

**OIL INDIA LIMITED**  
KG Basin Project  
D.NO.11-4-7; 3RD FLOOR,  
NOKALAMMA TEMPLE STREET,  
RAMARAOPET, KAKINADA-533004,  
ANDHRA PRADESH, INDIA  
Email: [kgbasin@oilindia.in](mailto:kgbasin@oilindia.in)  
[www.oil-india.com](http://www.oil-india.com)  
Fax No. 0884-2352383

**Tender No. / IFB No. CEG7668L19**

Tender No. /IFB No **CEG7668L19** for Hiring of Hydraulic Fracturing of 2 (two) gas wells (2 HPHT or 2 Shallow or 1 HPHT + 1 shallow) on call out basis in OIL's operational area in KG Basin Project, Kakinada has been addressed to the following parties:

- i) M/s. Halliburton Offshore Services Inc.**
- ii) M/s. Schlumberger Asia Services Ltd.**

**The interested parties, other than the above who meet the 'Qualifying criteria' as indicated in the Tender may also apply for issue of Tender documents. Such application must reach Project office at Kakinada on or before 25.4.2018.** The application must be complete in all respects and the same should accompany all the requisite documents as indicated in Bid Evaluation Criteria (BEC)/Bid Rejection Criteria (BRC) as per Part-2 of the tender and the following, failing which the application will be considered as incomplete/rejected and the party will not be permitted to participate against the Tender.

Late application will not be entertained. Company shall not be responsible for any postal delay/transit loss. Timely delivery of the Application complete with requisite documents shall be the sole responsibility of the Applicant.

\*\*\*\*\*



**ऑयल इंडिया लिमिटेड**  
(भारत सरकार का उद्योग) पंजीकृत कार्यालय: दुर्गापुर, असम  
**Oil India Limited**  
(A Government of India Enterprise) Registered Office: Duliajan, Assam

**KG Basin Project**

#Door No.11-4-7,  
Nookalamma Temple Street,  
Ramaraopeta  
KAKINADA-533004 A.P.  
Phone (O) 0884-2302176  
FAX: 91-884-2352383  
Email: kgbasin@oilindia.in

**FORWARDING LETTER**

**M/s.** \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**Dear Sirs,**

**Sub:** Tender No.CEG7668L19 for Hiring of Hydraulic Fracturing of 2 (two) gas wells (2 HPHT or 2 Shallow or 1 HPHT + 1 shallow) on call out basis in OIL's operational area in KG Basin Project, Andhra Pradesh

1.0 OIL INDIA LIMITED (OIL), 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.

1.1 In connection with its operations, OIL's KG Basin Project invites International Competitive Bids (ICB) from shortlisted Contractors through OIL's e-procurement site for providing subject services. One complete set of Bid Document covering OIL's IFB for hiring of above services is uploaded in OIL's e-procurement portal and Govt. 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 IFB (covered in detail in the Bid Document) are highlighted below:

(i)	Tender No.	<b>CEG7668L19</b>
(ii)	Type of Bid	Single Stage-Two Bid System
(iii)	Last date of receipt of pre bid queries	25.4.2018
(iv)	<b>Pre-bid conference on</b>	<b>26.4.2018</b>
(v)	Venue of Pre-Bid Conference	Office of Executive Director (KGB & BEP), Oil India Limited, D.NO.11-4-7; 3rd Floor Nookalamma Temple Street , Ramaraopet, Kakinada-533004, Andhra Pradesh, India

(vi)	Techno-commercial Bid Closing Date & Time	As per Online Tender
(vii)	Techno-commercial Bid Opening Date & Time	As per Online Tender
(viii)	Price Bid Opening Date & Time	Will be intimated to the eligible bidder(s) nearer the time
(ix)	Bid Submission Mode	Bids must be uploaded online in OIL's E-procurement portal
(x)	Bid Opening Place	Office of Executive Director (KGB & BEP), Oil India Limited D.NO.11-4-7; 3rd Floor Nokalamma Temple Street Ramaraopet, Kakinada-533004 , Andhra Pradesh, India
(xi)	Bid Validity	120 days from date of closing of techno commercial bid
(xii)	Bid Security Amount	<b>INR 19,74,400.00 or USD 30,375.00</b>
(xiii)	Bid Security Validity	150 days from date of closing of techno commercial bid
(xiv)	Mobilization Time	Within 45 (forty five) days from the date of call out notice issued by the Company
(xv)	Amount of Performance Guarantee	10% of the total estimated Contract value
(xvi)	Validity of Performance Security	3(three) months beyond the date of completion of the Contract
(xvii)	Duration of the Contract	6 (six) months with a provision of extension of another 6 (six) months at same rates, terms and conditions at OIL's option.
(xviii)	Quantum of Liquidated Damage for Default in Timely Mobilization	1/2% of estimated total Contract value for delay per week or part thereof subject to maximum of 7.5%
(xix)	Integrity Pact	Must be digitally signed and uploaded alongwith Techno-Commercial Bid
(xx)	Bids to be addressed to	Executive Director (KGB & BEP), Oil India Limited D.NO.11-4-7;3rd Floor Nokalamma Temple Street Ramaraopet, Kakinada-533004 Andhra Pradesh, India

3.0 This Tender has been restricted to the below mention short-listed parties on limited tender basis: a) M/s. Halliburton Offshore Services Inc. and b) M/s. Schlumberger Asia services Ltd.

3.1 These bidders are short-listed by Company through Expression of Interests (EOIs). However, other interested Service Providers, who can meet the “Qualifying Criteria” as indicated under the Bid Rejection Criteria (BRC)/ Bid Evaluation Criteria (BEC) as par PART-2 of Tender may also apply for participation against this Tender. Such applications complete in all respect (including all the requisite documents) must reach the office of ED (KGB&BEP) at Kakinada on or before 25.04.2018. Bidders applied for must ensure that the application is complete in all respect and the same should accompany all the requisite documents as indicated in PART-2 herein i.e., Bid Rejection Criteria (BRC)/ Bid Evaluation Criteria (BEC), except the bid security (which shall be submitted while bidding, if qualified), failing which the application will be considered as incomplete/rejected and the party will not be permitted to participate against the Tender. Late application will not be entertained. Company shall not be responsible for any postal delay/transit loss. Timely delivery of the Application complete with requisite documents shall be the sole responsibility of the Applicant.

3.2 Tender Document will not be issued physically by Company. The interested Vendors who are not short-listed through EOI as mentioned in para 3.0 above, should submit their applications together with relevant documents to establish their credential in terms of BRC/BEC as mentioned in para 3.1 above, to the Executive Director (KGB&BEP), Oil India Limited, KG Basin project, Kakinada (email: [kgbasin@oilindia.in](mailto:kgbasin@oilindia.in)) showing full address (clearly indicating their e-mail ID), between 11.4.2018 and 25.4.2018. On receipt of application & requisite documentary evidences as above, if found acceptable will be allowed to participate in the tender through OIL’s e-Procurement portal along with the other vendors/bidders short-listed earlier.

**3.3 Bidders are requested to visit the area of operation prior to bidding to make themselves fully aware of and understand the topography, job involvement and logistics including environmental issues etc.**

#### **4.0 INTEGRITY PACT :**

The Integrity Pact must be uploaded in OIL’s E-procurement portal along with the Techno-commercial Bid digitally signed by the same signatory who signed the Bid i.e. who is duly authorized to sign the Bid. If any bidder refuses to sign Integrity Pact or declines to submit the Integrity Pact, their bid shall be rejected straightway. 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 signs the Bid.

#### **5.0 GUIDELINES FOR PARTICIPATING IN OIL’S E-PROCUREMENT :**

4.1 To participate in OIL’s E-procurement tender, bidders should have a legally valid digital certificate of Class 3 with Organizations Name and Encryption certificate as per Indian IT Act from the licensed Certifying Authorities operating under the Root Certifying Authority of India (RCAI), Controller of Certifying Authorities (CCA) of India (<http://www.cca.gov.in>). **Digital Signature Certificates having “Organization Name” field as “Personal” are not acceptable.**

4.2 Digital Signature Certificate comes in a pair of Signing/verification and Encryption/decryption certificate. Bidder should have both the Signing/verification and Encryption/Decryption certificate for Signing and encryption, decryption

purpose respectively. The driver needs to be installed once, without which the DSC will not be recognized. While participating on e-Tendering the DSC token should be connected to your system.

4.3 Encryption certificate is mandatorily required for submission of bid. In case bidder created response with one certificate (using encryption key) and bidder change his Digital Signature Certificate then old certificate [Used for encryption] is required in order to decrypt his encrypted response for getting the EDIT mode of the response. Once decryption is done, bidder may use new DSC certificate for uploading and submission of their offer. It is the sole responsibility of the bidder to keep their DSC certificate properly. In case of loss of the certificate, OIL INDIA LTD is not responsible.

4.4 Bidders must have a valid User Id to access OIL e-Procurement site for submission of bid. Bidders, who do not have a user id, can click on **Guest** login button in the E-portal to view and download the available open tenders. **The detailed guidelines are available in OIL's e-procurement site (Help Documentation).** For any clarification in this regard, bidders may contact E-Tender Support Cell at Duliajan at [erp\\_mm@oilindia.in](mailto:erp_mm@oilindia.in), Ph.: + 91 374 2807171.

#### 6.0 **IMPORTANT NOTES:**

Bidders shall take note of the following important points while participating in OIL's e-procurement tender:

i) The bid along with all supporting documents must be submitted through OIL's E-procurement site only except the following documents which shall be submitted manually by the bidder in sealed envelope superscribed with OIL's IFB No. and Bid Closing date to Executive Director, KG Basin Project, Oil India Limited, D.No.11-4-7; 3rd Floor, Nokalamma Temple Street, Ramaraopet, Kakinada-533004, India:

- a) Original Bid Security
- b) Any other document required to be submitted in original as per tender requirement.
- c) Printed catalogue and Literature, if called for in the tender.
- d) Power of Attorney for signing the bid.

The above documents including the Original bid security must be received at OIL's office of the Executive Director on or before the techno-commercial bid opening date and time. A scanned copy of the Bid Security shall also be uploaded by the bidder along with their Techno-commercial Bid in OIL's E-procurement site.

ii) Bid should be submitted online in OIL's E-procurement site up to 11.00 AM (IST) (Server Time) on the date as mentioned and will be opened on the same day at 3.00 PM (IST) at the office of the Executive Director (KGB & BEP) in presence of the authorized representatives of the bidders.

iii) The authenticity of digital signature shall be verified through authorized CA after bid opening. If the digital signature used for signing is not of "Class -3" with Organizations name, the bid will be rejected.

iv) The tender is invited under **SINGLE STAGE-TWO BID SYSTEM**. The bidders shall have to submit both the "TECHNICAL" and "PRICED" bids through electronic form in the OIL's e-Procurement portal within the techno-commercial Bid Closing

Date and Time stipulated in the e-Tender portal. The Techno-commercial Bid should be as per Scope of Work & Technical Specifications along with all technical related documents related to the tender and the same is to be uploaded in the **RFx Information-> Technical Attachments tab only. Bidders to note that no price details should be uploaded in Technical Attachments tab. Details of prices as per Price Bid format/priced bid to be uploaded under “Notes and Attachments” tab. Offer not complying with above submission procedure will be rejected as per Clause 1.0 of Bid Rejection Criteria.**

**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.**

v) **BACKING OUT BY BIDDER:** In case any bidder withdraws their bid within the bid validity period, Bid Security will be forfeited and the party will be put on Holiday as per the Banning Policy (available in OIL’s website) of Company.

vi) **BACKING OUT BY L-1 BIDDER AFTER ISSUE OF LOA:** In case LOA issued is not accepted by the L1 bidder or the Performance Security is not submitted as per the terms of the contract within the time specified in the Bid Document, the Bid Security shall be forfeited and the bidder shall be dealt as per the Banning Policy (available in OIL’s website) of Company.

vii) **FURNISHING FRAUDULENT INFORMATION/DOCUMENT:** The information and documents furnished by the bidder/ contractor in respect of the subject tender/contract are accepted to be true and genuine. However, if it is detected during technical scrutiny or after award of the contract or after expiry of the contract, that the bidder had submitted any fake/fraudulent document or furnished false statement, the offer/contract shall be rejected/ cancelled, as the case may be and the bidder (if fake document/false statement pertains to such bidder) shall be dealt as per the Banning Policy (available in OIL’s website) of Company.

viii) **ERRING / DEFAULTING AGENCIES:** Erring and defaulting agencies like bidder, contractor, supplier, vendor, service provider will be dealt as per OIL’s Banning Policy dated 6th January, 2017 available in OIL’s website: [www.oil-india.com](http://www.oil-india.com).

## **6.0 Pre-Bid Conference:**

6.1 A pre-Bid conference will be held at Kakinada, India on **26.4.2018** or on the dates as indicated in the online tender **to explain the requirements of Company in details to the interested prospective Bidders and to understand bidders’ perspective including exchange of views/clarifications, if any, on the Scope of Work, Bid Rejection/Bid Evaluation Criteria and other terms & conditions of the Tender.** The parties who purchase the bid documents are invited to the Pre-Bid conference. Foreign bidder may also request Oil India Limited for an invitation letter, if required, for the purpose of visa for attending the conference.

6.2 At the most 2 (two) representatives from each prospective bidder shall be allowed to participate in the pre-bid conference. All costs for attending the pre-bid conference shall be to prospective bidders' account.

6.3 The prospective bidders shall submit their queries through E-mail / Fax / Courier addressed to Executive Director (KGB&BEP), Oil India Ltd., Kakinada-533004, Andhra Pradesh prior to the date of pre-bid conference and such queries must reach OIL's office at Kakinada latest by **25.4.2018** or the date as mentioned in the on-line tender. OIL shall provide clarifications to only those queries received within this date. Queries/ Clarifications against the tender received beyond **25.4.2018** will not be entertained and replied. OIL will not be responsible for non-receipt or late receipt of any bidder's query in OIL's office. A soft copy of the queries in the word file shall also be submitted by the parties.

**6.4 However, clarifications/exceptions/deviations, if required any, should be brought out by the bidder prior to or during the Pre-Bid Conference only. After processing these suggestions, as a sequel to the pre-bid conference, Company may communicate the changes in this regard, if agreed any, through an addendum to tender document to the prospective bidders who purchased the tender document. Company will not accept any exception/deviation to tender conditions/specifications once the same are frozen after the pre-bid conference and the non-compliant bid (s) shall be rejected outright against this tender.**

7.0 OIL now looks forward to your active participation in the IFB.

Thanking you,

Yours faithfully,  
**OIL INDIA LIMITED**

-sd/  
(A. Baruah)  
Sr. Manager Materials  
for General Manager (C&P)  
for Executive Director (KGB&BEP)

**PART-1**

**INSTRUCTIONS TO BIDDERS**

**1.0** Bidder shall bear all costs associated with the preparation and submission of bid. Oil India Limited, hereinafter referred to as Company, will in no case be responsible or liable for those costs, regardless of the conduct or outcome of the bidding process.

**A. BID DOCUMENTS**

**2.0** The services required, bidding procedures and contract terms are prescribed in the Bid Document. This Bid Document includes the following:

- (a) A Forwarding Letter highlighting the following points:
  - (i) Company's Tender No & Type.
  - (ii) Bid closing date and time
  - (iii) Bid opening date and time
  - (iv) Bid submission mode
  - (v) Bid opening place
  - (vi) Bid validity, Mobilization & duration of Contract
  - (vii) The amount of Bid Security with validity
  - (viii) The amount of Performance Guarantee with validity
  - (ix) Quantum of liquidated damages for default in timely mobilizations
- (b) Instructions to Bidders, (PART-1)
- (c) Bid Evaluation Criteria/Bid Rejection Criteria, (PART-2)
- (d) General Conditions of Contract, (PART-3, Section-I)
- (e) Terms of Reference/Technical Specifications (PART-3, Section-II)
- (f) Special Condition of Contract ( PART-3, Section-III)
- (g) Schedule of Rates, (PART-3, Section-IV)
- (h) Estimated CIF value of items at the time of import, (Proforma-A)
- (i) Price Schedule Format, [Proforma-B, Proforma-B1(Imported), Proforma B1(Indigenous)].
- (j) Bid Form, (Proforma-C)
- (k) Certificate of Compliance with respect to BRC, (Proforma-D)
- (l) Statement of Non-Compliance (except BRC), (Proforma-E)
- (m) Bid Security Form, (Proforma-F)
- (n) Performance Security Form, (Proforma-G)
- (o) Contract Form, (Proforma-H)
- (p) Proforma of Letter of Authority, (Proforma-I)
- (q) Authorization for Attending Bid Opening, (Proforma-J)
- (r) Integrity Pact Proforma, (Annexure-I)
- (s) Proforma for bio data of personnel (Annexure II)
- (t) Proforma undertaking from contractor's personnel (Annexure III)
- (u) Format of agreement between bidder and their parent company (Attachment-I)
- (v) Parent company/ subsidiary company guarantee (Attachment-II)



- (w) Parent/Ultimate Parent/Holding Company's Corporate Guarantee towards Financial Standing (Attachment-III)
- (x) Format of agreement between bidder their sister subsidiary/co-subsidiary company and the ultimate parent/holding company of both the bidder and the sister subsidiary/co-subsidiary (Attachment-IV)
- (y) Annual Turnover & Net worth of Bidder (Annexure-A)
- (z) Safety measures (Annexure-B)

2.1 The bidder is expected to examine all instructions, forms, terms and specifications in the Bid Documents. Failure to furnish all information required in the Bid Documents or submission of a bid not substantially responsive to the Bid Documents in every respect will be at the Bidder's risk & responsibility and may result in the rejection of its bid.

### **3.0 TRANSFERABILITY OF BID DOCUMENTS:**

3.1 Bid Documents are non-transferable. Bid can be submitted only in the name of the bidder in whose name the Bid Document has been issued.

3.2 Unsolicited offers will not be considered and will be rejected straightway.

### **4.0 AMENDMENT OF BID DOCUMENTS:**

4.1 At any time prior to the deadline for submission of bids, the Company may, for any reason, whether at its own initiative or in response to a clarification requested by a prospective Bidder, modify the Bid Documents through issuance of an Addendum.

4.2 The Addendum will be uploaded in OIL's E-Portal under the tab "Amendments to Tender Documents". The Company may, at its discretion, extend the deadline for bid submission, if the Bidders are expected to require additional time in which to take the Addendum into account in preparation of their bid or for any other reason. **Bidders are to check from time to time the E-Tender portal ("Technical RFX Response" under the tab "Amendment to Tender Documents") for any amendments to the bid documents before submission of their bids. No separate intimation shall be sent to the Bidders.**

## **B. PREPARATION OF BIDS**

### **5.0 LANGUAGE OF BIDS:**

The bid as well as all correspondence and documents relating to the bid exchanged between the Bidder and the Company shall be in English language, except that any printed literature may be in another language provided it is accompanied by an official and notarized English translated version, which shall govern for the purpose of bid interpretation.

In case bidder is providing any document in language other than English, then bidder will also provide the English translated documents of the same. Translated documents must be signed by authorized personnel in Department of Foreign Affairs of the documents' country of origin and the same shall be duly certified by Indian Embassy there.

**5.1 BIDDER'S/AGENT'S NAME & ADDRESS:**

Bidders shall indicate in their bids their detailed postal address including the Fax/Telephone / Cell Phone Nos. and E-mail address. Similar information shall also be provided in respect of their authorized Agents in India, if any.

**6.0 DOCUMENTS COMPRISING THE BID:**

Bids are invited under Single Stage Two Bid System. The bid to be uploaded by the Bidder in OIL's E-Tender portal shall comprise of the following components:

**(I) TECHNICAL BID (to be uploaded in technical Attachments Tab) shall comprise of following:**

i	Complete technical details of the services and equipment specifications with catalogue, etc.
ii	Documentary evidence established in accordance with clause 10.0
iii	Statement of compliance with respect to BRC as per Proforma-D
iv	Statement of Non-compliance (except BRC) as per Proforma-E showing the list of deviations taken by the bidder except for the conditions under BRC
v	Bid Security (scanned) in accordance with clause 11.0 hereunder, Hard copy shall reach OIL on or before Techno-Commercial Bid Closing Date and time.
vi	Proforma-A: List of items to be imported <b>without the CIF values</b>
vii	Copy of Priced bid <b>without indicating prices</b> (Proforma-B)
viii	Copy of Bid Form <b>without indicating Prices</b> (Proforma-C)
ix	Integrity Pact digitally signed by OIL's competent personnel as Annexure-I attached to the bid document to be digitally signed by the Bidder.

**Note:** Please note that, price should not be mentioned in the "Technical Attachments" tab.

**(II) PRICED BID shall comprise of the following:**

**Bidder shall quote their prices in the following Proforma and shall upload the same in the OIL's E-Portal in the "Notes & Attachments" Tab::**

i	Price Schedule Format, [ Proforma-B, Proforma-B1(Imported), Proforma B1(Indigenous)]
ii	Bid Form as per Proforma-C
iii	Proforma-A showing the items to be imported with the CIF values. The Priced Bid shall contain the prices along with the currency quoted and any other commercial information pertaining to the service offered.

