We have understood and agree to comply with the RFP, COSA and any addendums / corrigendum thereto for purchasing crude oil and my/our offer is to purchase crude oil strictly in accordance with the conditions mentioned in RFP and COSA and any addendums / corrigendum thereto
3. I/We are in a position to offtake crude oil from the Delivery Point during the term period as mentioned in the RFP

**Authorized Representative Name**

**Signature**  
**Designation:**

**Company Seal**

**1.2 Annexure II: Undertaking regarding statutory / regulatory compliances**

(To be signed and uploaded with technical bid On Company's letter head)

Date [    ]

From:

[Company's exact legal name & address]

**To:**

General Manager – Commerical ,  
Hindustan Oil Exploration Company Ltd.,  
192, St. Mary's Road,  
Chennai - 600018

Dear Sir,

I/We agree and undertake that we will obtain all necessary statutory / regulatory compliances required for the offtake, transport and usage of crude oil

**Authorized Representative Name**

**Signature**

**Designation:**

**Company Seal**

### 1.3 Annexure III: Confirmation to be given by the prospective Bidder

(To be signed and uploaded with technical bid)

Following confirmations are to be given by the Bidder by putting a tick (✓) in the last column

Particulars	Confirmation
We hereby confirm that we have read and understood the terms of Crude Off-take and Sales Agreement	
We hereby confirm that we have read and understood the terms and condition provided in this RFP.	
We hereby confirm that we have read and understood the E-Bidding Process described in this RFP.	
We hereby confirm that we have read and understood the system requirements as provided in Section 4 of this RFP.	
We hereby confirm to take part in the bidding as per the instructions and process described in this RFP.	
We hereby confirm that all handwritten matter in all the documents submitted are authenticated by us.	
We hereby confirm that the unconditional validity of our bid submitted on _____ the E- Bidding Platform shall be valid for a period of till award of lot/cargo	

Authorized Representative Name

Signature

Designation

Company Seal



#### **1.4 Annexure IV: Crude Off-take and Sale Agreement (COSA)**

Please see attached document COSA.pdf

## 1.5 Annexure V: Checklist for the prospective Bidders

(To be signed and uploaded with technical bid)

S.no	Description	Check (yes or no)	Remarks (If any)
1	Whether the RFP (including any addendums, corrigendum etc.) have been duly signed on all pages by an Authorized Representative of the company and uploaded on the E-Bidding Portal?		
2	Whether all relevant Annexures to the RFP have been duly filled and signed by an Authorized Representative of the Bidder?		
3	Has it been ensured that there are no over-writings in the RFP? Have corrections been properly attested by the authorized person signing the RFP?		
4	Has the Power of Attorney or any other document evidencing adequate proof of the ability of the signatory to bind the Bidder, been submitted?		
6	Does the Digital Signature Certificate have sufficient validity to ensure access to the e-Bidding Portal and participation in the e-Bidding Process?		
7	Has it been ensured that the DSC mapped on e-Bidding Portal, is in the name of Authorized Representative of the Company?		
8	Whether registration in e-Bidding Portal has been done with the same Email ID of Authorized Representative for which the DSC has been issued?		

## 1.6 Annexure VI: Typical Crude Oil Characteristics

Provided by M/s. HOEC as a PDF Document seperately

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