**7.0 BID FORM:** The bidder shall complete the Bid Form and the appropriate Price Schedule furnished in their Bid.

## **8.0 BID PRICE:**

- 8.1 Prices must be quoted by the Bidders online as per the price bid format available in OIL's E- Tender Portal in "Notes & Attachment" Tab. Unit prices must be quoted by the bidders, both in words and in figures..
- 8.2 Price quoted by the successful bidder must remain firm during its performance of the Contract and is not subject to variation on any account.
- 8.3 All duties (except customs duty which will be borne by the Company) and taxes (excluding GST) including Corporate Income Tax, Personal Tax, etc. and other Cess/levies payable by the successful bidder under the Contract for which this Bid Document is being issued, shall be included in the rates, prices and total Bid Price submitted by the bidder, and the evaluation and comparison of bids shall be made accordingly. For example, personal taxes and/or any corporate taxes arising out of the profits on the contract as per rules of the country shall be borne by the bidder.

## **9.0 CURRENCIES OF BID AND PAYMENT:**

- 9.1 A bidder expecting to incur its expenditures in the performance of the Contract in more than one currency, and wishing to be paid accordingly, shall so indicate in the bid. In such a case, the bid shall be expressed in different currencies and the respective amounts in each currency shall together make up the total price.
- 9.2 Indian bidders too can submit their bids in any currency (including Indian Rupees) and receive payment in such currencies on par with foreign bidders. However, currency once quoted will not be allowed to be changed.

## **10.0 DOCUMENTS ESTABLISHING BIDDER'S ELIGIBILITY AND QUALIFICATIONS:** These are listed in **Bid Evaluation Criteria/Bid Rejection Criteria (PART – 2)** of the Bid document.

## **11.0 BID SECURITY:**

- 11.1 The Bid Security is required to protect the Company against the risk of Bidder's conduct, which would warrant forfeiture of the Bid Security, pursuant to sub-clause 11.9.
- 11.2 All the bids must be accompanied by Bid Security for the amount as mentioned in the Forwarding Letter or an equivalent amount in other freely convertible currency. The Bid Security in original shall be submitted in a separate envelope as prescribed in Clause 15.1 below and shall be in any one of the following forms:
- a) A Bank Guarantee or irrevocable Letter of Credit in the prescribed format, vide Proforma-F. Bank Guarantee/LC issued from any of the following Banks only will be accepted:
  - i) Any schedule Indian Bank or Any Branch of an International bank situated in India and registered with Reserve Bank of India as scheduled foreign bank in case of domestic bidder, or

- ii) In case of foreign bidder, the bank guarantee can be accepted from any scheduled bank in India or from International bank who has its branch in India registered with Reserve Bank of India, or
  - iii) Any foreign Bank which is not a Scheduled Bank in India, provided the Bank Guarantee issued by such Bank is counter-guaranteed by any Branch situated in India of any Scheduled Bank incorporated in India.
  - iv) Bank Guarantee issued by a Scheduled Bank on India at the request of some other Non-Schedule Bank of India shall not be acceptable.
- b) A Cashier's cheque or Demand Draft drawn on 'Oil India Limited' and payable at Kakinada.

The Bank Guarantee / LC shall be valid for the time as asked for in the Bid Document. Bank Guarantees issued by Banks in India should be on nonjudicial stamp paper of requisite value, as per Indian Stamp Act, purchased in the name of the Banker

**11.3 Bidders can submit Bid Security on-line through OIL's electronic Payment Gateway.**

11.4 Any bid not secured in accordance with sub-clause 11.2 above shall be rejected by the Company as non-responsive.

11.5 The bidders shall extend the validity of the Bid Security suitably, if and when specifically advised by Company, at the bidder's cost.

11.6 Unsuccessful Bidder's Bid Security will be discharged and/or returned within 30 days after finalization of Tender.

11.7 Successful Bidder's Bid Security will be discharged and/or returned upon Bidder's furnishing the Performance Security and signing of the contract. Successful bidder will however, ensure validity of the Bid Security till such time the Performance Security in conformity with Clause 29.0 below is furnished.

11.8 Bid Security shall not accrue any interest during its period of validity or extended validity.

11.9 The Bid Security may be forfeited if:

- i) The bidder withdraws the bid within its original/extended validity.
- ii) The bidder modifies/revise their bid suo-moto.
- iii) Bidder does not accept the order/contract.
- iv) Bidder does not furnish Performance Security Deposit within the stipulated time as per tender/order/contract.
- v) It is established that the bidder has submitted fraudulent documents or has indulged into corrupt and fraudulent practice, the bid security shall be forfeited after due process in addition to other action against the bidder.

11.10 In case any bidder withdraws their bid during the period of bid validity, Bid Security will be forfeited and the party shall be debarred for a period of 2(two) years.

11.11 **The scanned copy of the original Bid Security in the form of either Bank Guarantee or LC must be uploaded by bidder along with the Technical bid in the “Technical Attachment” of OIL’s E-portal.** The Original Bid Security shall be submitted by the bidder to the office of Executive Director, KG Basin Project, Oil India Limited, D.No.11-4- 7; 3rd Floor, Nookalamma Temple Street, Ramaraopeta, Kakinada-533004, Andhra Pradesh, India in a sealed envelope which must reach the above address on or before the Techno-commercial Bid Opening date and Time failing which the bid shall be rejected.

11.12 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.

## **12.0 EXEMPTION FROM SUBMISSION OF BID SECURITY:**

12.1 Central Govt. offices and Central Public Sector undertakings are exempted from submitting Bid Security.

12.2 If the bidder is a Micro or Small Enterprises (MSE) registered with District Industry Centers or Khadi and Village Industries Commission or Khadi and Village Industries Board or Coir Board or National Small Industries Corporation or Directorate of Handicrafts and Handloom or any other body specified by Ministry of MSME, then they are also exempted from submitting Bid Security. Bidding MSEs shall have to submit a Copy of valid Registration Certificate clearly indicating the monetary limit, if any and the items for which bidder are registered with any of the aforesaid agencies. In case bidding MSE is owned by Schedule Caste or Schedule Tribe entrepreneur, valid documentary evidence issued by the agency who has registered the bidder as MSE owned by SC/ST entrepreneur should also be enclosed.

## **13.0 PERIOD OF VALIDITY OF BIDS:**

13.1 Bids shall remain **valid for 120** days after the date of bid opening prescribed by the Company. **Bids of shorter validity will be rejected as being nonresponsive.** If nothing is mentioned by the bidder in their bid about the bid validity, it will be presumed that the bid is valid for 120 days from Bid Opening Date.

13.2 In exceptional circumstances, the Company may solicit the Bidder's consent to an extension of the period of validity. The request and the response thereto shall be made in writing through Fax or e-mail. The Bid Security provided under Para 11.0 above shall also be suitably extended. A Bidder may refuse the request without forfeiting its Bid Security. A Bidder granting the request will neither be required nor permitted to modify their Bid.

## **14.0 FORMAT AND SIGNING OF BID:**

14.1 Bids are to be submitted online through OIL’s E-procurement portal with digital signature. The bid and all attached documents should be digitally signed by the bidder using “Class 3” digital certificates with Organizations Name [e-commerce application (Certificate with personal verification and

Organisation Name)] as per Indian IT Act 2000 obtained from the licensed Certifying Authorities operating under the Root Certifying Authority of India (RCAI), Controller of Certifying Authorities (CCA) of India before bid is uploaded. Digital Signature Certificates having "Organization Name" field other than Bidder's Name are not acceptable. However, aforesaid Digital Signature Certificates having Bidder's Name in the "Organization Name" field are acceptable.

The bid including all uploaded documents shall be digitally signed by duly authorized representative of the bidder holding a Power of Attorney to bind the Bidder to the contract.

If any modifications are made to a document after attaching digital signature, the digital signature shall again be attached to such documents before uploading the same. The Power of Attorney in original shall be submitted by bidder as mentioned in Para 15.1 below.

The authenticity of above digital signature shall be verified through authorized CA after bid opening and in case the digital signature is not of "Class-3" with organization name, the bid will be rejected.

Bidder is responsible for ensuring the validity of digital signature and its proper usage by their employees.

The original and all copies of the bid shall be typed or written in indelible inks. Since bids are to be submitted ONLINE with digital signature, manual signature is NOT relevant. The letter of authorisation (as per Proforma-I) shall be indicated by written Power of Attorney accompanying the Bid.

14.2 Any person signing the Bid or any other document in respect of this Bidding Document or other relevant documents on behalf of the Bidder without disclosing his authority to do so shall be deemed to have the authority to bind the Bidder. If it is discovered at any time that the person so signing has no authority to do so, the Company (OIL) may, without prejudice to any other right or remedy, cancel his Bid or Contract and hold the Bidder liable to the Company (OIL) for all costs and damages arising from the cancellation of the Bid or Contract including any loss which the Company (OIL) may sustain on account thereof. Any physical documents submitted by bidders shall contain no interlineations, white fluid erasures or overwriting except as necessary to correct errors made by the Bidder, in which case such correction shall be initialed by the person or persons who has/have digitally signed the Bid.

14.3 Any Bid, which is incomplete, ambiguous, or not in compliance with the Bidding process will be rejected.

#### **C. BID SUBMISSION/ EVALUATION**

##### **15.0 SUBMISSION OF BIDS:**

15.1 The tender is invited **under single stage - Two bid system**. Bidder shall submit the Technical bid and Priced bid along with all the Annexures and Proforma (wherever applicable) and copies of documents in electronic form through OIL's e-procurement portal within the Bid Closing Date & Time stipulated in the e-tender. For submission of Bids online at OIL's E-Tender

Portal, detailed instructions is available in “HELP DOCUMENTATION” available in OIL’s E-Tender Portal. Guidelines for bid submission are also provided in the “Forwarding Letter”. The Technical Bid is to be submitted as per Terms of Reference/Technical Specifications of the bid document and Priced Bid as per the Price Schedule. The Technical Bid should be uploaded in the **“RFx Information”** under **“Technical Attachment” Tab** Page only. Prices to be quoted as per Proforma-B should be uploaded as Attachment just below the “Tendering Text” in the attachment link under **“Notes and Attachment”** Tab in the e-portal. No price should be given in the **“Technical Attachment”**, otherwise bid shall be rejected. The priced bid should not be submitted in physical form and which shall not be considered. However, the following documents shall necessarily be submitted in physical form in sealed envelope superscribing the “IFB No., Brief Description of services and Bid Closing / Opening date & Time along with the bidder’s name and shall be addressed to Executive Director, KG Basin Project, Oil India Limited, D.No.11-4-7; 3rd Floor, Nookalamma Temple Street, Ramaraopeta, Kakinada-533004, Andhra Pradesh, India as indicated in the IFB:

- (i) The Original Bid Security along with 2(two) copies.
- (ii) Power of Attorney for signing of the bid digitally
- (iii) Any other document required to be submitted in original as per bid document requirement.
- (iv) Printed catalogue and literature if called for in the bid document.

Documents sent through E-mail/Fax/Telex/Telegraphic/Telephonic will not be considered.

- 15.2 All the conditions of the Contract to be made with the successful bidder are given in various Sections of the Bid Document. Bidders are requested to state their non-compliance to each clause as per Proforma –E of the bid document and the same shall be uploaded along with the Techno-commercial Bid.
- 15.3 Timely delivery of the documents in physical form as stated in Para 15.1 above is the responsibility of the bidder. Bidders shall send the same through Registered Post or by Courier Services or by hand delivery to the Officer in Charge of the particular tender before the Bid Closing Date and Time failing which bid shall be rejected. Company shall not be responsible for any postal delay / transit loss.
- 15.4 Bids received through the e-procurement portal shall only be accepted. Bids received in any other form shall not be accepted.

- 16.0 INDIAN AGENT/REPRESENTATIVE/RETAINER/ASSOCIATE:** Foreign bidders shall clearly indicate in their bids whether they have an Agent/Representative/Retainer/Associate in India. In the event the overseas bidder is having an Agent/Representative/Retainer/Associate in India, the bidder should furnish the name and address of their Agent/Representative/Retainer/Associate in India and clearly indicate nature and extent of services to be provided by such an Agent/Representative/Retainer/Associate in India and also stating in their bids whether the Agent/Representative/Retainer/Associate is authorized to receive any commission. The rate of the commission included in the quoted rates of bidder should be indicated which would be payable to Agent/Representative/Retainer/Associate in non-convertible Indian

currency according to Import Trade Regulation of India. Unless otherwise specified, it will be assumed that agency commission is not involved in the particular bid.

Further, overseas bidders shall submit their bids directly and not through their Agent/Representative/Retainer/Associate in India. Bid submitted by Indian Agent/Representative/Retainer/Associate on behalf of their foreign principals will not be considered and will be rejected straightway. Moreover, one Indian Agent/Representative/Retainer/ Associate cannot represent more than one foreign bidder against the IFB.

The Indian Agent/Representative/Retainer/Associate will not be permitted to submit any Bid Security and Performance Security on behalf of their foreign principals and also the Indian Agent/ Representative/Retainer/Associate will not be allowed to execute the contract and receive payment against bid submitted by their foreign principals. Such bids shall be rejected straightway.

**17.0 DEADLINE FOR SUBMISSION OF BIDS:**

- 17.1 Bids should be submitted online as per the online tender submission deadline. Bidders will not be permitted by System to make any changes in their bid/quote after the bid submission deadline is reached.
- 17.2 No bid can be submitted after the submission dead line is reached. The system time displayed on the e-procurement web page shall decide the submission dead line.
- 17.3 The documents in physical form as stated in Para 15.1 must be received by Company at the address specified in the "Forwarding Letter" on or before the Bid Opening date & Time mentioned in the "Forwarding Letter". Timely delivery of the same at the address mentioned in the Forwarding Letter is the responsibility of the Bidders.

**18.0 LATE BIDS:**

Bidders are advised in their own interest to ensure that their bids are uploaded and submitted in system before the closing date and time of the bid. The documents in physical form if received by the Company after the deadline for submission prescribed by the Company shall be rejected and shall be returned to the Bidders in unopened condition immediately.

**19.0 MODIFICATION AND WITHDRAWAL OF BIDS:**

- 19.1 The Bidder after submission of Bid may modify or withdraw its Bid by written notice prior to Bid Closing Date & Time.
- 19.2 No Bid can be modified or withdrawn subsequent to the deadline for submission of Bids.
- 19.3 No Bid can be withdrawn in the interval between the deadline for submission of Bids and the expiry of the period of Bid Validity specified by the Bidder on the Bid Form. Withdrawal of a Bid during this interval shall result in the



Bidder's forfeiture of its Bid Security and bidder shall also be debarred from participation in future tenders of OIL.

**20.0 EXTENSION OF BID SUBMISSION DATE:**

Normally no request for extension of Bid Closing Date & Time will be entertained. However, OIL at its discretion, may extend the Bid Closing Date and/or Time due to any reasons.

**21.0 BID OPENING AND EVALUATION:**

- 21.1 Company will open the Bids, including submission made pursuant to clause 19.0, in the presence of Bidder's representatives who choose to attend at the date, time and place mentioned in the Forwarding Letter. However, an authorization letter (as per Proforma-J) from the Bidder must be produced by the Bidder's representative at the time of Bid Opening. Unless this Letter is presented, the representative will not be allowed to attend the Bid Opening. The Bidder's representatives who are allowed to attend the Bid Opening shall sign a register evidencing their attendance. Only one representative against each Bid will be allowed to attend. In technical bid opening, only "Technical Attachment" will be opened. Bidders therefore should ensure that technical bid is uploaded in the "Technical Attachment" Tab Page only in the E-portal.
- 21.2 In case of any unscheduled holiday or Bandh on the Bid Opening Date, the Bids will be opened on the next full working day. Accordingly, Bid Closing Date / time will get extended up to the next working day and time.
- 21.3 Bids which have been withdrawn pursuant to clause 19.0 shall not be opened. Company will examine bids to determine whether they are complete, whether requisite Bid Securities have been furnished, whether documents have been digitally signed and whether the bids are generally in order.
- 21.4 At bid opening, Company will announce the Bidder's names, written notifications of bid modifications or withdrawal, if any, the presence of requisite Bid Security and such other details as the Company may consider appropriate.
- 21.5 Company shall prepare, for its own records, minutes of bid opening including the information disclosed to those present in accordance with the sub-clause 21.4.
- 21.6 Normally no clarifications shall be sought from the Bidders. However, for assisting in the evaluation of the bids especially on the issues where the Bidder confirms compliance in the evaluation and contradiction exists on the same issues due to lack of required supporting documents in the Bid (i.e. document is deficient or missing), or due to some statement at other place of the Bid (i.e. reconfirmation of confirmation) or vice versa, clarifications may be sought by OIL. In all the above situations, the Bidder will not be allowed to change the basic structure of the Bid already submitted by them and no change in the price or substance of the Bid shall be sought, offered or permitted.
- 21.7 Prior to the detailed evaluation, Company will determine the substantial responsiveness of each bid to the requirement of the Bid Documents. For purpose of these paragraphs, a substantially responsive bid is one, which

conforms to all the terms and conditions of the Bid Document without material deviations or reservation. A material deviation or reservation is one which affects in any way substantial way the scope, quality, or performance of work, or which limits in any substantial way, in-consistent way with the Bid Documents, the Company's right or the bidder's obligations under the contract, and the rectification of which deviation or reservation would affect unfairly the competitive position of other bidders presenting substantial responsive bids. The Company's determination of Bid's responsiveness is to be based on the contents of the Bid itself without recourse to extrinsic evidence.

- 21.8 A Bid determined as not substantially responsive will be rejected by the Company and may not subsequently be made responsive by the Bidder by correction of the non-conformity.
- 21.9 The Company may waive minor informality or nonconformity or irregularity in a Bid, which does not constitute a material deviation, provided such waiver does not prejudice or affect the relative ranking of any Bidder.
- 21.10 The Company shall perform Technical evaluation of the responsive bid(s) on the basis of **Section II 'Terms of Reference and Technical Specifications'** and **Part-2 'Bid Rejection Criteria/Bid Evaluation Criteria'**. Pursuant to Clause 21.0, the Company shall determine the successful Techno-commercial bid(s) for Price Bid opening.

## **22.0 OPENING OF PRICED BIDS:**

- 22.1 The Company will open the Priced Bids of the technically qualified Bidders on a specific date in presence of representatives of the interested qualified bidders. Technically qualified Bidders will be intimated about the Priced Bid Opening Date & Time in advance. In case of any unscheduled holiday or Bandh on the Priced Bid Opening Date, the Bids will be opened on the next working day.
- 22.2 The Company will examine the Price quoted by Bidders to determine whether they are complete, any computational errors have been made, the documents have been properly signed, and the bids are generally in order.
- 22.3 Arithmetical errors will be rectified on the following basis. If there is a discrepancy between the unit price and the total price (that is obtained by multiplying the unit price and quantity) the unit price shall prevail and the total price shall be corrected accordingly. If there is a discrepancy between words, and figures, the amount in words will prevail. If any Bidder does not accept the correction of the errors, their Bid will be rejected.

- 23.0 CONVERSION TO SINGLE CURRENCY:** While evaluating the bids, the closing rate of exchange (CC rate) declared by State Bank of India on the day prior to price bid opening will be taken into account for conversion of foreign currency into Indian Rupees. Where the time lag between the opening of the price bids and final decision exceeds three months, the rate of exchange declared by State Bank of India on the date prior to the date of final decision will be adopted for conversion.

**24.0 EVALUATION AND COMPARISON OF BIDS:** The Company will evaluate and compare the bids as per **BID REJECTION CRITERIA (BRC) / BID EVALUATION CRITERIA (BEC), Part-2** of the Bid Documents.

24.1 **DISCOUNTS / REBATES:** Unconditional discounts/rebates, if any, given in the bid or along with the bid will be considered for evaluation.

24.2 Post bid or conditional discounts/rebates offered by any bidder shall not be considered for evaluation of bids. However, if the lowest bidder happens to be the final acceptable bidder for award of contract, and if they have offered any discounts/rebates, the contract shall be awarded after taking into account such discounts/rebates.

24.3 **LOADING OF FOREIGN EXCHANGE:** There would be no loading of foreign exchange for deciding the inter-se-ranking of domestic bidders.

24.4 **EXCHANGE RATE RISK:** Since Indian bidders are now permitted to quote in any currency and also receive payments in that currency, Company will not be compensating for any exchange rate fluctuations in respect of the services.

24.5 **REPATRIATION OF RUPEE COST:** In respect of foreign parties rupee payments made on the basis of the accepted rupee component of their bid, would not be repatriable by them. A condition to this effect would be incorporated by the Company in the contract.

**25.0 CONTACTING THE COMPANY:**

25.1 Except as otherwise provided in Clause 21.0 above, no Bidder shall contact Company on any matter relating to its bid, from the time of the bid opening to the time the Contract is awarded except as required by Company vide sub-clause 21.6.

25.2 An effort by a Bidder to influence the Company in the Company's bid evaluation, bid comparison or Contract award decisions may result in the rejection of their bid.

**D. AWARD OF CONTRACT**

**26.0 AWARD CRITERIA:** The Company will award the Contract to the successful Bidder whose bid has been determined to be substantially responsive and has been determined as the lowest evaluated bid, provided further that the Bidder is determined to be qualified to perform the Contract satisfactorily.

**27.0 COMPANY'S RIGHT TO ACCEPT OR REJECT ANY BID:** Company reserve the right to accept or reject any or all bids and to annul the bidding process and reject all bids, at any time prior to award of contract, without thereby incurring any liability to the affected bidder, or bidders or any obligation to inform the affected bidder of the grounds for Company's action.

**28.0 NOTIFICATION OF AWARD:**

28.1 Prior to the expiry of the period of bid validity or extended validity, Company will notify the successful Bidder in writing by registered letter or by fax or

Email (to be confirmed in writing by registered / couriered letter) that its Bid has been accepted.

28.2 The notification of award will constitute the formation of the Contract.

28.3 Upon the successful Bidder's furnishing of Performance Security pursuant to Clause 29.0 below, the Company will promptly notify each un-successful Bidder and will discharge their Bid Security, pursuant to Clause 11.0 hereinabove.

**29.0 PERFORMANCE SECURITY:**

29.1 On receipt of notification of award from the Company, the successful Bidder shall furnish to Company the Performance Security for an amount specified in the Forwarding Letter (and Letter of Award (LOA) issued by Company to Contractor awarding the contract) as per Proforma-G or in any other format acceptable to the Company and must be in the form of a Demand Draft or Bank Guarantee or irrevocable Letter of Credit (LC) from:

- a) Any schedule Indian Bank or Any Branch of an International bank situated in India and registered with Reserve Bank of India as scheduled foreign bank in case of domestic bidder, or
- b) In case of foreign bidder, the bank guarantee can be accepted from any scheduled bank in India or from International bank who has its branch in India registered with Reserve Bank of India.
- c) Any foreign Bank which is not a Scheduled Bank in India, provided the Bank Guarantee issued by such Bank is counter-guaranteed by any Branch situated in India of any Scheduled Bank incorporated in India.
- d) Bank Guarantee issued by a Scheduled Bank in India at the request of some other Non-Schedule Bank of India shall not be acceptable.

Bank Guarantee issued by a Bank, amongst others, must contain the following particulars of such bank: a) Full address. b) Branch Code. c) Code Nos. of the authorized signatory with full name and designation. d) Phone Nos., Fax Nos., Email address.

The domestic bidders will have to submit the Bank Guarantee from any of the scheduled banks and on non-judicial stamp paper of requisite value as per the Indian Stamp Act, purchased in the name of the issuing banker.

The foreign bidder will submit the Bank Guarantee from Banks of Indian origin situated in their country. In case no such bank of Indian origin is situated in their country, the Bank Guarantee may be submitted from the bankers as specified above.

The Performance Security shall be denominated in the currency of the contract.

29.2 The Performance Security specified above must be valid for 3 (three) months beyond the Contract duration. The Performance Security will be discharged by Company not later than 30 days following its expiry. In the event of any

extension of the Contract period, Bank Guarantee shall be extended by Contractor by the period equivalent to the extended period.

- 29.3 The Performance Security shall be payable to Company as compensation for any loss resulting from Contractor's failure to fulfill its obligations under the Contract.
- 29.4 The Performance Security will not accrue any interest during its period of validity or extended validity.
- 29.5 Failure of the successful Bidder to comply with the requirements of Clause 29.0 and/or 30.0 shall constitute sufficient grounds for annulment of the award and forfeiture of the Bid Security or Performance Security. In such an eventuality, the party shall be debarred for a period of 2 (two) years from the date of default.

**30.0 SIGNING OF CONTRACT:**

- 30.1 At the same time as the Company notifies the successful Bidder that its Bid has been accepted, the Company will either call the successful Bidder for signing of the agreement or send the Contract Form provided in the Bid Documents, along with the General Conditions of Contract, Technical Specifications, Schedule of Rates incorporating all agreements agreed between the two parties.
- 30.2 The successful Bidder shall sign and date the contract and return it to the Company after receipt of LOA. Till the contract is signed, the LOA issued to the successful bidder shall remain binding amongst the two parties.
- 30.3 In the event of failure on the part of the successful Bidder to sign the Contract within the period specified above or any other time period specified by Company, the Company reserves the right to terminate the LOA issued to the successful Bidder and invoke the Bid Security or the Performance Security if submitted by the successful Bidder. The party shall also be debarred for a period of 2(two) years from the date of default.

**31.0 FURNISHING FRAUDULENT INFORMATION/DOCUMENTS:**

If it is found that a bidder/contractor has furnished fraudulent information/documents, the Bid Security/Performance Security shall be forfeited and the party shall be debarred for a period of 3(three) years from the date of detection of such fraudulent act besides the legal action.

- 32.0 CREDIT FACILITY:** Bidders shall indicate clearly in the Bid about availability of any credit facility inclusive of Government to Government credits indicating the applicable terms and conditions of such credit.

**33.0 MOBILISATION ADVANCE PAYMENT:**

- 33.1 Request for advance payment shall not be normally considered. However, depending on the merit and at the discretion of the Company, advance against mobilization charge may be given at an interest rate of 1% above the prevailing Bank rate (CC rate) of SBI from the date of payment of the advance till recovery/refund. However, any mobilization advance shall be given in two

phases – 50% of mobilization changes before shipment of materials, equipment & tools etc. and rest 50% after the shipment is completed.

33.2 Advance payment agreed to by the Company shall be paid only against submission of an acceptable bank guarantee whose value shall be equivalent to the amount of advance plus the amount of interest covering the period of advance. Bank guarantee shall be valid for 2 months beyond completion of mobilization and the same may be invoked in the event of Contractor's failure to mobilize as per agreement.

33.3 In the event of any extension to the mobilization period, Contractor shall have to enhance the value of the bank guarantee to cover the interest for the extended period and also to extend the validity of bank guarantee accordingly.

#### **34.0 INTEGRITY PACT:**

34.1 Company shall be entering into an Integrity Pact with the Bidders as per format enclosed vide Annexure-I of the Bid Document, which has been digitally signed by competent authority of OIL. The Integrity Pact must be submitted with the Techno-commercial Bid duly signed by the same signatory who signed the Bid i.e. who is duly authorized to sign the Bid. Any Bid not accompanied by the Integrity Pact duly signed by the bidder shall be rejected straightway. 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 has signed the bid. **If any bidder refuses to sign Integrity Pact or declines to submit the Integrity Pact, their bid shall be rejected straightway.**

34.2 Company has appointed the following personnel as Independent External Monitors(IEM) to oversee implementation of Integrity Pact in Company: at the following addresses:

- a) SHRI SATYANANDA MISHRA, IAS(Retd.),  
E-Mail: [satyanandamishra@hotmail.com](mailto:satyanandamishra@hotmail.com)
- b) SHRI RAJIV MATHUR, IPS(Retd.),  
E-Mail: [rajivmathur23@gmail.com](mailto:rajivmathur23@gmail.com)
- c) SHRI JAGMOHAN GARG, EX-VIGILANCE COMMISSIONER, CVC  
E-Mail : [jagmohan.garg@gmail.com](mailto:jagmohan.garg@gmail.com)

Bidders may contact the Independent Monitors for any matter related to the Tender.

35.0 **SITE VISIT:** The Bidder, at the Bidder's own cost, responsibility and risk is encouraged to visit and examine the site of work and its surroundings, understand the logistics and obtain all information that may be necessary for preparing the Bid and entering into a Contract for the required services/work.

The Contractor shall be deemed prior to Pre-bid Conference (if applicable) & submitting their Bid to have:

- a) Inspected and examined the Site and its surroundings and carried out such surveys as it considers necessary;
- b) Satisfied itself as to the nature of the work and materials necessary for the execution of the Works;
- c) Satisfied itself as to the circumstances at the Site, including, without limitation, the ground and sub-soil, the form and nature of the Site and the climate and hydrological conditions of the Site;
- d) Satisfied itself as to the means of communication with and access to & through the Site, the accommodation it may require and the precautions and the times and methods of working;
- e) Obtained for itself all necessary information as to the risks, contingencies and all other circumstances, which may influence or affect the Contract price and its obligations under the Contract;
- f) Satisfied itself with all the Indian as well as local conditions, factors and legislation which may have any effect on the execution of the work covered under the Bid Document;
- g) Ascertained the general labour position at the Site and have understood the cost associated with engagement of the labours.

**36.0 SPECIFICATIONS:** Before submission of Bids, Bidders are requested to make themselves fully conversant with all Conditions of the Bid Document and other relevant information related to the works/services to be executed under the Contract.

**37.0 LOCAL CONDITIONS:** It is imperative for each Bidder to fully inform themselves of all Indian as well as local conditions, factors and legislation which may have any effect on the execution of the work covered under the Bid Document. The bidders shall be deemed prior to submitting their bids to have satisfied themselves of the all aspects covering the nature of the work as stipulated in the Tender and obtain for themselves all necessary information as to the risks, contingencies and all other circumstances, which may influence or affect the various obligations under the Contract.

No request will be considered for clarifications from the Company (OIL) regarding such conditions, factors and legislation. It is understood and agreed that such conditions, factors and legislation have been properly investigated and considered by the Bidders while submitting the Bids. Failure to do so shall not relieve the Bidders from responsibility to estimate properly the cost of performing the work within the provided timeframe. Company (OIL) will assume no responsibility for any understandings or representations concerning conditions made by any of their officers prior to award of the Contract. Company (OIL) shall not permit any Changes to the time schedule of the Contract or any financial adjustments arising from the Bidder's lack of knowledge and its effect on the cost of execution of the Contract.

**END OF PART-I**

## **PART – 2**

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

#### **BID REJECTION CRITERIA (BRC)**

The bid shall conform generally to the specifications and terms and conditions given in this bid document. Bids shall be rejected in case the services offered do not conform to required parameters stipulated in the technical specifications. Notwithstanding the general conformity of the bids to the stipulated specifications, the following requirements will have to be particularly met by the Bidders without which the same will be considered as non-responsive and rejected.

- 1.0 Bids shall be submitted under single stage two Bid systems i.e. Techno-commercial Bid and Priced Bid. Bids not conforming to this system as per Clause No. 15.0 of PART-1 shall be rejected outright.
- 2.0 Bidder shall offer firm prices. Price quoted by the successful bidder must remain firm during the execution of the Contract and not subject to variation on any account.
- 3.0 Bids with shorter validity will be rejected as being non-responsive.
- 4.0 Bid Security shall be uploaded as a part of the Techno-commercial Bid in OIL's E-portal. The original Bid Security shall be submitted by bidder to the office of Executive Director (KGB&BEP), KAKINADA, India in a sealed envelope and must reach office of the Executive Director, Kakinada before the Techno-commercial Bid Opening date and Time. The amount of Bid Security and its validity shall be as specified in the Bid Document. Any Bid not accompanied by a proper Bid Security will be rejected.
- 5.0 The Integrity Pact must be uploaded in OIL's E-Procurement portal along with the Technical Bid digitally signed by the same signatory who digitally signed the Bid i.e. who is duly authorized to sign the Bid. If any bidder refuses to sign Integrity Pact or declines to submit the Integrity Pact, their bid will be rejected.
- 6.0 Conditional offers will not be considered and will be rejected.
- 7.0 Bids received through the e-procurement portal shall only be accepted. Bids received in any other form shall not be accepted.
- 8.0 The bid documents are not transferable. Offers made by bidders who have not been issued Tender document/User ID/ Password from the Company will be rejected.
- 9.0 Bidders must quote clearly and strictly in accordance with the price schedule outlined in "Price Bid Format" of Bid Document; otherwise the Bid will be summarily rejected.
- 10.0 Bidders shall quote directly and not through their Agent/ Representative/Retainer/Associate in India. Bids submitted by Indian Agent/ Representative/Retainer/Associate on behalf of their foreign principals will not be considered and will be rejected straightway. One Indian



Agent/Representative/Retainer/Associate cannot represent more than one foreign principal.

11.0 Bidder must accept and comply with the following clauses as given in the Bid Document in toto failing which bid will be rejected.

- (i) Bid Security Clause
- (ii) Performance Guarantee Clause
- (iii) Force Majeure Clause
- (iv) Tax Liabilities Clause
- (v) Arbitration Clause
- (vi) Acceptance of Jurisdiction and Applicable Law
- (vii) Liquidated damage and penalty clause
- (viii) Safety, Environment & Labour Law
- (ix) Termination Clause
- (x) Integrity Pact

12. Any Bid containing false statement or false information or misleading information will be rejected.

13. The Bids and all uploaded documents must be digitally signed using Class 3 digital certificate [e-commerce application (Certificate with personal verification and Organization name)] 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 [except copies of the documents required in physical form] should invariably be submitted in the 'Technical Attachment Tab' through OIL's e-bidding portal, before the scheduled date and time for the tender closing. **All the documents uploaded shall be digitally signed by the authorized signatory of the bidder.**

However, the following documents (in original) should necessarily be submitted in physical form, in a sealed envelope

- ✓ **The original bid security.**
- ✓ **The power of attorney or authorization, or any other document consisting of adequate proof of the ability of the signatory to bind the bidder, in original.**

A notarized true copy of the "Power of Attorney" shall also be accepted in lieu of the original, if the power of attorney is a general "Power of Attorney". However, photocopy of such notarized true copy shall not be accepted.

Bidder should ensure to submit original documents in accordance with the bidding documents.

The price bids submitted in physical form against e-procurement tenders shall not be given any cognizance.

### **BID EVALUATION CRITERIA (BEC)**

Oil India Limited intends to hire the services of Hydraulic Fracturing of 2 (two) gas well (2 HPHT or 2 Shallow or 1 HPHT + 1 shallow) on call out basis within a period of One (01) year in OIL's operational area in KG Basin Project, Kakinada under NELP-VI block: KG-ONN-2004/1. The contract shall also have a provision for extension of hydro-fracturing upto another 2 wells on call out basis, at the discretion of Company at same rates, terms and conditions

The contractor shall provide a single point sourcing, invoicing and cost tracking function to OIL for all the services under this contract with all necessary equipment, materials and services required by OIL that are to be supplied as part of the contract, except where specifically stated as being provided by OIL

Bidders are advised not to **take any exception/deviations** to the bid document. Exceptions/ deviations, if any, should be brought out during the Pre-bid conference. In case Pre-bid conference is not held/ attended, the exceptions/ deviations along with suggested changes are to be communicated to OIL within the date specified in the NIT and bid document. OIL after processing such suggestions may, through an addendum to the bid document, communicate to the bidders the changes in its bid document, if any.

However, during evaluation of bids, OIL may ask the Bidder for Clarifications/ confirmations/deficient documents of its bid. The request for clarification and the response shall be in writing and no change in the price or substance of the bid shall be sought or permitted. **If the bidder still maintains exceptions/deviations in the bid, such conditional/ non-conforming bids shall not be considered.**

The bidder must meet the following evaluation criteria failing which the offer shall be rejected:

#### **1.0 A. TECHNICAL:**

##### **1.1 EXPERIENCE:**

- i) Bidder must have the experience of providing Hydro-fracturing Services in minimum 5(five) number of wells (Oil well/gas well) during the last 7 (seven) years reckoned from the original bid closing date.
- ii) The bidder must have experience of successfully completing at least one (01) number of contract of a minimum duration of 6 (six) months for providing hydro-fracturing services in Oil well/gas well during the last 7 (seven) years reckoned from the original bid closing date.
- iii) The bidder must have experience of successfully completing at least one (01) number of Hydro-fracturing job in HPHT well having a temperature of above 350 deg F and pressure of above 10000 psi with sour condition in Oil well/gas well during the last 7 (seven) years reckoned from the original bid closing date.

- iv) In support of the experience criteria of A.1.1 i), ii) & iii) above, the bidder must furnish the following documentary evidences self-certified, in the form of:

- a) Copies of relevant pages of the contract document showing Contract Number, period of contract and Scope of work etc.
- b) Copies of completion Certificate(s) or payment certificate(s) or any other documents which substantiate completion of the jobs, issued by the client(s) with contact details of the issuing person/organization (e-mail address, Phone Number, Fax number etc.).

1.2 **Bid from Indian Company/Indian Joint Venture Company with Technical Collaboration/Joint Venture Partner:**

In case, the bidder is an Indian Company/Indian Joint Venture Company who does not meet the experience criteria as per clause No. A.1.1.i), ii) and iii) above, may also bid on the strength of Technical Collaborator/Joint Venture Partner provided all the following criteria are compiled:

- (a) The primary bidder shall have the experience of successfully completing at least 2 (two) Nos. of contracts for providing oilfield services relating to oil and gas well operations like Drilling/Workover/Production Testing/Matrix Acidization/ Well Stimulation/Sand Control, during the last 07(seven) years prior to the original bid closing date. In support of the experience, the bidder shall submit documentary evidences as per clause A.1.1.iv) above.

**OR**

The primary bidder shall have the experience of successfully providing services relating to oil and/or gas well operations like Drilling / Work-over / Production Testing / Well Stimulation / Matrix Acidization/ Sand Control continuously for a period of at least 1 (one) year to be reckoned from the original bid closing date under a single contract.

- (b) The primary bidder shall meet the financial criteria under Clause No. B sub-clauses 1.0, 2.0, 3.0, 4.0 and 5.0 below.
- (c) The Technical Collaborator/Joint Venture Partner at its own shall meet the experience criteria A.1.1.i), ii) & iii) above. The experience of the Technical Collaborator /Joint Venture with other firms will not be qualified. In this regard, the documents establishing experience of the Technical Collaborator/Joint Venture Partner shall be submitted as per clause A.1.1.iv) above.

- 1.3 Indian bidders quoting based on technical collaboration/ joint venture, shall submit a Memorandum of Understanding (MOU)/Agreement with their technical collaborator/ joint venture partner clearly indicating their roles under the scope of work which shall be addressed to OIL and shall remain valid and binding for the contract period under this tender.

1.4 **Bid from Consortium of companies:**

In case, the bidder is a consortium of companies, the following requirement should be satisfied by the bidder:

- (a) The Leader of the consortium shall satisfy the minimum experience requirement as per clause No. A.1.1.i), ii) & iii) or the clause A.1.2.a above.
- (b) If the Leader of the consortium meets the clause A.1.2.a but does not meet the requirement as per Clause No. A.1.1.i), ii) & iii), then any of the consortium members shall individually meet Clause No. A.1.1.i), ii) & iii) above.
- (c) The consortium members shall have to meet the financial criterion mentioned in Clause No. B 2.0 below.
- (d) The leader of the Consortium can submit bid on behalf of consortium of bidders. Memorandum of Understanding (MOU) between the Consortium members duly executed by the CEOs of the consortium members and Notarized must accompany the bid which should clearly define role/scope of work of each partner/member and should clearly define the leader of consortium. Memorandum of Understanding (MOU) must also state that all the members of consortium shall be jointly and severally responsible for discharging all obligations under the Contract. However, the Leader of the Consortium must submit an undertaking along with the technical bid towards unconditional acceptance of full responsibility for executing the 'Scope of Work' of this bid document. In case of award, such MOU shall be kept valid through the entire contract period, including extensions, if any. The following provisions should also be incorporated in the MOU executed by the members of the Consortium.
- (e) Only the Leader of the consortium shall buy the bid document and submit bid on behalf of the consortium. The other members of the Consortium shall ratify all the acts and decisions of the Leader of Consortium, which are taken in connection with and/or during the evaluation of the tender and execution of the contract.

**NOTE:** The Bid Security shall be in the name of the Leader of the consortium on behalf of consortium with specific reference to consortium bid and name & address of consortium members. Similarly the Performance Security shall be in the name of the Leader on behalf of the consortium.

- 1.5 Bidder(s) quoting in Collaboration/joint venture Partnership/ Consortium with any firm are not allowed to quote separately/independently against this tender. The collaborator is also not allowed to quote separately/independently against this tender. All the bids received in such case will be summarily rejected.

**1.6 Eligibility criteria in case bid are submitted on the basis of experience of the parent/ subsidiary company:**

Offers of those bidders who themselves do not meet the experience criteria as stipulated in Clause Nos. A. 1.1 (i), ii) & iii) and B. 1.0 & 2.0 can also be considered provided the Bidder is a subsidiary company of the parent company in which the parent company has 100% stake or parent company can also be considered on the strength of its 100% subsidiary. However, the parent/ subsidiary company of the Bidder should on its own meet the experience as stipulated in the BEC and should not rely for meeting the experience criteria on its sister subsidiary/ co-subsiary company or through any other arrangement like Technical Collaboration agreement. In

that case as the subsidiary company is dependent upon the experience of the parent company or vice-versa with a view to ensure commitment and involvement of the parent/ subsidiary company for successful execution of the contract, the participating bidder should enclose an Agreement (as per format enclosed as **Attachment-I** between the parent and the subsidiary company or vice-versa and Parent/ Subsidiary Guarantee (as per format enclosed as **Attachment-II** from the parent/ subsidiary company to OIL for fulfilling the obligation under the Agreement, along with the Technical bid.

**1.7 Eligibility criteria in case bid are submitted on the basis of experience of sister subsidiary/ co-subsidiary company:**

Offers of those bidders who themselves do not meet the experience criteria as stipulated in Clause Nos. A. 1.1(i), ii) and iii) can also be considered based on the experience criteria of their sister subsidiary/ co-subsidiary company within the ultimate parent/ holding company subject to meeting of the following conditions:

- i. Provided that the sister subsidiary/ co-subsidiary company and the bidding company are both first layer of 100% subsidiaries of an ultimate parent/holding company. Documentary evidence to this effect to be submitted by the ultimate parent/ holding company along with the Technical bid.
- ii. Provided that the sister subsidiary/ co-subsidiary company on its own meets and not through any other arrangement like Technical Collaboration agreement meets the experience criteria stipulated in the BEC.
- iii. In case of contracts involving multifarious activities such as – (a) manufacturing/ supply (b) installation and commissioning (c) servicing and maintenance of any equipment, then in that case, the bidding company can rely on the experience of their multiple sister subsidiary / co-subsidiary company(ies) specializing in each sphere of activity, i.e. (a) manufacturing/ supply (b) installation and commissioning (c) servicing and maintenance. However, all the sister subsidiary company(ies)/ co-subsidiary company(ies) and the bidding company should be first layer of 100% subsidiary company(ies) of an ultimate parent/ holding company. Documentary evidence to the effect that all the sister subsidiary company(ies) are first layer of 100% subsidiaries of the ultimate/ holding parent company should be submitted along with the Technical bid.

Provided that with a view to ensure commitment and involvement of the ultimate parent/ holding company for successful execution of the contract, the participating bidder shall enclose an agreement (as per format enclosed as Annexure-IV ) between them, their ultimate parent/ holding company and the sister subsidiary/ co-subsidiary company.

**1.8 MOBILISATION TIME:**

The bidders must confirm their compliance in their “Technical” bid to complete the mobilization within **45 days from the date of issuance of Mobilization call out Notice.** Offers without confirmation of stipulated mobilization time or with mobilization time more than 45 days will be summarily rejected. The bidder shall confirm compliance of this in their technical bid.

**B. FINANCIAL**

- 1.0 The bidder shall have an annual financial turnover of minimum **Rs. 4.94 Crore** (or equivalent USD **0.76 million** ) during any of the preceding 03(three) financial/accounting years reckoned from the original bid closing date.
- 2.0 In case of Consortium of companies, the Leader of the Consortium shall have an annual financial turnover of minimum **Rs. 4.94 Crore** (or equivalent USD **0.76 million**) during any of the preceding 03(three) financial/ accounting years reckoned from the original bid closing date and other member(s) of the Consortium shall have an annual financial turnover of minimum **Rs. 2.47 Crore** (or equivalent USD **0.38 million** ) during any of the preceding 03(three) financial/accounting years reckoned from the original bid closing date.
- 3.0 **"Net worth** of bidder must be positive for preceding financial/accounting year.
- 4.0 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 .....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 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-A**
  - OR
  - ii) Audited Balance Sheet along with 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.

- 5.0 In case the bidder is a subsidiary company (should be a 100% subsidiary of the parent/ultimate parent/holding company) who does not meet financial criteria by itself and submits bid based on the financial strength of its parent/ultimate parent/holding company, then following documents need to be submitted along with the technical bid:
- (i) Audited Balance Sheet and Profit Loss Account of the parent/ultimate parent/ holding company.
  - (ii) Corporate Guarantee of parent/ultimate parent/Holding company (as per format enclosed as **Attachment-III** by the authorized officials.
  - (iii) The bidder is a 100% subsidiary company of the parent/ultimate/holding parent company.
  - (iv) Documents proving that Net worth of the parent/ultimate parent company is positive for the accounting year preceding the bid closing date.
- 6.0 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\$.

**NOTES:**

**OIL reserves the right to ask for any Original or other relevant document to verify the certification.**

**C. GENERAL**

- i. Proforma-D - The compliance statement should be duly filled up. In case bidder takes exception to any clause of bid document not covered under BEC/BRC, then the Company has the discretion to load or reject the offer on account of such exception if the bidder does not withdraw/modify the deviation when/as advised by company. The loading so done by the Company will be final and binding on the bidders.
- ii. To ascertain the substantial responsiveness of the Bid the Company reserves the right to ask the bidder for clarification in respect of clauses covered under BEC also and such clarifications fulfilling the BEC clauses in toto must be received on or before the deadline given by the Company, failing which the offer will be summarily rejected.
- iii. If any of the clauses in the BEC contradict with other clauses of the Bid Document elsewhere, then the clauses in the BEC shall prevail.

**D. PRICE EVALUATION CRITERIA**

The bids conforming to the technical specifications, terms and conditions stipulated in the bidding document and considered to be responsive after subjecting to Bid Rejection Criteria will be considered for further evaluation as given below.

- 1.0 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.
- 2.0 For conversion of foreign currency into Indian currency for evaluation of Bids, B.C. selling (Market) rate declared by State Bank of India, one day prior to the date of priced bid opening shall be considered. However, if the time lag between the opening of the bids and final decision exceeds 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.
- 3.0 The bidders must quote their charges/ rates in the manner as called for vide “Schedule of Rates” under **Section - IV** and the summarized price schedule format vide enclosed **Proforma -B**.
- 4.0 The quantities shown against each item in the “**Price Bid Format (i.e. in Proforma-B)**” shall be considered for the purpose of Bid Evaluation. It is, however, to be clearly understood that the assumptions made in respect of the number of days/parameters for various operations are only for the purpose of evaluation of the bid and the bidder will be paid on the basis of the actual number of days/parameter, as the case may be.
- 5.0 To ascertain the inter-se-ranking, the comparison of the responsive bids will be made subject to loading for any deviation. Commercial Bids shall be evaluated taking into account the rates quoted in the PRICE BID FORMAT as per Proforma – B.
- 6.0 Bidder must mention “Nil Rate’ against all such items of the bid where no charge is envisaged/involved by the bidder.
- 7.0 **CUSTOMS DUTY** : In terms of Sl. No. 404 of the Customs Notification No.50/2017-Cus dated 30.06.2017, imports of the items specified in List 33 of the Notification are subject to levy of concessional rate of customs duty @5% (BCD Nil & IGST @5%) subject to conditions specified therein (Condition No. 48). However, this is subject to change as per Government guidelines and the provisions ruling at the time of tender closing will be applicable.

Similarly, the domestic supply of such goods would attract 5% GST (i.e. IGST or CGST & SGST/UTSGT) on submission of EC in terms of GST Notification No. 03/2017.

**END OF PART 2**



**PART – 3**

**SECTION – I**

**GENERAL CONDITIONS OF CONTRACT**

**1.0 DEFINITIONS:**

1.1 In the contract, the following terms shall be interpreted as indicated:

- a) **“Affiliate”** means any Person which Controls, or is Controlled by, or under common Control with a Party; “Control” in this context means ownership of more than fifty percent (50%) of the shares of a Person and/or the right to appoint majority directors on Board by contract or otherwise;
- b) **“Approval”** as it relates to Company, means written approval;
- c) **“Company”** or “OIL” means Oil India Limited;
- d) **“Company’s items”** means the equipment, materials and services, which are to be provided by Company at the expense of Company and listed in the Contract;
- e) **“Company's Personnel”** means the personnel to be provided by OIL or OIL's contractor (other than the Contractor executing this Contract). The Company representatives of OIL and Consultant deployed by OIL for supervision of operations are also included in the Company's personnel;
- f) **“Contract”** means agreement entered into between Company and Contractor, as recorded in the Contract Form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein;
- g) **“The Contract Price”** means the price payable to Contractor under the contract for the full and proper performance of its contractual obligations;
- h) **“Contractor”** means the individual or firm or Body incorporated performing the work under this Contract;
- i) **“Contractor’s items”** means the equipment, materials and services, which are to be provided by Contractor or to be provided by Company at the expense of the Contractor, which are listed in section II under Terms of Reference and Technical Specifications;
- j) **“Contractor's Personnel”** means the personnel to be provided by the Contractor from time to time to provide services as per the contract;
- k) **“Critical Sour well”** mean as documented in industry recommended practice Volume 1 (IRP 1).
- l) **“Day”** means a calendar day of twenty-four (24) consecutive hours beginning at 06:00 hrs. and ending at 06:00 hrs.;

- m) **“Gross Negligence”** means any act or failure to act (whether sole, joint or concurrent) by a person or entity which was intended to cause, or which was in reckless disregard of or wanton indifference to, avoidable and harmful consequences such person or entity knew, or shall have known, would result from such act or failure to act. Notwithstanding the foregoing, Gross negligence shall not include any action taken in good faith for the safeguard of life or property.
- n) **Deleted**
- o) **“Willful Misconduct”** means intentional disregard of good and prudent standards of performance or proper conduct under the Contract with knowledge that it is likely to result in any injury to any person or persons or loss or damage of property.
- p) **“Party”** shall mean either the Company or Contractor as the context so permits and, as expressed in the plural, shall mean the Company and Contractor collectively;
- q) **“Site”** means the land and other places, on/under/ in or through which the works are to be executed by the Contractor and any other land and places provided by the Company for working space or any other purpose as designated hereinafter as forming part of the Site;
- r) **“Work”** means each and every activity required for the successful performance of the services described in Section II, the Terms of Reference.
- s) **“Co-venturers”** shall mean any co-venturers with the Company from time to time having an interest in either the PSC and/or a Joint and/or associated agreements for the purposes of exploration and production in the Operating Area and on whose behalf the Company would be deemed to have entered into this Contract.

## **2.0 EFFECTIVE DATE, MOBILISATION TIME, DATE OF COMMENCEMENT OF CONTRACT AND DURATION OF CONTRACT:**

- 2.1 **EFFECTIVE DATE:** The Contract shall become effective as of the Date Company notifies Contractor in writing (through Letter of Award) that it has been awarded the Contract. Such date of notification of award of Contract will be the Effective Date of Contract.
- 2.2 **MOBILISATION TIME:** The mobilization of Contractor’s items and personnel, as specified in the Contract, shall be completed by the Contractor within the time period as specified in Clause 2.0 of Section III ‘Special Conditions of Contract’. Mobilization shall be complete:
  - a. Once Contractor’s items and personnel reaches the Company’s or Contractor’s base near to the Site, Contractor shall issue a notice of inspection (stating its readiness to commence Work as envisaged under the Contract) to the Company; and
  - b. Company shall inspect the Contractor’s items within **10 (ten)** days on receipt of the Contractor’s notice of inspection. Should Company representative report any damage/ deficiency during the inspection,

the mobilization shall be carried forward only after the remedy/ fulfillment of such damage/ deficiency.

- c. The date on which Contractor's equipment, tools etc. alongwith requisite personnel are properly positioned for commencement of service at the 1<sup>st</sup> testing location after obtaining all requisite permits & clearances (duly certified by the Company representative) shall be treated as date of completion of mobilisation.

Note: The Company, at its discretion, may allow mobilization on staggered basis & mobilization charges shall be paid accordingly.

2.3 **DATE OF COMMENCEMENT OF CONTRACT:** The date on which the mobilization is completed in all respects at 1<sup>st</sup> call shall be treated as Date of Commencement of the Contract.

2.4 **DURATION OF CONTRACT:** The Contract shall be initially valid for a period of Six (6) months from the Commencement Date of the Contract with an option to extend the same for a further Contract period of Six (6) months at the discretion of Company at the same rates, terms and conditions. The terms and conditions shall continue until the completion/ testing / abandonment of the well being tested at the time of the end of initial term of the Contract or any extension thereof. Extension of the Contract beyond 12 months of operations will be agreed only after rates, terms and conditions are mutually agreed upon.

3.0 **GENERAL OBLIGATIONS OF CONTRACTOR:** Contractor shall, in accordance with and subject to the terms and conditions of this Contract:

- 3.1 Perform the work described in the Scope of Work (Section-II) in most economic and cost effective way.
- 3.2 Except as otherwise provided in the Terms of Reference, provide all manpower as required to perform the Work.
- 3.3 Perform all other obligations, work and services which are required by the terms of this Contract or which reasonably can be implied from such terms as being necessary for the successful and timely completion of the Work.
- 3.4 Contractor shall be deemed to have satisfied himself before submitting their bid as to the correctness and sufficiency of its bid for the services required and of the rates and prices quoted, which rates and prices shall, except insofar as otherwise provided, cover all its obligations under the Contract.
- 3.5 Contractor shall give or provide all necessary supervision during the performance of the services and as long thereafter within the warranty period as Company may consider necessary for the proper fulfilling of Contractor's obligations under the Contract.
- 3.6 Take all measures necessary to protect the personnel, Work and facilities; and shall observe all safety regulations in accordance with acceptable oilfield practice and applicable Indian Laws such as Mines safety rules etc. Contractor shall take all measures reasonably necessary to provide safe working conditions and shall exercise due care & caution in preventing fire, explosion and blow out.

**4.0 GENERAL OBLIGATIONS OF THE COMPANY:** Company shall, in accordance with and subject to the terms and conditions of this contract:

- 4.1 Pay Contractor in accordance with terms and conditions of the contract. The period of time for which each rate shall be applicable shall be computed from and to the nearest quarter of an hour. The rates contained in the Contract shall be based on Contractor's operation being conducted on a seven (7) days week and a twenty-four (24) hours work day. Under the Contract, Contractor shall be entitled to the applicable rate defined in Section-IV (Schedule of Rates). These rates are payable when the required condition has existed for a full 24 hours period. If the required condition existed for less than 24 hours then payments shall be made on pro-rata basis.
- 4.2 Allow Contractor access, subject to normal security and safety procedures, to all areas as required for orderly performance of the work.
- 4.3 Perform all other obligations required of Company by the terms of this contract.

**5.0 PERSONNEL TO BE DEPLOYED BY THE CONTRACTOR:**

- 5.1 Contractor warrants that it shall provide competent, qualified and sufficiently experienced personnel to perform the work correctly and efficiently.
- 5.2 The Contractor shall ensure that their personnel observe applicable Company and statutory safety requirement. Upon Company's written request, Contractor, entirely at its own expense, shall remove any personnel of the Contractor determined by the Company to be unsuitable, not later than 7 (seven) days without effecting the operation and shall promptly replace such personnel with personnel acceptable to the Company.
- 5.3 The Contractor shall be solely responsible throughout the period of the Contract for providing all requirements of their personnel including but not limited to, their transportation to & fro from Kakinada/ field site, en-route/ local boarding, lodging & medical attention etc. Company shall have no responsibility or liability in this regard.
- 5.4 Contractor's key personnel shall be fluent in the English language (both written and spoken).

**6.0 WARRANTY AND REMEDY OF DEFECTS:**

- 6.1 Contractor warrants that it shall perform the work in a professional manner and in accordance with their highest degree of quality, efficiency, and with the state of the art technology/inspection services and in conformity with all specifications, standards and drawings set forth or referred to in the Technical Specifications. They should comply with the instructions and guidance, which Company may give to the Contractor from time to time.
- 6.2 Should Company discover at any time during the tenure of the Contract or till the Unit/equipment/ tools are demobilised from site or base camp(if applicable) that the work does not conform to the foregoing warranty, Contractor shall after receipt of notice from Company, promptly perform any and all corrective work required to make the services conform to the Warranty.

Such corrective Work shall be performed entirely at Contractor's own expenses. If such corrective Work is not performed within a reasonable time, the Company, at its option may have such remedial Work performed by others and charge the cost thereof to Contractor subject to a maximum of the contract value payable for the defective work which needs corrective action which the Contractor must pay promptly. In case Contractor fails to perform remedial work, or pay promptly in respect thereof, the performance security shall be forfeited.

**7.0 CONFIDENTIALITY, USE OF CONTRACT DOCUMENTS AND INFORMATION:**

7.1 Contractor shall not, without Company's prior written consent, disclose the contract, or any provision thereof, or any specification, plan, drawing pattern, sample or information furnished by or on behalf of Company in connection therewith, to any person other than a person employed by Contractor in the performance of the contract. Disclosure to any such employed person shall be made in confidence and shall extend only so far, as may be necessary for purposes of such performance with prior permission from Company. However, nothing hereinabove contained shall deprive the Contractor of the right to use or disclose any information :

- (a) which is possessed by the Contractor, as evidenced by the Contractor's written records, before receipt thereof from the Company which however the Contractor shall immediately inform to Company ; or
- (b) which is required to be disclosed by the Contractor pursuant to an order of a court of competent jurisdiction or other governmental agency having the power to order such disclosure, provided the Contractor uses its best efforts to provide timely notice to Company of such order to permit Company an opportunity to contest such order subject to prior permission from Company.

7.2 Contractor shall not, without Company's prior written consent, make use of any document or information except for purposes of performing the Contract.

7.3 Any document supplied to the Contractor in relation to the contract other than the Contract itself remain the property of Company and shall be returned (in all copies) to Company on completion of Contractor's performance under the Contract if so required by Company. However, the above obligation shall not extend to information which:

- i) is, at the time of disclosure, known to the public which Contractor shall immediately inform Company ;
- ii) is lawfully becomes at a later date known to the public through no fault of Contractor subject to Contractor's undertaking that no information has been divulged by them to the public;
- iii) is lawfully possessed by Contractor before receipt thereof from Company which should be immediately informed to Company;

- iv) is developed by Contractor independently of the information disclosed by Company which should be shared with the Company;
- v) Contractor is required to produce before competent authorities or by court order subject to prior permission from Company;

## **8.0 TAXES:**

- 8.1 Tax levied on Contractor as per the provisions of Indian Income Tax Act and any other enactment/rules on income derived/payments received under the contract will be on Contractor's account.
- 8.2 Contractor shall be responsible for payment of personal taxes, if any, for all the personnel deployed in India by Contractor.
- 8.3 The Contractor shall furnish to the Company, if and when called upon to do so, relevant statement of accounts or any other information pertaining to work done under the contract for submitting the same to the Tax authorities, on specific request from them in accordance with provisions under the law. Other than the information provided by the Contractor, the Contractor shall not be responsible for any inaccurate information provided by the Company to the Tax authorities and the Company shall indemnify the Contractor for all claims, expenses, costs or losses of any nature arising from such inaccuracy. Contractor shall be responsible for preparing and filing the return of income etc. within the prescribed time limit to the appropriate authority.
- 8.4 Prior to start of operations under the Contract, the Contractor shall furnish the Company with the necessary documents, as asked for by the Company and/ or any other information pertaining to the Contract, which may be required to be submitted to the Income Tax authorities at the time of obtaining "No Objection Certificate" for releasing payments to the Contractor.
- 8.5 Corporate income tax shall be deducted at source from the invoice at the specified rate of income tax as per the provisions of Indian Income Tax Act as may be in force from time to time and Company will issue TDS Certificate to the Contractor as per the provisions of Income Tax Act .
- 8.6 Corporate and personal taxes on Contractor shall be the liability of the Contractor and the Company shall not assume any responsibility on this account.
- 8.7 All local taxes, levies and duties, sales tax, octroi, etc. on purchases and sales made by Contractor (except customs duty) shall be borne by the Contractor.

## **8.8 GOODS AND SERVICES TAX:**

### **8.8.1 GENERAL REMARKS ON TAXES & DUTIES:**

In view of **GST** Implementation from 1st July 2017, all taxes and duties including Excise Duty, CST/VAT, Service tax, Entry Tax and other indirect taxes and duties have been submerged in **GST**. Accordingly reference of Excise Duty, Service Tax, VAT, Sales Tax, Entry Tax or any other form of

indirect tax except of **GST** mentioned in the bidding document shall be ignored.

8.8.2 Bidders are required to submit copy of the GST Registration Certificate while submitting the bids wherever **GST** (CGST & SGST/UTGST or IGST) is applicable.

8.8.3 **"GST"** shall mean Goods and Services Tax charged on the supply of material(s) and services. The term **"GST"** shall be construed to include the Integrated Goods and Services Tax (hereinafter referred to as "IGST") or Central Goods and Services Tax (hereinafter referred to as "CGST") or State Goods and Services Tax (hereinafter referred to as "SGST") or Union Territory Goods and Services Tax (hereinafter referred to as "UTGST") depending upon the import / interstate or intrastate supplies, as the case may be. It shall also mean GST compensation Cess, if applicable.

8.8.4 Quoted price/rate(s) should be inclusive of all taxes and duties, except **GST (i.e. IGST or CGST and SGST/UTGST applicable in case of interstate supply or intra state supply respectively and cess on GST if applicable) on the final service**. However, GST rate (including cess) to be provided in the respective places in the Price Bid. Please note that the responsibility of payment of GST (CGST & SGST or IGST or UTGST) lies with the Supplier of Goods / Services (Service Provider) only. Supplier of Goods / Services (Service Provider) providing taxable service shall issue an Invoice/ Bill, as the case may be as per rules/ regulation of **GST**. Further, returns and details required to be filled under GST laws & rules should be timely filed by Supplier of Goods / Services (Service Provider) with requisite details.

8.8.5 Bidder should also mention the **Harmonised System of Nomenclature** (HSN) and **Service Accounting Codes (SAC)** at the designated place in SOR.

8.8.6 **Where the OIL is entitled to avail the input tax credit of GST:**

8.8.6.1 OIL will reimburse the **GST** to the Supplier of Goods / Services (Service Provider) at actual against submission of Invoices as per format specified in rules/ regulation of GST to enable OIL to claim input tax credit of **GST** paid. In case of any variation in the executed quantities, the amount on which the **GST** is applicable shall be modified in same proportion. Returns and details required to be filled under GST laws & rules should be timely filed by supplier with requisite details.

8.8.6.2 The input tax credit of **GST** quoted shall be considered for evaluation of bids, as per evaluation criteria of tender document.

8.8.7 **Where the OIL is not entitled to avail/take the full input tax credit of GST:**

8.8.7.1 OIL will reimburse **GST** to the Supplier of Goods / Services (Service Provider) at actual against submission of Invoices as per format specified in rules/ regulation of **GST** subject to the ceiling amount of **GST** as quoted by

the bidder. In case of any variation in the executed quantities (If directed and/or certified by the In-Charge) the ceiling amount on which **GST** is applicable will be modified on pro-rata basis.

8.8.7.2 The bids will be evaluated based on total price including **GST**.

8.8.8 Payments to Service Provider for claiming **GST** amount will be made provided the above formalities are fulfilled. Further, OIL may seek copies of challan and certificate from Chartered Accountant for deposit of **GST** collected from OIL.

8.8.9 Contractor/vendor shall be required to issue tax invoice in accordance with GST Act and/or Rules so that input credit can be availed by OIL. In the event that the contractor / vendor fails to provide the invoice in the form and manner prescribed under the GST Act read with GST Invoicing Rules there under, OIL shall not be liable to make any payment on account of **GST** against such invoice.

8.8.10 **GST** shall be paid against receipt of tax invoice and proof of payment of **GST** to government. In case of non-receipt of tax invoice or non-payment of **GST** by the Contractor/vendor, OIL shall withhold the payment of **GST**.

8.8.11 **GST** payable under reverse charge mechanism for specified services or goods under GST act or rules, if any, shall not be paid to the contractor/vendor but will be directly deposited to the government by OIL.

8.8.12 Where OIL has the obligation to discharge **GST** liability under reverse charge mechanism and OIL has paid or is /liable to pay **GST** to the Government on which interest or penalties becomes payable as per GST laws for any reason which is not attributable to OIL or ITC with respect to such payments is not available to OIL for any reason which is not attributable to OIL, then OIL shall be entitled to deduct/ setoff / recover such amounts against any amounts paid or payable by OIL to Contractor / Supplier.

8.8.13 Notwithstanding anything contained anywhere in the Agreement, in the event that the input tax credit of the **GST** charged by the Contractor / Vendor is denied by the tax authorities to OIL for reasons attributable to Contractor / Vendor, OIL shall be entitled to recover such amount from the Contractor / Vendor by way of adjustment from the next invoice. In addition to the amount of **GST**, OIL shall also be entitled to recover interest at the rate prescribed under GST Act and penalty, in case any penalty is imposed by the tax authorities on OIL.

8.8.14 TDS under GST, if applicable, shall be deducted from contractor's/vendor's bill at applicable rate and a certificate as per rules for tax so deducted shall be provided to the contractor/vendor.

8.8.15 The Contractor will be under obligation for charging correct rate of tax as prescribed under the respective tax laws. Further the Contractor shall avail and pass on benefits of all exemptions/concessions available under tax laws.



Any error of interpretation of applicability of taxes/ duties by the contractor shall be to contractor's account.

- 8.8.16 It is the responsibility of the bidder to quote the correct GST rate. The classification of goods/services as per GST (Goods & Service Tax) Act should be correctly done by the contractor to ensure that input tax credit on GST (Goods & Service Tax) is not lost to the OIL on account of any error on the part of the contractor.
- 8.8.17 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 and in case the rate of duty/ taxes finally assessed is on the lower side.
- 8.8.18 Notwithstanding anything mentioned elsewhere in the Bidding Document the aggregate liability of OIL towards Payment of Taxes & Duties shall be limited to the volume of GST declared by the bidder in its bid & nothing shall be payable extra except for the statutory variation in taxes & duties.
- 8.8.19 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.
- 8.8.20 GST liability, if any on account of supply of free samples against any tender shall be to bidder's account.
- 8.8.21 In case of statutory variation in **GST**, other than due to change in turnover, payable on the contract value during contract period, the Supplier of Goods/ Services (Service Provider) shall submit a copy of the 'Government Notification' to evidence the rate as applicable on the Bid due date and on the date of revision.

Beyond the contract period, in case OIL is not entitled for input tax credit of **GST**, then any increase in the rate of **GST** beyond the contractual delivery period shall be to Service provider's account whereas any decrease in the rate **GST** shall be passed on to the OIL.

Beyond the contract period, in case OIL is entitled for input tax credit of **GST**, then statutory variation in applicable **GST** on supply and on incidental services, shall be to OIL's account.

Claim for payment of **GST**/ Statutory variation, should be raised within two [02] months from the date of issue of 'Government Notification' for payment of differential (in %) **GST**, otherwise claim in respect of above shall not be entertained for payment of arrears.

The base date for the purpose of applying statutory variation shall be the Bid Opening Date.

- 8.8.22 The contractor will be liable to ensure to have registered with the respective tax authorities, wherever applicable and to submit self-attested copy of such registration certificate(s) and the Contractor will be responsible for procurement of material in its own registration (GSTIN) and also to issue its own Road Permit/ E-way Bill, if applicable etc.
- 8.8.23 In case the bidder is covered under Composition Scheme under GST laws, then bidder should quote the price inclusive of the GST (CGST & SGST/UTGST or IGST). Further, such bidder should mention "Cover under composition system" in column for GST (CGST & SGST/UTGST or IGST) of price schedule.
- 8.8.24 OIL will prefer to deal with registered supplier of goods/ services under GST. Therefore, bidders are requested to get themselves registered under GST, if not registered yet. However, in case any unregistered bidder is submitting their bid, their prices will be loaded with applicable GST while evaluation of bid. Where OIL is entitled for input credit of GST, the same will be considered for evaluation of bid as per evaluation methodology of tender document.
- 8.8.25 Procurement of Specific Goods: Earlier, there is no tax incidence in case of import of specified goods (i.e. the goods covered under List-34 of Customs Notification no. 12/2012-Cus dated. 17.03.2012 as amended). Customs duty is not payable as per the policy. However, under GST regime, IGST Plus GST compensation cess (if applicable) would be leviable on such imports. Bidders should quote GST as inclusive considering IGST component for the imported Materials portion while quoting their prices on destination basis. However, GST rate to be specified in the price bid format.

8.8.26 **Documentation requirement for GST**

The vendor will be under the obligation for invoicing correct tax rate of tax/duties as prescribed under the GST law to OIL, and pass on the benefits, if any, after availing input tax credit.

Any invoice issued shall contain the following particulars

- a) Name, address and GSTIN of the supplier;
- b) Serial number of the invoice;
- c) Date of issue;
- d) Name, address and GSTIN or UIN, if registered of the recipient;
- e) Name and address of the recipient and the address of the delivery, along with the State and its code,
- f) HSN code of goods or Accounting Code of services[SAC];
- g) Description of goods or services;
- h) Quantity in case of goods and unit or Unique Quantity Code thereof;
- i) Total value of supply of goods or services or both;
- j) Taxable value of supply of goods or services or both taking into discount or abatement if any;
- k) Rate of tax (IGST,CGST, SGST/ UTGST, cess);
- l) Amount of tax charged in respect of taxable goods or services (IGST,CGST, SGST/UTGST, cess);

- m) Place of supply along with the name of State, in case of supply in the course of interstate trade or commerce;
- n) Address of the delivery where the same is different from the place of supply and
- o) Signature or digital signature of the supplier or his authorised representative.

GST invoice shall be prepared in triplicate, in case of supply of goods, in the following manner

- a) The original copy being marked as ORIGINAL FOR RECIPIENT;
- b) The duplicate copy being marked as DUPLICATE FOR TRANSPORTER and
- c) The triplicate copy being marked as TRIPLICATE FOR SUPPLIER.

In case of any advance given against any supplies contract, the supplier of the goods shall issue Receipt Voucher containing the details of details of advance taken along with particulars as mentioned in clause no. (a), (b), (c), (d), (g), (k), (l), (m) & (o) above.

#### **8.8.27 Anti-profiteering clause**

As per Clause 171 of GST Act it is mandatory to pass on the benefit due to reduction in rate of tax or from input tax credit to the consumer by way of commensurate reduction in prices. The Supplier of Goods / Services may note the above and quote their prices accordingly.

8.8.27.1 In case the GST rating of vendor on the GST portal / Govt. official website is negative / black listed, then the bids may be rejected by OIL. Further, in case rating of bidder is negative / black listed after award of work for supply of goods / services, then OIL shall not be obligated or liable to pay or reimburse GST to such vendor and shall also be entitled to deduct / recover such GST along with all penalties / interest, if any, incurred by OIL.

#### **9.0 INSURANCE:**

9.1 The Contractor shall arrange insurance to cover all risks in respect of their personnel, materials and equipment(except when tools / equipment are below Rotary Table or in the well bore) belonging to the Contractor or its sub-Contractor (if applicable) during the currency of the contract including the third party items/ consumables. For materials/equipment belong to the Contractor or its sub-contractor, Contractor may self-insure the same.

9.2 Contractor shall at all time during the currency of the contract provide, pay for and maintain the following insurances amongst others except when tools/ equipment are below Rotary Table or in the well bore :

- a) Workmen compensation insurance as required by the laws of the country of origin of the employee.
- b) Employer's Liability Insurance as required by law in the country of origin of employee.

- c) General Public Liability Insurance or Comprehensive General Liability insurance covering liabilities including contractual liability for bodily injury, including death of persons, and liabilities for damage of property. This insurance must cover all operations of Contractor required to fulfill the provisions under this contract.
  - d) Contractor's equipment used for execution of the work hereunder shall have an insurance cover with a suitable limit (as per international standards) except when tools / equipment are below Rotary Table or in the well bore or Contractor may self-insure its tools/ equipment.
  - e) Automobile Public Liability Insurance covering owned, non-owned and hired automobiles used in the performance of the work hereunder, with bodily injury limits and property damage limits shall be governed by Indian Insurance Regulations.
  - f) Public Liability Insurance as required under Public Liability Insurance Act 1991, if applicable".
- 9.3 Any deductible set forth in any of the above insurance shall be borne by Contractor.
- 9.4 Contractor shall furnish to Company prior to commencement date, certificates of all its insurance policies covering the risks mentioned above.
- 9.5 If any of the above policies expire or are cancelled during the term of this Contract and Contractor fails for any reason to renew such policies, then the Company will renew/replace same and charge the cost thereof to Contractor. Should there be a lapse in any insurance required to be carried by Contractor for any reason whatsoever, loss/damage claims resulting there from shall be to the sole account of Contractor.
- 9.6 Contractor shall require all of their sub-contractor to provide such of the foregoing insurance coverage as Contractor is obliged to provide under this Contract and inform the Company about the coverage prior to the commencement of agreements with its sub-contractors.
- 9.7 All insurance taken out by Contractor or their sub-contractor shall be endorsed to provide that the underwriters waive their rights of recourse on the Company and to the extent of the liabilities assumed by Contractor under this Contract.
- 9.8 Contractor shall obtain additional insurance or revise the limits of existing insurance as per Company's request in which case additional cost shall be to Contractor's account.

#### **10.0 CHANGES:**

- 10.1 During the performance of the work, Company may make minor change to take care of any supplementary work within the general scope of this Contract including, but not limited to, changes in methodology, and minor additions to or deletions from the work to be performed. Contractor shall

perform the work as changed. Changes of this nature will be affected by written order by the Company.

- 10.2 If any change result in an increase in compensation due to Contractor or in a credit due to Company, Contractor shall submit to Company an estimate of the amount of such compensation or credit in a form prescribed by Company. Such estimates shall be based on the rates shown in the Schedule of Rates (Section-IV). Upon review of Contractor's estimate, Company shall establish and set forth in the Change Order the amount of the compensation or credit for the change or a basis for determining a reasonable compensation or credit for the change. If Contractor disagrees with compensation or credit set forth in the Change Order, Contractor shall nevertheless perform the work as changed, and the parties shall resolve the dispute in accordance with Clause 13 hereunder. Contractor's performance of the work as changed will not prejudice Contractor's request for additional compensation for work performed under the Change Order.

#### **11.0 FORCE MAJEURE:**

- 11.1 In the event of either party being rendered unable by 'Force Majeure' to perform any obligation required to be performed by them under the contract, the relative obligation of the party affected by such 'Force Majeure' will stand suspended for the period during which such cause lasts. The word 'Force Majeure' as employed herein shall mean acts of God, war, revolt, agitation, strikes, riot, fire, flood, Cyclone, sabotage, civil commotion, road barricade (but not due to interference of employment problem of the Contractor), acts of government of the two parties, which makes performance impossible or impracticable and any other cause, whether of kind herein enumerated or otherwise which are not within the control of the party to the contract and which renders performance of the contract by the said party impossible.
- 11.2 Upon occurrence of such cause and upon its termination, the party alleging that it has been rendered unable as aforesaid thereby, shall notify the other party in writing within Seventy Two (72) hours of the alleged beginning and ending thereof, giving full particulars and satisfactory evidence in support of its claim.
- 11.3 Should 'force majeure' condition as stated above occurs and should the same be notified within seventy two (72) hours after its occurrence the 'force majeure' rate shall apply for the first fifteen days. Parties will have the right to terminate the Contract if such 'force majeure' conditions continue beyond fifteen (15) days with prior written notice. Should either party decide not to terminate the Contract even under such condition, no payment would apply after expiry of fifteen (15) days force majeure period unless otherwise agreed to.

#### **12.0 TERMINATION:**

- 12.1 **TERMINATION ON EXPIRY OF THE TERMS (DURATION):** The contract shall be deemed to have been automatically terminated on the expiry of duration of the Contract or the extension period, if exercised by Company under the provision of the Contract.

- 12.2 **TERMINATION ON ACCOUNT OF FORCE MAJEURE**: Either party shall have the right to terminate the Contract on account of Force Majeure as set forth in Clause 11.0 above.
- 12.3 **TERMINATION ON ACCOUNT OF INSOLVENCY**: In the event that the Contractor or its collaborator at any time during the term of the Contract, becomes insolvent or makes a voluntary assignment of its assets for the benefit of creditors or is adjudged bankrupt, then the Company shall, by a notice in writing have the right to terminate the Contract and all the Contractor's rights and privileges hereunder, shall stand terminated forthwith.
- 12.4 **TERMINATION FOR UNSATISFACTORY PERFORMANCE**: If the Company considers that, the performance of the Contractor is unsatisfactory, or not up to the expected standard, the Company shall notify the Contractor in writing and specify in details the cause of the dissatisfaction. The Company shall have the option to terminate the Contract by giving 15 days' notice in writing to the Contractor, if Contractor fails to proceed diligently to remedy to Company's satisfaction the matter(s) complained of, within a period of 7 (seven) days after such written notice is received by Contractor.
- 12.5 **TERMINATION DUE TO CHANGE OF OWNERSHIP & ASSIGNMENT**: In case the Contractor's rights and / or obligations under the Contract and/or the Contractor's rights, title and interest to the equipment/material, are transferred or assigned without the Company's consent, the Company may at its absolute discretion, terminate the Contract.
- 12.6 If at any time during the term of the Contract, breakdown of Contractor's equipment results in Contractor being unable to perform their obligations hereunder for a period of 15 (fifteen) successive days, Company at its option may terminate this Contract in its entirety without any further right or obligation on the part of the Company except for the payment of money then due. No notice shall be served by the Company under the condition stated above.
- 12.7 Notwithstanding any provisions herein to the contrary, the Contract may be terminated at any time by the Company on giving 30 (thirty) days written notice to the Contractor due to any other reason not covered under the above clause from 12.1 to 12.6 and in the event of such termination the Company shall not be liable to pay any cost or damage to the Contractor except for payment for services as per the Contract up to the date of termination including the De-mob cost, if any.
- 12.8 **CONSEQUENCES OF TERMINATION**: In all cases of termination herein set forth, the obligation of the Company to pay for Services as per the Contract shall be limited to the period up to the date of termination. Notwithstanding the termination of the Contract, the parties shall continue to be bound by the provisions of the Contract that reasonably require some action or forbearance after such termination.

In the event of termination of Contract pursuant to the Clause 12.3, 12.4, 12.5 & 12.6, no Demobilization Charges shall be payable to Contractor.

- 12.9 Upon termination of the Contract, Contractor shall return to Company all of Company's items, which are at the time in Contractor's possession.
- 12.10 In the event of termination of Contract, Company will issue Notice of termination of the Contract with date or event after which the Contract will be terminated. The Contract shall then stand terminated and the Contractor shall demobilize their equipment, personnel & materials.

### **13.0 SETTLEMENT OF DISPUTES AND ARBITRATION:**

#### **13.1 Arbitration (Applicable for suppliers/ contractors other than PSU) :**

Except as otherwise provided elsewhere in the contract, if any dispute, difference, question or disagreement arises between the parties hereto or their respective representatives or assignees, in connection with construction, meaning, operation, effect, interpretation of the contract or breach thereof which parties are unable to settle mutually, the same shall be referred to Arbitration as provided hereunder :

1. A party wishing to commence arbitration proceeding shall invoke Arbitration Clause by giving 30 days notice to the other party. The notice invoking arbitration shall specify all the points of dispute with details of the amount claimed to be referred to arbitration at the time of invocation of arbitration and not thereafter. If the claim is in foreign currency, the claimant shall indicate its value in Indian Rupee for the purpose of constitution of the arbitral tribunal.
2. The number of arbitrators and the appointing authority will be as under :

<b>Claim amount (excluding claim for interest and counter claim, if any)</b>	<b>Number of Arbitrator</b>	<b>Appointing Authority</b>
Upto Rs. 5 Crore	Sole Arbitrator	OIL
Above Rs. 5 Crore	3 Arbitrators	One Arbitrator by each party and the 3rd Arbitrator, who shall be the presiding Arbitrator, by the two Arbitrators

3. The parties agree that they shall appoint only those persons as arbitrators who accept the conditions of the arbitration clause. No person shall be appointed as Arbitrator or Presiding Arbitrator who does not accept the conditions of the arbitration clause.
4. Parties agree that there will be no objection if the Arbitrator appointed holds equity shares of OIL and/or is a retired officer of OIL/any PSU. However, neither party shall appoint its serving employees as arbitrator.

5. If any of the Arbitrators so appointed dies, resigns, becomes incapacitated or withdraws for any reason from the proceedings, it shall be lawful for the concerned party/arbitrators to appoint another person in his place in the same manner as aforesaid. Such person shall proceed with the reference from the stage where his predecessor had left if both parties consent for the same ; otherwise, he shall proceed de novo.
6. Parties agree that neither shall be entitled for any pre-reference or pendent-lite interest on its claims. Parties agree that any claim for such interest made by any party shall be void.
7. The arbitral tribunal shall make and publish the award within time stipulated as under :

Amount of Claims and counter claims(excluding interest)	Period for making and publishing of the award (counted from the date of first meeting of the Arbitrators)
Upto Rs. 5 Crore	Within 8 months
Above Rs. 5 Crore	Within 12 months

The above time limit can be extended by Arbitrator, for reasons to be recorded in writing, with the consent of the other parties.

8. If after commencement of the arbitration proceedings, the parties agree to settle the dispute mutually or refer the dispute to conciliation, the arbitrators shall put the proceedings in abeyance until such period as requested by the parties.
9. Each party shall be responsible to make arrangements for the travel and stay etc. of the arbitrator appointed by it. Claimant shall also be responsible for making arrangements for travel/stay arrangements of the Presiding Arbitrator and the expenses incurred shall be shared equally by the parties.  
  
In case of sole arbitrator, OIL shall make all necessary arrangements for his travel, stay and the expenses incurred shall be shared equally by the parties.
10. The Arbitration shall be held at the place from where the contract has been awarded. However, parties to the contract can agree for a different place for the convenience of all concerned.
11. The Arbitrator(s) shall give reasoned and speaking award and it shall be final and binding on the parties.
12. Subject to aforesaid, provisions of the Arbitration and Conciliation Act, 1996 and any statutory modifications or re-enactment thereof shall apply to the arbitration proceedings under this clause.



**13.2 Arbitration (applicable in case of Contract awarded on Public Sector Enterprise):**

In the event of any dispute or difference relating to, arising from or connected with the CONTRACT, such dispute or difference shall be referred by either party to the arbitration of one of the Arbitrators in the Department of Public Enterprises, to be nominated by the Secretary to the Government of India, In-Charge of the Bureau of Public Enterprises. The Arbitration and Conciliation Act 1996 shall not be applicable to the Arbitration under this clause. The award of the Arbitrator shall be binding upon the parties to the dispute, provided however, any party aggrieved by such award may make a further reference for setting aside or revision of the award to the Law Secretary, Deptt. of Legal Affairs, Ministry of Law and Justice, Government of India. Upon such reference, the dispute shall be decided by the Law Secretary or the Special Secretary/Additional Secretary, whose decision shall bind the parties finally and conclusively. The parties in the dispute will share equally the cost of the arbitration as intimated by the Arbitrator.

The venue of all arbitrations under both 13.1 & 13.2 will be Kakinada, Andhra Pradesh. The award made in pursuance thereof shall be binding on the parties.

**14.0 NOTICES:**

- 14.1 Any notice given by one party to other, pursuant to this Contract shall be sent in writing or Fax and confirmed in writing to the applicable address specified below:

**Company**

Oil India Limited  
Door No: 11-4-7(3<sup>rd</sup> Floor)  
Nookalamma Temple Street  
Ramaraopeta  
Kakinada-533004  
Andhra Pradesh  
India  
Fax No. 0884-2352383

**Contractor**


- 14.2 A notice shall be effective when delivered or on the notice's effective date, whichever is later.

- 15.0 SUBCONTRACTING/ASSIGNMENT:** Contractor shall not subcontract, transfer or assign the contract, or any part under this Contract, to any third party(ies) except with Company's prior written consent. Except for the main operations with manpower services under this Contract, Contractor may subcontract the petty support services subject to Company's prior approval. However, Contractor shall be fully responsible for complete execution and performance of the services under the Contract.

**16.0 MISCELLANEOUS PROVISIONS:**

- 16.1 Contractor shall give notices and pay all fees at their own cost required to be given or paid by any National or State Statute, Ordinance, or other Law or any regulation, or bye-law of any local or other duly constituted authority as may be in force from time to time in India, in relation to the performance of the services and by the rules & regulations of all public bodies and companies whose property or rights are affected or may be affected in any way by the services.
- 16.2 Contractor shall conform in all respects with the provisions of any Statute, Ordinance of Law as aforesaid and the regulations or bye-law of any local or other duly constituted authority which may be applicable to the services and with such rules and regulation, public bodies and Companies as aforesaid and shall keep Company indemnified against all penalties and liability of every kind for breach of any such Statute, Ordinance or Law, regulation or bye-law.
- 16.3 During the tenure of the Contract, Contractor shall keep the site where the services are being performed reasonably free from all unnecessary obstruction and shall store or dispose of any equipment and surplus materials and clear away and remove from the site any wreckage, rubbish or temporary works no longer required. On the completion of the services, Contractor shall clear away and remove from the site any surplus materials; rubbish or temporary works of every kind and leave the whole of the site clean and in workmanlike condition to the satisfaction of the Company.
- 16.4 Key personnel cannot be changed during the tenure of the Contract except due to sickness/death/resignation of the personnel in which case the replaced person shall have equal experience and qualification, which will be again subject to approval, by the Company.

**17.0 LIQUIDATED DAMAGES FOR DEFAULT IN TIMELY MOBILISATION:**

- 17.1 Time is the essence of this Contract. In the event of the Contractor's default in timely mobilization for commencement of operations within the stipulated period, the Contractor shall be liable to pay liquidated damages @ 0.5 % of estimated Contract value (including mobilization cost), per week or part thereof for delay subject to maximum of 7.5% of contract value (including mobilization cost). Liquidated Damages will be reckoned from the date after expiry of the scheduled mobilization period till the date of commencement of Contract as defined in Clause No. 2.3 of Section - I.
- 17.2 If the Contractor fails to mobilise within 15 weeks after the stipulated date or, any extended date as agreed by the Company, then the Company reserves the right to cancel the Contract without any compensation whatsoever. The parties agree that the sum specified above is not a penalty but a genuine pre-estimate of the loss/damage which will be suffered by OIL on account of delay/breach on the part of the Contractor and the said amount will be payable without proof of actual loss or damage caused by such delay/breach and without any demur and shall not be open for any dispute whatsoever.

**18.0 PERFORMANCE SECURITY:** The Contractor shall furnish to Company a Bank Guarantee/LC for 10% of estimated Contract value valid till 3 (three) months beyond the Contract Expiry date towards Performance Security. The performance security shall be forfeited by Company, if Contractor fails to fulfill its obligations under the Contract or in respect of any amount due from the Contractor to the Company. In the event of any extension of the Contract period, Performance Security shall be extended by the period equivalent to the extended period of the Contract. The Performance Security will be discharged by Company not later than 30 (thirty) days following its expiry.

**19.0 ASSOCIATION OF COMPANY'S PERSONNEL:** Company's engineers/ Company's hired engineers/ consultants will be associated with the work throughout the operations and shall at all times have complete access to the Site for the purpose of observing inspection or supervising the work performed by Contractor.

**20.0 LABOUR:** The recruitment of the labour shall be met from the areas of operation and wages will be according to the rates prevalent at the time which can be obtained from the District Authorities of the area. The facilities to be given to the labourers shall conform to the provisions of labour laws as per contract Labour (Regulation and Abolition) Act, 1970. However, the Contractor shall not make the Company liable to reimburse the Contractor to the statutory increase in the wage rates of the contract labour appointed by the Contractor. Such statutory or any other increase in the wage rates of the contract labour shall be borne by the Contractor.

**21.0 LIABILITY:**

21.1 Except as otherwise expressly provided, neither Company nor its co-leases, its servants, agents, nominees, contractors, or sub-contractors or its Affiliates or Co-venturers shall have any liability or responsibility whatsoever to whomsoever for loss of or damage to the equipment and/or loss of or damage to the property of the Contractor and/or their contractors or sub-contractors, irrespective of how such loss or damage is caused and even if caused by the negligence of Company and/or its servants, agent, nominees, assignees, contractors and sub-Contractors. The Contractor shall protect, defend, indemnify and hold harmless Company from and against such loss or damage and any suit, claim or expense resulting there from.

21.2 Neither Company nor its co-leases, its servants, agents, nominees, assignees, contractors, sub-contractors or its Affiliates or Co-venturers shall have any liability or responsibility whatsoever for injury to, illness, or death of any employee of the Contractor and/or of its contractors or sub-contractor irrespective of how such injury, illness or death is caused and even if caused by the negligence of Company and/or its servants, agents nominees, assignees, Contractors and subcontractors. Contractor shall protect, defend, indemnify and hold harmless Company from and against such liabilities and any suit, claim or expense resulting there from.

21.3 The Contractor hereby agrees to waive its right to recourse and further agrees to cause their underwriters to waive their right of subrogation against Company and/or its co-leases, its underwrites, servants, agents, nominees, assignees, contractors and sub-contractors or its Affiliates or Co-venturers for loss or damage to the equipment of the Contractor and/or its sub-

contractors when such loss or damage or liabilities arises out of or in connection with the performance of the contract limited to the Contractor's liabilities agreed to under this Contract..

- 21.4 The Contractor hereby further agrees to waive its right of recourse and agrees to cause its underwriters to waive their right of subrogation against Company and/or its co-leases, its underwriters, servants, agents, nominees, assignees, contractors and sub-contractors or its Affiliates or Co-venturers for injury to, illness or death of any employee of the Contractor and of its contractors, sub-contractors and/or their employees when such injury, illness or death arises out of or in connection with the performance of the contract limited to the Contractor's liabilities agreed to under this Contract.
- 21.5 Except as otherwise expressly provided, neither Contractor nor its servants, agents, nominees, contractors or sub-contractors shall have any liability or responsibility whatsoever to whomsoever for loss of or damage to the equipment and/or loss or damage to the property of the Company and/or their contractors or sub-contractors, irrespective of how such loss or damage is caused and even if caused by the negligence of Contractor and/or its servants, agents, nominees, assignees, contractors and sub-contractors. The Company shall protect, defend, indemnify and hold harmless Contractor from and against such loss or damage and any suit, claim or expense resulting therefrom.
- 21.6 Neither Contractor nor its servants, agents, nominees, assignees, contractors, sub-contractors shall have any liability or responsibility whatsoever to whomsoever or injury or illness, or death of any employee of the Company and/or of its contractors or sub-contractors irrespective of how such injury, illness or death is caused and even if caused by the negligence of Contractor and/or its servants, agents, nominees, assignees, contractors and sub-contractors. Company shall protect, defend indemnify and hold harmless Contractor from and against such liabilities and any suit, claim or expense resulting there from.
- 21.7 The Company agrees to waive its right of recourse and further agrees to cause its underwriters to waive their right of subrogation against Contractor and/or its underwriters, servants, agents, nominees, assignees, contractors and sub-contractors for loss or damage to the equipment of Company and/or its contractors or sub-contractors when such loss or damage or liabilities arises out of or in connection with the performance of the contract.
- 21.8 The Company hereby further agrees to waive its right of recourse and agrees to cause it underwriters to waive their right of subrogation against Contractor and/or its underwriters, servants, agents, nominees, assignees, contractors and sub-contractors for injury to, illness or death of any employee of the Company and of its contractors, sub-contractors and/or their employees when such injury, illness or death arises out of or in connection with the performance of the Contract.

## **22.0 Deleted**

**23.0 (A) INDEMNITY AGREEMENT:**

- 23.1- Except as provided hereof Contractor agrees to protect, defend, indemnify and hold Company harmless from and against all claims, suits, demands and causes of action, liabilities, expenses, cost, liens and judgments of every kind and character, without limit, which may arise in favour of Contractor's employees, agents, contractors and sub-contractors or their employees on account of bodily injury or death, or damage to personnel/property as a result of the operations contemplated hereby, regardless of whether or not said claims, demands or causes of action arise out of the negligence or otherwise, in whole or in part or other faults.
- 23.2 Except as provided hereof Company agrees to protect, defend, indemnify and hold Contractor harmless from and against all claims, suits, demands and causes of action, liabilities, expenses, cost, liens and judgments of every kind and character, without limit, which may arise in favour of Company's employees, agents, contractors and sub-contractors or their employees on account of bodily injury or death, or damage to personnel/property as a result of the operations contemplated hereby, regardless of whether or not said claims, demands or causes of action arise out of the negligence or otherwise, in whole or in part or other faults.

- 23.0 (B) INDEMNITY APPLICATION:** The indemnities given herein above, whether given by Company or Contractor shall be without regard to fault or to the negligence of either party even though said loss, damage, liability, claim, demand, expense, cost or cause of action may be caused, occasioned by or contributed to by the negligence, either sole or concurrent of either party.

**24.0 PAYMENTS, MANNER OF PAYMENT, RATES OF PAYMENT, SET-OFF:**

- 24.1 Company shall pay to the Contractor during the term of the Contract the amount due from time to time calculated according to the rates of payment set and in accordance with other provisions hereof. No other payments shall be due from company unless specifically provided for in the Contract. Payment to the third party supplier(s) of the items/ consumables shall be made after receipt of goods at well site duly certified by authorized personnel of the Company. All payments will be made in accordance with the terms hereinafter described.
- 24.2 **Manner of Payment:** All payments due by company to Contractor hereunder shall be made at Contractor's designated bank. Bank charges, if any will be on account of the Contractor.
- 24.3 Payment of any invoices shall not prejudice the right of company to question the validity of any charges therein, provided company within one year after the date of payment shall make and deliver to contractor written notice of objection to any item or items the validity of which Company questions.
- 24.4 **Invoices:** Mobilization charges will be invoiced only upon completion of mobilization (after commencing operation at the first well), submission/production of appropriate inventory documents and physical verification by Company representatives. Payment of mobilization charges

shall be made within 45 days following the date of receipt of undisputed invoices by Company.

- 24.5 Contractor shall send invoice to company on the day following the end of each month for all daily or monthly charges due to the contractor.
- 24.6 Billings for daily charges will reflect details of time spent (calculated to the nearest quarter hours) and the rates charged for that time. This should be in the form of monthly time analysis chart(s). Monthly invoices will be raised only after spud-in of the first well.
- 24.7 Invoice for reimbursable charges related to the contract will be accompanied by documents supporting the cost incurred.
- 24.8 Contractor will submit 3(three) sets of all invoices duly super scribed 'Original' and 'copy' as applicable to the company for processing payment. Separate invoices for the charges payable under the contract shall be submitted by the Contractor for foreign currency and Indian currency.
- 24.9 Payment of monthly invoices, if undisputed, shall be made within 30 days following the date of receipt of invoice by Company.
- 24.10 Company shall within 30 days of receipt of the invoice notify the contractor of any item under dispute, specifying the reasons thereof, in which event, payment of the disputed amount may be withheld until settlement of the dispute, but payment shall be made of any undisputed portion on or before the due date. This will not prejudice the company's right to question the validity of the payment at a later date as envisaged in Clause 24.3 above.
- 24.11 The acceptance by Contractor of part payment on any billing not paid on or before the due date shall not be deemed a waiver of Contractor's rights in any other billing, the payment of which may then or thereafter be due.
- 24.12 Payment of demobilization charges shall be made when applicable within 45 days following receipt of invoice by Company accompanied by the following documents from the Contractor:
- a) Audited account up to completion of the Contract.
  - b) Tax audit report for the above period as required under the Indian Tax Laws.
  - c) Documentary evidence regarding the submission of returns and payment to taxes for the expatriate personnel engaged by the Contractor or by its sub-contractor.
  - d) Proof of re-export of all items including the unutilized spares and consumables (excepting consumables consumed during the contract period) and also cancellation of re-export bond if any.
  - e) Any other documents as required by applicable Indian Laws.

In case, no demobilization charges are payable, the documents mentioned above will have to be submitted by the Contractor before release of the final payment by the Company. A certificate from Chartered Accountant on (a), (b) & (c) above will suffice.

24.13 Contractor shall maintain complete and correct records of all information on which contractor's invoice are based upto 2 (two) years from the date of last invoice. Such records shall be required for making appropriate adjustments or payments by either party in case of subsequent audit query/objection.

24.14 **SET-OFF:** Any sum of money due and payable to the Contractor (including Performance Security refundable to them) under this or any other Contract may be appropriated by OIL and set-off against any claim of OIL (or such other person or persons contracting through OIL) for payment of a sum of money arising out of this contract or under any other contract made by the Contractor with OIL (or such other person or persons contracting through OIL).

**25.0 WITH-HOLDING:**

25.1 Company may withhold or nullify the whole or any part of the amount due to Contractor on account of subsequently discovered evidence in order to protect Company from loss on account of: -

- a) For non-completion of jobs assigned as per Section - II.
- b) Contractor's indebtedness arising out of execution of this Contract.
- c) Defective work not remedied by Contractor.
- d) Claims by sub-contractor of Contractor or others filed or on the basis of reasonable evidence indicating probable filing of such claims against Contractor.
- e) Failure of Contractor to pay or provide for the payment of salaries/wages, contributions, unemployment compensation, and taxes or enforced savings withheld from wages etc.
- f) Failure of Contractor to pay the cost of removal of unnecessary debris, materials, tools, or machinery.
- g) Damage to another contractor of Company
- h) All claims against Contractor for damages and injuries, and/or for non-payment of bills etc.
- i) Any failure by Contractor to fully reimburse Company under any of the indemnification provisions of this Contract.

If, during the progress of the Work, Contractor shall allow any indebtedness to accrue for which Company, under any circumstances in the opinion of Company may be primarily or contingently liable or ultimately responsible and Contractor shall, within five days after demand is made by Company, fail to pay and discharge such indebtedness, then Company may during the period for which such indebtedness shall remain unpaid, withhold from the amounts due to Contractor, a sum equal to the amount of such unpaid indebtedness.

**Withholding will also be effected on account of the following: -**

- i) Order issued by a Court of Law in India.

- ii) Income tax deductible at source according to law prevalent from time to time in the country.
- iii) Any obligation of Contractor which by any law prevalent from time to time to be discharged by Company in the event of Contractor's failure to adhere to such laws.
- iv) Any payment due from Contractor in respect of unauthorized imports.

When all the above grounds for withholding payments shall be removed, payment shall thereafter be made for amounts so withhold.

Notwithstanding the foregoing, the right of Company to withhold shall be limited to damages, claims and failure on the part of Contractor, which is directly/ indirectly related to some negligent act or omission on the part of Contractor.

## **26.0 APPLICABLE LAW:**

- 26.1 The Contract shall be deemed to be a Contract made under, governed by and construed in accordance with the **Laws of India** for the time being in force and shall be subject to the exclusive jurisdiction of Courts situated in Kakinada/ New Delhi.
- 26.2 The Contractor shall ensure full compliance of various Indian Laws and Statutory Regulations, to the extent applicable, as stated below, but not limited to, in force from time to time and obtain necessary permits/licenses etc. from appropriate authorities for conducting operations under the Contract:
- a) The Mines Act 1952 - as applicable to safety and employment conditions.
  - b) The Minimum Wages Act, 1948.
  - c) The Oil Mines Regulations, 1984 or latest version.
  - d) The Workmen's Compensation Act, 1923.
  - e) The Payment of Wages Act, 1963.
  - f) The Payment of Bonus Act, 1965.
  - g) The Contract Labour (Regulation & Abolition) Act, 1970 and the rules framed thereunder.
  - h) The Employees' Pension Scheme, 1995.
  - i) The Interstate Migrant Workmen Act., 1979 (Regulation of employment and conditions of service).
  - j) The Employees Provident Fund and Miscellaneous Provisions Act, 1952.
  - k) GST Act
  - l) Customs & Excise Act & Rules
  - m) OISD guidelines & procedures
  - n) DGMS Guidelines/Notifications.
  - o) Central Electricity Authority (Measures relating to Safety and Electric Supply) Regulations, 2010
  - p) The Environmental Protection Act, 1986
  - q) The water (Prevention and control of pollution) act, 1974,
  - r) The Air (prevention and control of pollution) Act, 1981
  - s) All notifications released by MoEF time to time)
  - t) Hazardous waste management and handling Rules



**27.0 ENTIRE CONTRACT:** This Contract contains the entire agreement between the Parties and supersedes any previous understandings, commitments, agreements or representations whatsoever, oral or written, pertaining to the subject matter hereof, provided that nothing in this Clause 27.0 (Entire Contract) shall have effect to exclude or restrict the liability of either Party for fraud or fraudulent misrepresentation.

**28.0 RECORDS, REPORTS AND INSPECTION:** The Contractor shall, at all times, permit the Company and its authorized employees and representatives to inspect all the Work performed and to witness and check all the measurements and tests made in connection with the said Work. The Contractor shall keep an authentic, accurate history and logs including safety records of each well with major items consumed and received on rig, which shall be open at all reasonable times for inspection by the Company designated representatives and its authorized employees and representatives. The Contractor shall provide the Company designated representatives with a daily written report, on form prescribed by the Company showing details of operations during the preceding 24 hours and any other information related to the said well requested by the Company whenever so requested. The Contractor shall not, without Company's written consent allow any third person(s) access to the said well, or give out to any third person information in connection therewith.

**29.0 INSPECTION OF MATERIALS:**

**29.1 INSPECTION BY CONTRACTOR:** The Contractor agrees to perform a visual inspection, using its personnel, of all materials and appliances furnished by the Company when delivered into Contractor's possession and shall notify Company's representative of any apparent defects observed therein so that Company may replace such defective materials or appliances. If Contractor fails to notify the Company of any apparent defects as provided above, it shall be conclusively presumed that such materials and appliances are free from such apparent defect. Contractor shall not be liable for any loss or damage resulting from the use of materials or appliances furnished by the Company containing latent defects. Upon the termination of this Agreement, Contractor shall return to the Company at the Well- site all machinery, equipment, tools, spare parts and supplies received by Contractor from the Company or purchased by the Contractor for the Company's account and not used or consumed in the operations, in as good condition as when received by Contractor, normal wear & tear excepted. If damage to any the Company's equipment is caused due to sole negligence of the Contractor, same will be repaired or replaced at Contractor's cost. Contractor shall, if requested by the Company also maintain or repair, at its cost, any of the Company's items, at the Drilling Rig Unit which Contractor is qualified to and can maintain or repair with Contractor's normal complement of personnel and the equipment at the Drilling Rig Unit provided however that the Company shall at its cost provide all spare parts and materials required to maintain or repair the Company's items. However, it shall remain the Company's basic responsibility and liability to ensure that such items are always in good workable condition.

**29.2 INSPECTION BY OPERATOR:** The Company shall have the right to inspect and reject for any valid cause any items furnished by Contractor and Contractor, shall replace or repair at its sole expense such items so rejected with items free of defects, to the satisfaction of the Company.

**30.0 LIMITATION OF LIABILITY:**

Notwithstanding any other provisions herein to the contrary, except only in cases of willful misconduct and / or criminal acts,

- (a) Neither the Contractor nor the Company (OIL) shall be liable to the other, whether in Contract, tort, or otherwise, for any consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs.
- (b) Notwithstanding any other provisions incorporated elsewhere in the contract, the aggregate liability of the Contractor in respect of this contract, whether under Contract, in tort or otherwise, shall not exceed 50% of the Annualized Contract Price, provided however that this limitation shall not apply to the cost of repairing or replacing defective equipment by the Contractor, or to any obligation of the Contractor to indemnify the Company with respect to Intellectual Property Rights.
- (c) Company shall indemnify and keep indemnified Contractor harmless from and against any and all claims, costs, losses and liabilities in excess of the aggregate liability amount in terms of clause (b) above.

**31.0 SUBSEQUENTLY ENACTED LAWS:** Subsequent to the date of issue of letter of award if there is a change in or enactment of any law or change in application or enforcement or interpretation of existing law by any governmental authority or public body, which results in addition/reduction in cost to Contractor on account of the operation contemplated under the Contract, the Company/ Contractor shall reimburse the Contractor/pay Company for such additional / reduced costs actually incurred/ saved by Contractor, subject to the submission of documentary evidence by Contractor/ Company.

**32.0 ROYALTY AND PATENTS:** Each party shall hold harmless and indemnify the other from and against all claim and proceedings for or on account of any patent rights, design, trade mark or other protected rights arising from any use of materials, equipment, processes, inventions and methods which have not been imposed on the attending party by the terms of the contract or the specifications or drawings forming part thereof.

**33.0 WAIVER:** Any delay in exercising and any omission to exercise any right, power or remedy exercisable by the Company under this contract shall not impair such right, power or remedy nor shall any waiver by the Company of any breach by the Contractor of any provision of this contract prevent the subsequent enforcement of that provision by the Company or be deemed a waiver by the Company of any subsequent breach by the Contractor.

**34.0 CONSEQUENTIAL DAMAGE:** Except as otherwise expressly provided, neither party shall be liable to the other for special, indirect or consequential damages resulting from or arising out of the contract, including but without limitation, to loss or profit or business interruptions, howsoever caused and regardless of whether such loss or damage was caused by the negligence

(either sole or concurrent) of either party, its employees, agents or sub-contractors.

**35.0 CUSTOMS DUTY:**

- 35.1 **In terms of Sl. No. 404 of the Customs Notification No.50/2017-Cus dated 30.06.2017, imports of the items specified in List 33 of the Notification are subject to levy of concessional rate of customs duty @5% (BCD Nil & IGST @5%) subject to conditions specified therein (Condition No. 48). However, this is subject to change as per Government guidelines and the provisions ruling at the time of tender closing will be applicable.**

**Similarly, the domestic supply of such goods would attract 5% GST (i.e. IGST or CGST & SGST/UTSGT) on submission of EC in terms of GST Notification No. 03/2017.**

- 35.2 Contractor should provide the list of items to be imported by them under the Contract in the format specified in Proforma-A along with their bid for issuance of Recommendatory Letter to DGH. Contractor shall make written request to Company immediately after shipment of the goods indicated by them in Proforma-A, along with the Invoices and all shipping documents (with clear 15 working days notice) requesting Company for issuance of the Recommendatory Letter. OIL shall issue the Recommendatory Letter provided all the documents submitted by the Contractor are found in order as per contract. It shall be however, Contractor's responsibility to obtain EC from DGH and clear the goods through customs. OIL shall not be liable in whatsoever manner for the rejection of their claims for concessional customs duty by any of the authorities including DGH arising solely as a result of any default on the part of the Contractor.

- 35.3 All imports and import clearances under the Contract shall be done by the Contractor and OIL shall not provide any assistance in this regard.**

- 35.4 However, in the event customs duty becomes leviable during the course of Contract arising out of a change in the policy of the Government, Company shall be liable for payment of the customs duties leviable in India on Contractor's items as provided in Proforma-A or the actuals whichever is less (for the first time import) and at actuals (for subsequent imports), provided Contractor furnishes all necessary documents indicating the estimated customs duty at least 10 days in advance. Such payment of Customs Duty shall be arranged by Company and made available to the representatives of Contractor within 3 working days after Contractor submits the undisputed and clear necessary documents/duty assessment papers at Company's office at Kakinada. Contractor would be responsible for passing such payment to customs authorities at the port of entry. Company's obligation for Customs Duty payment shall be limited/restricted to the tariff rates as assessed by the Customs on the day of clearance, or as on the last day of the stipulated mobilisation period. In case of clearance thereafter, on the CIF value of items in Proforma-A will be frozen and any increase in Customs Duty on account of increase in value on these will be to the Contractor's account. Furthermore, in case the above CIF value is not acceptable to assessing Customs Officer and as a result if any excess Customs Duty becomes payable, it shall be to Contractor's account. Before**

filing Bill of lading, Bill of entry, the Contractor must consult the Company to avoid payment of excess Customs Duty.

35.4.1 Contractor shall, however, arrange clearance of such items from Customs and port authorities in India and shall pay all requisite demurrages, if any, clearance fees/charges, port fees, clearing and forwarding agent fees/charges, inland transport charges etc. Company shall provide all assistance by issuance of necessary letter of authority or other relevant documents and necessary help.

35.4.2 Notwithstanding what is stated above, the bidders should also consider the position in regard to import of goods as specified in list No. 33 of above notification against concessional rate of 5% Customs Duty. OIL is not liable in whatsoever manner, for the rejection of their claims for concessional rate of 5% Customs Duty by any of the authorities including the DGH.

35.4.3 The bidder while quoting would need to consider the duty drawback as per notification No. 23/2008 dated 01.03.2008 available to them upon re-export of the equipment, if any. The bidder should also note that input tax credit would also be available to them on the IGST paid by them excluding duty drawback and this aspect should also be considered by them while quoting their rates.

35.4.4 Similarly, such specified goods required for petroleum operations if procured from domestic sources would attract 5% concessional GST (IGST or CGST & SGST/UTGST) as per notification no. 3/2017 dtd. 28.06.2017 against issuance of EC by DGH for which OIL shall issue the recommendatory letter.

Note: The recommendatory letter will be given only for those items which are either consumed during the execution of work or for those equipment/tools which are undertaken to be reexported by the bidder. The recommendatory letter will not be issued when the bidder imports the equipment/tools on acquisition basis and does not undertake to re-export the same after the completion of the contract.

**35.5 Contractor must ensure that the spares and consumables imported by them for providing the services under Contract are properly used in executing their job under the Contract in the PEL/ML areas of Company for which EC has been obtained. Contractor shall furnish to Company a certificate as and when the spares and consumables are used/consumed certifying that the spares and the consumables imported by them have been consumed in those ML and PEL areas under the contract for which ECs were obtained by them. In order to avoid any misuse of the spares and consumables imported by the Contractor for providing the services under the Contract, Contractor shall furnish an Undertaking similar to that being furnished by Company to Customs of suitable amount before issue of the Recommendatory Letter.**

35.6 **DEMOBILISATION & RE-EXPORT:** The Contractor shall arrange for and execute demobilization of the entire package i.e. Tools/ Equipment/ Spare/ Accessories/ Manpower etc. upon receipt of notice for demobilization from Company. Demobilisation shall mean completion / termination of the contract and shall include dismantling of the package, its accessories/equipment, including the manpower and re-export of the complete package (if re-

exportable), its accessories/equipment, unutilized spares and consumables at the cost of the contractor. Demobilization shall be completed by Contractor within 60 days of issue of demobilization notice by Company. Immediately after re-exporting the package, its accessories, equipment and the unused spares and consumables, Contractor shall submit the detail re-export documents to Company as documentary proof of re-exporting the complete package, its accessories, equipment and the unused spares and consumables. In case of failure to re-export any of the items as above within the allotted time period of 60 days except under circumstances relating to Force Majeure, Company reserves the right to withhold the estimated amount equivalent to the Customs Duty and/or penalty leviable by Customs on such default in re-export from Contractor's final settlement of bills and Performance Security.

35.6.1 In the event all/part of the equipment etc. are transferred by Contractor within the country to an area where nil Customs Duty is not applicable and/or sold to a third party after obtaining permission from Company and other appropriate government clearances in India including permission from DGH and Customs authorities, then Contractor shall be fully liable for payment of the Customs Duty.

35.6.2 Contractor must furnish an undertaking that "the equipment imported and also spares & accessories which remained unutilized after the expiry of the contract, would be re-exported at their own cost after completion of contractual obligation after observing all the formalities/rules as per Customs Act or any other relevant Act of Govt. of India applicable on the subject". In case of non-observance of formalities of any provisions of the Customs Act or any other Act of Govt. of India, the Contractor shall be held responsible for all the liabilities including the payment of Customs Duty and penalties to the Govt. on each issue. Non-compliance of these provisions will be treated as breach of contract and their Performance Bank Guarantee will be forfeited.

35.6.3 In the event all/part of the equipment etc. are transferred by Contractor after expiry/termination of the contract within the country to another operator for providing services, and/or sold to a third party, Contractor shall obtain all necessary Govt. of India clearances including permission from DGH and Customs authorities for transferring to another operator and/or sale of the Rig package, its accessories, equipment and the unused spares and consumables to a third party. Company will not be responsible for any non-compliance of these formalities by Contractor. Payment of Customs Duty and penalties (if any) imposed by Govt. of India or Customs authorities for transferring the items in part or in full to an area where Nil Customs Duty is not applicable or sale of the items shall be borne by the Contractor and Contractor indemnifies Company from all such liabilities.

### **36.0 'HSE' GUIDELINES:**

36.1 The contractor shall strictly comply with the applicable and prevailing provisions of the Mines Act 1952, OISD Guidelines, and 10th Conference Recommendations of Safety in Mines. A copy of provisions of 10th Conference Recommendations in the form of 'General HSE Points' is available in the office which may be issued to successful bidders at the time of need.

- 36.2 It will be solely the Contractor's responsibility to fulfill all the legal formalities with respect to the Health, Safety and Environmental aspects of the entire job (namely; the person employed by him, the equipment, the environment, etc.) under the jurisdiction of the district of that state where it is operating. . Ensure that all sub-contractors hired by him comply with the same requirement as the contractor himself and shall be liable for ensuring compliance all HSE laws by the sub or sub-sub-contractors.
- 36.3 Every person deployed by the contractor in a mine must wear safety gadgets to be provided by the contractor. The Contractor shall provide proper Personnel Protective Equipment as per the hazard identified and risk assessed for the job and conforming to statutory requirement and Company PPE schedule. Safety appliances like protective footwear, Safety Helmet and Full Body harness has to be DGMS approved. Necessary supportive document shall have to be submitted as proof. If the Contractor fails to provide the safety items as mentioned above to the working personnel, the Contractor may apply to the Company (OIL) for providing the same. OIL will provide the safety items, if available. But in turn, OIL will recover the actual cost of the items by deducting from Contractor's Bill. However, it will be the Contractor's sole responsibility to ensure that the persons engaged by him in the mines use the proper PPE while at work. All the safety gears mentioned above are to be provided to the working personnel before commencement of the work.
- 36.4 The Contractor shall prepare written Safe Operating Procedure (SOP) for the work to be carried out, including an assessment of risk, wherever possible and safe methods to deal with it/them. The SOP should clearly state the risk arising to men, machineries & material from the mining operation / operations to be done by the contractor and how it is to be managed.
- 36.5 The contractor shall provide a copy of the SOP to the person designated by the mine owner who shall be supervising the contractor's work.
- 36.6 Keep an up to date SOP and provide a copy of changes to a person designated by the Mine Owner/Agent/Manager.
- 36.7 Contractor has to ensure that all work is carried out in accordance with the Statute and SOP and for the purpose he may deploy adequate qualified and competent personnel for the purpose of carrying out the job in a safe manner. For work of a specified scope/nature, he should develop and provide to the mine owner a site specific code of practice in line.
- 36.8 All persons deployed by the contractor for working in a mine must undergo Mines Vocational Training, initial medical examination, PME. They should be issued cards stating the name of the contractor and the work and its validity period, indicating status of MVT, IME & PME.
- 36.9 The contractor shall submit to DGMS returns indicating - Name of his firm, Registration number, Name and address of person heading the firm, Nature of work, type of deployment of work persons, Number of work persons deployed, how many work persons hold VT Certificate, how many work persons undergone IME and type of medical coverage given to the work persons

- 36.10 The return shall be submitted quarterly (by 10th of April, July, October & January) for contracts of more than one year. However, for contracts of less than one year, returns shall be submitted monthly.
- 36.11 It will be entirely the responsibility of the Contractor/his Supervisor/ representative to ensure strict adherence to all HSE measures and statutory rules during operation in OIL's installations and safety of workers' engaged by him. The crew members will not refuse to follow any instruction given by Company's Installation Manager / Safety Officer / Engineer / Official / Supervisor/Junior Engineer for safe operation.
- 36.12 Any compensation arising out of the job carried out by the Contractor whether related to pollution, Safety or Health will be paid by the contractor only.
- 36.13 Any compensation arising due to accident of the Contractor's personnel while carrying out the job, will be payable by the contractor.
- 36.14 The contractor shall have to report all incidents including near miss to Installation Manager / departmental representative of the concerned department of OIL.
- 36.15 The contractor has to keep a register of the persons employed by him/her. The contractor's supervisor shall take and maintain attendance of his men every day for the work, punctually.
- 36.16 If the Company arranges any safety class / training for the working personnel at site (Company employee, contractor worker, etc.) the contractor will not have any objection to any such training.
- 36.17 The health checkup of contractor's personnel is to be done by the contractor in authorized Health Centers as per OIL's requirement & proof of such test(s) is to be submitted to OIL. The frequency of periodic medical examinations should be every five years for the employees below 45 years of age and every three years for employees of 45 years of age and above.
- 36.18 To arrange daily tool box meeting and regular site safety meetings including pit level meeting and maintain records.
- 36.19 Records of daily attendance, accident report etc. are to be maintained in Form B, E, J (as per Mines Rules 1955) by the contractor.
- 36.20 A contractor employee must, while at work, take reasonable care for the health and safety of people who are at the employee's place of work and who may be affected by the employee's act or omissions at work.
- 36.21 A Contractor employee must, while at work, cooperate with his or her employer or other persons so far as is necessary to enable compliance with any requirement under the act or the regulations that is imposed in the interest of health, safety and welfare of the employee or any other person.
- 36.22 Contractor's arrangements for health and safety arrangement shall be consistent with those for the mine owner.

- 36.23 In case Contractor is found non-compliant of HSE laws as required Company will have the right for directing the contractor to take action to comply with the requirements, and for further non-compliance, the contractor will be penalized prevailing relevant Acts / Rules / Regulations.
- 36.24 When there is a significant risk to health, environment or safety of a person or place arising because of a non-compliance of HSE Measures Company will have the right to direct the contractor to cease work until the non-compliance is corrected.
- 36.25 The contractor should prevent the frequent change of his contractual employees as far as practicable.
- 36.26 The contractor should frame a mutually agreed bridging document between OIL & the contractor with roles and responsibilities clearly defined.
- 36.27 For any HSE matters not specified in the contract document, the contractor will abide the relevant and prevailing Acts / rules / regulations pertaining to Health, Safety and Environment.

**37.0 (A) DAMAGE OR LOSS OF SURFACE EQUIPMENT:**

The Contractor shall at all times be solely responsible for any damage to or loss or destruction of the surface equipment and its other property irrespective of how such loss, damage or destruction is caused, and even if caused by the negligence of the Company and/ or his servants, agents, nominees, assignees, contractors and subcontractors, and the Contractor shall hold harmless and indemnify the Company from and against any expenses, loss or claim related to or resulting from such loss, damages or destruction.

If the Contractor's items are declared to be total loss and/ or construed to be total loss, as determined by the applicable insurance coverage, this Contract shall terminate for the occurrence of the event causing such loss and each party shall there upon be released of all further obligations here under in respect of this Contract, except for its payment of monies then due or liabilities to be charged in respect of the Work already done under this Contract.

**37.0 (B) LOSS OR DAMAGE OF SUB-SURFACE EQUIPMENT:**

OIL shall reimburse Contractor for loss of or damage to Contractor's downhole equipment/ tool, as under, provided that such loss or damage is not occasioned by normal wear and tear/ malfunctioning of Contractor's tool/ negligence on the part of the Contractor:

- a. In the case of Contractor's downhole equipment/ tool being damaged, OIL will reimburse Contractor such repair cost, provided however, that OIL shall not be required to reimburse Contractor any amount greater than that which would have been due had such equipment/ tool lost and, therefore, calculated under sub-section (ii) herein below.
- b. The Company shall at its option either reimburse the Contractor for the value of lost equipment/ tools as declared in the import invoices at the time of mobilization (or subsequent replacement/ addition) of the same



equipment/ tools or CIF value as reflected in Proforma-A hereto whichever is lower (Plus customs duty paid by the Contractor for the equipment tool lost/ damaged, provided that the said custom duty was not borne by the Company and the Contractor produces the documentary evidence towards payment of customs duty) for any such loss or damage of sub-surface equipment; less depreciation @ 3% per month from the date of start of this Contract with a maximum depreciation equivalent to 50% of CIF value as indicated by the Contractor or at its option replace similar equipment/tools to the satisfaction of the Contractor and any transportation expenses incurred in connection herewith.

All such costs shall be payable by the Company only after the Contractor has produced documentary evidence that the particular equipment/ tools in question was not covered by Contractor's insurance policies. For such claims the Contractor should notify the Company within one month. The inspection of recovered equipment from downhole needs to be made by the Company representative before submission of the invoice by the Contractor.

### **38.0 POLLUTION AND CONTAMINATION:**

- 38.1 The Contractor shall be liable for all surface pollution to the extent caused by Contractor and resulting from spillage or rubbish in any form or dumping of solvents/ additive substances or pollutants which the Contractor brings to the Site for use in connection with Work to be performed under this Contract. However, in the event of such dumping or spillage or discharge by Contractor, Contractor shall immediately assume all responsibility at their cost for the removal of items, substances or rubbish so dumped or discharged and for any resulting pollution or contamination in any form, at the well Site and the surrounding area.
- 38.2 Pursuant to Clause 38.1 above, the Company agrees that Contractor shall not be responsible for and Company shall indemnify and hold Contractor its agent, servants, officers and employees harmless from any liability, loss, cost or expense for loss or damage from pollution or contamination arising out of or resulting from any of Contractor's services/ operations unless such pollution or contamination is caused by Contractor's Gross Negligence.
- 38.3 Notwithstanding anything to the contrary contained herein, it is agreed that Company shall release, indemnify and hold Contractor and its Sub-contractors harmless from any and all claims, judgments, losses, expenses and any costs related thereto (including but not limited to Court costs and Attorneys fees) for:
  - a) Damage to or loss of any reservoir or producing formation; and/ or
  - b) Damage to or loss of any well; and/ or
  - c) Any other subsurface damage or loss; and/ or
  - d) Any property damage or loss or personal injury or death arising out of or in connection with a blowout, fire explosion and loss of well control regardless of cause.
- 38.4 In the event, a third party commits an act or omission which results in pollution or contamination for which either the Contractor or Company, for whom such party is performing work, is held to be legally liable the

responsibility therefore shall be considered as between the Contractor and Company, to be the same as if the party for whom the work was performed and all of the obligations respecting defiance indemnity, holding harmless and limitations of responsibility and liability, shall be specifically applied.

**39.0 LOSS OF HOLE OR BLOWOUT OR CRATER:** The Company shall be responsible for and shall defend and indemnify and hold harmless Contractor and its subcontractor against all loss of or damage to the hole, the well or casing therein, or for the cost of regaining control of a wild well, and re-drilling, and in the event of well blows out, for loss, damage, personal injury or death arising on the surface as a result of such subsurface occurrence, including damage to any drilling rig, platform or the structure at or around the well-site, and for removal of debris, pollution or contamination including costs of cleaning up and disposal regardless of cause

**40.0 WAIVERS AND AMENDMENTS:**

It is fully understood and agreed that none of the terms and conditions of the Contract shall be deemed waived or amended by either party unless such waiver or amendment is executed in writing by the duly authorized agents or representatives of such party. The failure of the Company to execute any right of termination shall not act as a waiver or amendment of any right of the Company provided herein.

**41.0 INTEGRITY PACT:** The Integrity Pact duly signed by authorized representatives of OIL and Contractor forms part of the Contract.

**END OF SECTION - I**

## **SECTION – II**

### **TERMS OF REFERENCE AND TECHNICAL SPECIFICATIONS OF EQUIPMENT / SCOPE OF WORK**

#### **1.0 INTRODUCTION**

The present scope of work will cover Hydraulic Fracturing of 2 (two) gas well (2HPHT or 2 Shallow or 1 HPHT + 1 shallow) on call out basis in OIL's operational area in KG Basin Project, Kakinada under NELP-VI block: KG-ONN-2004/1. The contract shall also have a provision for extension for hydro-fracturing upto another 2 wells on call out basis, at the discretion of Company at same rates, terms and conditions.

The contractor shall provide a single point sourcing, invoicing and cost tracking function to OIL for all the services under this contract with all necessary equipment, materials and services required by OIL that are to be supplied as part of the contract.

#### **2.0 SCOPE OF WORK FOR HYDRAULIC FRACTURING PROGRAM (HF, CT, COMPLETIONS)**

The work under this contract shall be executed in phases for Hydro-fracturing of 2 gas wells (2 HPHT or 2 Shallow or 1 HPHT + 1 shallow) in OIL's operational area in KG Basin Project, Kakinada under NELP-VI block: KG-ONN-2004/1.

- 2.1. That Contractor shall send a team of experts to Company offices at KG Basin Project of Oil India Ltd, Andhra Pradesh to review/collect the following geoscientific data and reports but not limited to, pertaining to the wells
- a) 2D and 3D seismic data, hard and soft copies.
  - b) Induction electrical, AM, Dual Latero log, MSFL, Density- Neutron-Gamma ray, Caliper, Spontaneous potential, CBL-VDL-GR-CCL, Temperature-CCL ,flush sample logs ,Sonic and Dipmeter logs which ever are applicable and available.
  - c) Side-wall core analysis reports on lithology, porosity and fluid content of the wells under the study phase. However in the event of non-availability of the said data conventional core analysis data of offset wells may be reviewed. (if available)
  - d) Core Lab Test Data (Geo-mechanical studies), if available.
  - e) Well Data Notes: Well history of all the wells in soft/hard copies., if available
  - f) Available structural /Isopay maps., if available
  - g) Reserves/ remaining producible volumes data, if available
  - h) Drilling history ,Pressure and production data, if available

- i) Reservoir fluid and PVT data, if available
- j) Existing well completion data and Surface production facilities data, if available
- k) Well Test data, if available

Note:

In case of non-availability of any specific data, the same may be assumed to the extent of a realistic value for frac job design.

The fracturing design along with Lab test report for the fluid system and proppant has to be submitted by the Contractor within 15 days issuance of LOA and atleast 30days prior to the actual jobs execution.

- As per OIL's experience during drilling, the salinity of the bore well is expected to be minimum 20,000 ppm. The supplied chemicals should be able to formulate the fluid system with the bore water.

### 3.0 **PRE-FRACTURING WELL PREPARATION, MOBILIZATION AND EXECUTION OF HYDRO-FRACTURING (HF)**

- 3.1 The contractor shall suggest the required work over program including well completion with or without **packer** for preparing the wells for hydraulic fracturing. Any specific requirement for perforation, stimulation jobs like acid, solvent, scale removal etc. if required shall be mentioned in the proposed plan. **The final HF plan shall be mutually agreed and signed by both OIL and the contractor and execute the same accordingly.**

### 3.2. **SUPPLY ITEMS –**

- 3.2.1** Bidder should be capable to supplying the undermentioned items either on its own or by having pre-tender ties up with reputed service provider who of their own have the experience of supplying the undermentioned items.

#### **(A) RETRIEVABLE SEAL BORE PACKER**

Suitable for setting depth	4000m
Casing size	7 inch, 26-29 ppf
Differential pressure	12,000 psi (above and below)
Working Temperature	325 deg F
Packer element	AFLAS
Polished Seal Bore ID (min)	4.000 in
OD	Suitable to set inside 7 inch, 26-29 ppf
Metallurgy	13Cr L-80 or better (NACE Qualified)
NACE	Yes
Certification	ISO-V3 rated
Quality Control Grade	Q3 or better
Top Connection	Compatible with the Setting Tool, Retrieving Tool and Snap Latch Tubing Locator
Bottom Connection	Compatible with Seal Bore Extension
Setting Method	Setting Tool Hydraulic without any rotation
Retrieval Method	Retrieving Tool – Straight Pull maximum 30,000lbs over-pull without any rotation

Should be able to pressure and anchor test the packer with the packer setting tool.

Bidder to provide a valid copy of API 11D1 certificate along with the bid.

Approved Suppliers for providing packers are:

Halliburton  
Baker Hughes  
Schlumberger  
Weatherford

**(B) SEALBORE EXTENSION:**

Seal Bore Length	15 ft
Polished Seal Bore ID (min)	4.00 in
OD	Suitable to set inside 7 inch, 26-29 ppf
Metallurgy	13Cr L-80 or better (NACE Qualified)
Working Temperature	325 degF
Top Connection	Compatible with Packer
Bottom Connection	Compatible with Wireline Entry Guide. Should be compatible with the LTSA assembly (Locator Seal Assembly)

**(C) LOCATOR SEAL ASSEMBLY (LTSA ASSEMBLY)**

Top Connection	3-1/2" VAM TOP BOX
Locator	Snap Latch Locator (Snap-in, Snap-out type without any rotation) – 1 each per LTSA assembly, top connection same as LTSA top connection, bottom connection compatible with seal unit
Seal Unit	AFLAS Bonded Seal Unit, 1.5ft length each, top and bottom connection compatible with seal units, locator and self-aligning guide shoe. 10 each seal units per LTSA assembly with minimum of 20 elastomeric seals.
Self Aligning Guide Shoe	Indexing type mule shoe, compatible to run in wells with high deviation. 1 each per LTSA assembly
ID	Minimum 3.000"
Pressure rating	12,000 psi differential
Working Temperature	325 deg F
Metallurgy	13Cr L-80 or better (NACE Qualified)
Elastomer	AFLAS

**(D) REDRESS KIT FOR LTSA**

Complete with all elastomeric seals and O rings to completely redress 1 each of LTSA assembly

Elastomer	AFLAS
-----------	-------

**(E) WIRELINE ENTRY GUIDE**

Top Connection	Compatible with Seal Bore Extension
Bottom Connection	Wireline Entry Guide, to facilitate re-entry of tools
Material	13Cr L-80 or better (NACE Qualified)

Working Temperature 325 deg F  
ID Minimum 4.000"

**(F) MILLABLE PERMANENT BRIDGE PLUG**

Casing size 7 in, 26-29 ppf  
Differential pressure 12000 psi (above and below)  
Working Temperature 325 deg F  
Setting using Wireline / Tubing  
Should be drillable, suitable to set in all grades of casing. Complete with release stud and redress kit for setting. To be set on Wire line / Tubing.

**(G) MILL FOR PERMANENT BRIDGE PLUG**

Suitable mill to mill out the item H – Millable Permanent Bridge Plug using Drill pipe / Tubing.

**3.2.2 SERVICE ITEMS: Bidder shall supply the undermentioned service items either on its own or by having pre-tender ties up with reputed service provider who of their own have the experience of supplying the undermentioned items.**

Packer Setting Tool

Bidder to provide the required packer setting tool for the packer line item – 3.2.1 A

The setting tool (to be run on 3.1/2" Tubing or Drill pipe) should have a provision for setting the packer and testing the packer prior to releasing the service tool. The tool should have a provision of circulation while POOH. The maximum operating pressure for setting tool should be 4000psi.

Bridge Plug Wireline Adapter Kit

Bidder to provide Wireline/tubing/drillpipe Adapter Kit along with Suitable hydraulic Setting Tool to set the bridge plug line item – 3.2.1 F

- 3.3 The Contractor shall provide the necessary supervision for the proper installation of the packer in the well and subsequent successful testing of the packer utilizing OIL provided rig and operating manpower of the rig.
- 3.4 In case if the situation demands the retrieval of the set **packer**, the same should be retrieved successfully and Contractor has to provide new packer with setting tool and the same shall be successfully installed in the well under supervision of the contractor's service engineer utilizing OIL provided rig and operating manpower of the rig.
- 3.5 The contractor shall arrange for re-dressing of the LTSA assembly when requisitioned by the company.
- 3.6 The responsibility for the mobilization of resources of the Contractor will lie with the Contractor. The information and planning in this regard will be reviewed with OIL for execution as per plan.
- 3.7 Inspection of site prior to mobilization has to be done by contractor.

- 3.8 All handling equipment and logistic support like crane, trailer / truck, fork lifter etc. required for the project will have to be arranged by the contractor.
- 3.9 The contractor has to arrange its own boarding and lodging arrangements along with the transport system for the mobilization/demobilization of its personnel.
- 3.10 The contractor has to arrange its own lighting & power unit for lighting in & around its equipment for safe operations if extended into night.

4.0 **Hydro fracturing Equipment's, Tools and Materials.**

- 4.1 Contractor shall provide all required fracturing equipment, tools, materials etc with their operating personnel necessary to perform the job.
- 4.2 The Contractor shall provide the following equipment's, tools, chemicals and materials but not limited to, for execution of the Hydro fracturing job.

4.3 **Fracturing Proppant**

- a) The Contractor shall propose for suitable type of 20/40 High Strength Proppant for both shallow and HPHT well.
- b) Proppant specification shall follow API-RP58.
- c) The Proppant pallet and packaging shall be in IBC bags of 2200 lbs or 3200 lbs
- d) The Contractor shall have ability to supply specialized proppant or product like:
- Scale inhibition proppant (CaCO<sub>3</sub>, CaSO<sub>4</sub> scales)
  - Curable and Precured resin coated proppant
  - Fiber technology proppant flowback control

4.4 **Fracturing Carrier Fluids**

- a) The Contractor shall supply suitable Carrying fluids (mixed with suitable brine), having capability to carry, maintain & sustain proppant concentration within reasonable range during pumping & placing of proppant at minimum rate of 10 bpm.
- b) The requirement is for cross linked fluids with minimum viscosity not less than 100cP at 100/s at BHT condition for 3 hrs .
- c) It must have capability to Delay cross linked control or temperature delayed.
- d) Shall be applicable up to 325 Deg F BHST and 11000 psi BHP environment for shallow well.
- Shall be applicable up to 430 Deg F BHST and 13300 psi BHP environment for HPHT well.
- e) Shall be Capable to break at design temperature to <10cP at 170/s max in 2 hrs post placement time, without the need to have additional post treatment acid/solvent job.
- f) The fluids shall have internal breaker mechanism.

- g) The fluid shall be Compatible with formation, reservoir fluids and completion brine and with common additives such as surfactant, non-emulsifier, bactericide as required.
- h) Additional the Contractor shall have the capability to deliver fluids technology as given below as alternative proposal:
  - Solid/polymer free water based carrier fluids that can cover BHT up to 450degF, with self-breaking capability in contact with formation hydrocarbon to obtain >90% proppant pack retained conductivity

#### 4.5 **Matrix Stimulation Fluids**

The contractor shall provide any acid or solvent fluids that might be required during these events which may include but not limited to

- Tubing pickle (weak 7.5% inorganic acid system)
- Clay removal and stabilization treatment

#### 4.6 **Fracturing pumping equipment**

The Contractor shall supply the following items but not limited to for execution of the job.

Note: The maximum weight of the equipment per trailer/unit which will be mobilized for fracturing at designated site should be limited to 30MT including trailer weight (for Well no TLK-1), for the other wells the restriction is 40 MT.

##### 4.6.1 **Proppant Blender**

The Contractor shall supply on-the-fly proppant blender with following specifications:

- a) Blender capacity 0.5 to 20 PPA or up to 8500 lbs/min blending capacity
- b) Slurry discharge rate up to 30 bpm
- c) Dry additive system with interchangeable auger size to measure dry additive supply accurately.
- d) Liquid additive system that controls the additive rate accurately.
- e) Fiber feeder with specially designed fiber chutes, flush kits and augers; to provide accurate measurement of fiber addition rate
- f) Low pressure RA densitometer installed for measuring proppant concentrations accurately.
- g) Liquid magnetic flow meter on the suction side to measure clean fluid rate accurately

##### 4.6.2 **Fracturing Pump Unit**

The Contractor shall supply Fracturing pumping Unit with following specifications:

- a) Fracturing Pumping unit skid/trailer/truck mounted, suitable for pumping corrosive and non-corrosive fluids pumps with a total HHP requirement of 10000.
- b) Remotely operated and equipped with emergency kill system
- c) Equipped with pressure limiting system to preset maximum pressure

##### 4.6.3 **Storage and Mixing Tanks**

- a) The Contractor shall supply a total of 3000 bbls storage tank capacity with each unit having a range of 400-500 bbls capacity
- b) The tanks shall be capable of storing and mixing treated Fluids



- c) The tanks shall have Bottom outlet fitted with valves to control and connect with other pumping equipment.
- d) At least 1 unit tank of above shall be properly lined to mix corrosive fluids equivalent to 15% HCl.

**4.6.4 Treatment Control Unit (TCU)**

- a) The contractor shall supply Treatment monitoring cabin for command control center and data acquisition and recording of all critical job parameter (rate, pressure, concentration, density)
- b) The TCU shall be Equipped with fracturing acquisition and monitoring software that can deliver ASCII files real time to frac engineer laptop and shall be capable to accommodate all HP pump remote control panel.
- c) Shall be large enough to accommodate minimum 5 personnel inside the cabin with Proper air conditioning supply.
- d) Shall be Capable of real time display as well as memory recording and to deliver real time data to the city office should the local cellular data network coverage is available
- e) It shall be capable to Monitor, control the frac operation having Battery backup, acquisition and display system.

**4.6.5 High Pressure treating Iron**

The contractor shall supply adequate nos of 3" 1502 WECO Hammer Unions, 15000 psi WP Iron to be used during fracturing operation having a Minimum of 200 ft length to allow single lines to be run to the rig floor along with chiksans, loops, Standard length pups and crossovers from 2" 1502 to 3" 1502 connections.

**4.6.6 Acid Storage Tanks**

The contractor shall supply one (01) No. of 1000 gal capacity tanks properly lined for raw 32% HCl Capable of storing and transporting acid.

**4.6.7 Centrifugal Pumps**

The contractor shall supply suitable Nos. of centrifugal pumps ,Capable of transferring and mixing of Completion and Treating fluids with Inlet and outlet connections preferably matching with Storage Tanks proposed and having Back-up supplies.

**4.6.8 Tree Saver / Wellhead Isolation Tool**

- a) The contractor shall supply one(01) set of suitable Tree Saver / Well Head Isolation Tool system along with the spares and accessories for operating upto 15000 psi and compatible with 10,000 psi rated (Shallow well) and 15,000 psi (HPHT well) rated Standard API X-Mass tree with vertical bore of 3.1/6".
- b) **Tubing Hanger Specs for HPHT Well X Mass Tree :**  
TUBING HANGER ASSY, 11" NOMINAL X 3.1/2" 15.8 PPF VAMTOP THREAD BOX TOP AND BOTTOM WITH XEMS METAL TO METAL BODY SEAL. EXTENDED SLICK NECK WITH PREP FOR SBMS METAL TO METAL SEAL, WITH PREP FOR 3" NOM TYPE 'H' BPV PREP, WITH 6" TONG NECK, INCONEL 718 OR EQUIVALENT BODY MATERIAL, MC:HH-360, PSL:3G, TC: X, PR: 2 . **Make : FMC**
- c) **Tubing Hanger Specs for Shallow Well X Mass Tree: Single completion,** Suspension mandrel type with Extended Seal neck complete

with additional upper seal rings and lower seal rings to be energized by tubing weight with 3.5" Vam Top box thread at bottom and top for lifting and hanging. **Make: Jinhu Hengli Machinery Co Ltd, China**

- d) The contractor shall ascertain flange connections and make necessary arrangements for suitable changeovers if required for proper connection.

**4.6.9 Electronic Pressure Transducer**

The contractor shall supply four (04) Nos of Electronic pressure transducer for measuring Annulus, tubing and casing pressures, Complete with back up transducer

**4.6.10 Densitometer**

The contractor shall supply one (01) Low pressure densitometer (at blender) and one (01) High pressure densitometer at high pressure line.

**4.6.11 Safety shut – off and Pop-off system with overpressure shutdown provision**

The contractor shall supply one (01) set of Safety shut – off and Pop-off system with overpressure shutdown provision for high pressure line running to the well head and for annulus both, having Centralize electronic shutoff of pumps. Individual pumps shall also have their own overpressure protection system.

**4.6.12 Liquid additive system**

The contractor shall supply four (04) Nos of Liquid Additives system Equipped with flow meter having Pump from the fluid storage container and discharge to the suction of a centrifugal pump, or the suction or discharge of a mixer.

**4.6.13 Sand bins/ High Rate Sand Feeder**

- a) The contractor shall supply one (01) set of Sand bins/ High Rate Sand Feeder to feed proppant to blender during fracturing operation which will serve as sand storage facility at the well site.
- b) It shall be Capable to store and deliver the proppant amount as per the job design

**4.6.14 Portable Laboratory Cabin**

The contractor shall supply one (01) set of Portable Laboratory Cabin with Fluid Lab to check fluid quality- complete with power supply including Viscometer, water analysis kit, pH meter, hot water bath, microwave oven for field QAQC

**4.6.15 Communication Set**

The contractor shall supply Portable headsets to be used for two-way communication by various persons during the job. A minimum of 10 headsets to be provided with sufficient back up.

**4.6.16 Annulus Pumping**

The contractor shall supply one (01) No. of Pump unit with sufficient HP to

meet the requirement to carry out pumping and maintaining pressure in the annulus.

**4.6.17 Spare part and working Container**

The contractor shall supply one (01) No of Spare part and working Container Sufficient part for field maintenance, equipped with hand tool, vice for working in the field.

**4.6.18 Additional equipment**

Additionally the contractor shall supply a Set of suction hoses and discharge hoses to interconnect up to 6 tanks with one another and all HP pumping equipment, with required back up for 30 bpm treatment rate. Total horse power requirement is 10000 HHP.

**5.0 Hydraulic Fracture job execution and Supervision**

The contractor has to perform fracturing operation as per frac design approved by OIL and to achieve this:

- 5.1 Perform MiniFrac/ Datafrac for data collection and incorporate them in main design.
- 5.2 Analyze diagnostic tests- determine excessive perforation and/or near well bore friction pressure, closure pressure, closure time, fluid efficiency and fracture gradient.
- 5.3 Perform fracture treatment as per design requirements and safety procedures and Ensure pumping optimal fracture treatment and design criteria are met.
- 5.4 Ensure display & recording of critical parameters (rates, pressures, additives injection etc).
- 5.5 Provide field execution report upon job completion. Provide the chemical consumption report for job and payment will be made as per actual consumption

**6.0 Manpower**

- 6.1 The contractor shall provide a team of technically qualified, competent & experienced personnel to carry out all activities related to mentioned jobs in professional manner following internationally recognized safe practices. Normal Operations will be planned & carried out in daylight only.
- 6.2 A list of the details of the minimum manpower required for hydraulic fracturing is given in the table below. However the contractor may deploy additional manpower as per their requirement, for efficient job execution, and quote for the same.

Description	No of persons
Project Coordinator (Office Base)	1
Fracturing Engineer	1
Fracturing Supervisor	1

Fluid Lab Technician	1
Mechanic/Electronic Technician	2 (1 each)
Completion Supervisor/Technician	1
Assistance Supervisor, Pump and Blender Operator	2 (1 each)
Helpers	2

- 6.3 The above crew will be dedicated personnel to operate for OIL at Kakinada region during this campaign. The Contractor will be responsible to provide accommodation, transportation and meals of the above crew during working days and at the well site during job execution.
- 6.4 The contractor is to furnish police verification report for his Indian personnel and copy of passport and visa for foreign personnel for obtaining IB clearance and subsequently issuing entry pass by OIL. For expatriate personnel the document must be submitted to OIL minimum four weeks in advance.
- 6.5 Key personnel to be deployed must have:
- Proficiency in Elementary first aid.
  - Fire prevention & fire fighting.
  - Communication skill both speaking and writing in English
- 6.6 The CV of the operating personnel deployed by the contractor should be submitted to OIL within 15 days from placement of LOA.
- 6.7 **Experience of the Crew (Ref Clause no 3.3 of SCC)**  
The Experience of the crew shall be as given in clause no 3.3 of SCC. Necessary documentary evidence in this regard has to be submitted by the contractor to OIL prior to their mobilization for job execution.
- 7.0 **Services from the contractor**  
Contractor will provide domestic lab support to conduct below basic lab test at no additional cost to OIL
- Proppant sieve analysis
  - Acid solubility test
  - Emulsion compatibility test
  - Carrier fluid Rheology test with Model 35 rheometer and Model 50 HPHT Rheometer
  - Sand settling test
  - Water analysis
- 7.1 The Contractor will also be required to have regional lab support to conduct below test (as required), sample and materials for the lab test will be provided subject to availability by OIL.
- Core pore-perm determination
  - Core flood analysis to determine retained permeability
  - XRD/SEM/EDAX analysis

7.2 The contractor shall demonstrate and submit sufficient documentation of required software as below:

- a) The contractor shall own and execute hydraulic fracturing software simulator that minimum can deliver below results:
  - i. Accurate modelling of Pseudo-3D fracture geometry growth in multiple zones.
  - ii. Numerical prediction within the fracture.
  - iii. Fracture Optimization using Net Present Value (NPV)
  - iv. Fracturing fluid selection advisor module
  - v. Analysis of treatment parameters
  - vi. Design and evaluation of any fracture simulation
  - vii. Design sensitization to various conditions of Pumping rates schedule and job volume, YM, Poisson Ratio, In-situ stress and stress contrast, Spurt, Permeability and leak-off, proppant type and fluid type.
- b) The contractor will also need to have fracturing simulator software that can be integrated to reservoir 3D model and run simulation for natural fissures model
- c) The contractor will also be required to provide matrix stimulation simulator software capable to deliver Candidate Selection Advisor (CSA), Formation Damage Advisor (FDA), Fluid Selection Advisor (FSA), and Pumping Schedule Generator, Critical Drawdown Module and Scale prediction Module

7.3 Carry out the operations with diligence in a safe workmanship like manner and in compliance with standard international Oil field practices along with all Indian Safety Regulations in force like DGMS, OISD etc. Comply with HSE policy, and also with all local and regional environmental, pollution, occupational health, safety, and other legislative requirements.

7.4 Keep and furnish to OIL an accurate record of the work performed on a daily progress report format acceptable to OIL.

7.5 The equipment's shall be manned by technically qualified and experienced personnel of Contractor.

7.6 Comply with all Indian Rules and Regulations and Acts pertaining to Oil Field operations e.g. Oil Mines Act and all National Enactments including labor law / minimum wage act etc.

7.7 The contractor's and OIL's responsibilities shall be as per the Matrix of Responsibilities provided in the bid document / Contract at Appendix I)

#### 8.0 **Post Treatment activities**

8.1 The contractor has to Analyze hydraulic fracture treatment data (net pressure matching etc.), advise and monitor post-frac well flow back.

8.2 Provide a comprehensive report of all related treatment data and fracture operations. Review the fracture operations and post fracture treatment analysis, lessons learnt and to present the results of the fracture treatment to OIL.

## **9.0 Environmental and Safety Requirements**

- 9.1 Contractor shall at all times maintain the surfaces of the well site in good condition, shall conduct all operations so as to prevent damage to the environment and reduction in bearing capacity and drainage capability of the top soils at the well site and shall maintain the well site free of all wastes. Contractor shall give due consideration to the need to avoid surface spillage of any kind around the location.
- 9.2 The contractor shall take all necessary measures so as to protect the personnel, work and facilities and shall observe all safety rules and regulations in force. No smoking and flames shall be permitted at the well site. No hot job will be carried out while working in hazardous areas without written hot work permit form the OIL.
- 9.3 The contractor would facilitate OIL to deal with any emergency situation i.e. blow out etc as per the demand of the occasion. The contractor shall report to OIL immediately, any evidence, which may indicate or is likely to lead to an abnormal or dangerous situation and to immediately take emergency control steps to avoid any abnormal situation.
- 9.4 The contractor is required to provide protective clothing and PPEs to each of their employee before deployment on well site.

## **10.0 Reports**

- 10.1 The following duly signed reports are to be submitted by the contractor to OIL at no additional cost to OIL. The following report formats should be submitted to OIL after the LOA for approval / modifications (if required) by OIL:
  - a) Daily Service report (DSR) giving all the details.
  - b) Successful **Packer** setting and test report
  - c) Pre and Post job reports
  - d) Daily equipment status report.
  - d) Occurrence and report for major incidents.
  - e) Well wise Chemical /consumables consumption report.
  - f) Comprehensive post job report including post job suggestions.
- 10.3 Daily service report should be prepared for all the days when the equipment and or the personnel are available at work site by the Contractor's representative and the all the reports should be signed by OIL representative and should indicate the satisfactory performance / breakdown period. A copy of the same shall be submitted with invoice of the relevant period. The time of start of operation and finish of operation should be mentioned in DSR.
- 10.4 Any unusual occurrence noticed, breakdown and accident etc should be reported immediately with available mode of communication followed by written confirmation.

**11.0 RESPONSIBILITY MATRIX**

NO	DESCRIPTION	RESPONSIBILITY	
		OIL	CONTRACTOR
<b>1</b>	<b>Project General</b>		
1.01	Preparation of Location and Access Roads	X	
1.02	License and Permits to access location	X	
1.03	Provision of Drilling/ workover rig services including operating manpower, site office	X	
1.04	Provision of: Tubular (Tubing- Completion), and Well Head Equipment(Excluding Tress Saver)	X	
1.05	Well Completion Plan	X	X
1.06	Approval of well completion plan	X	
1.07 (a)	Supply & Installation (with OIL rig & rig crew) of <b>Packer</b> , assembling, R/I instructions, settings, redressing, milling, retrieval instructions (if required) including trained manpower and tools for setting and retrieval		X
1.07(b)	Providing equipment, chemicals and services for acid, solvent ,scale removal jobs (if required)		X
1.08	Provision for Wire line Services for logging and Perforation.	X	
1.09	Provision of raw operational Water for fracturing and CTU operations	X	
1.09	All frac equipment, execution and supervision of frac job including manpower		X
1.10	Provision for Well Testing and flow back including trained manpower	X	
1.11	Flow back plan		X
1.12	Provision for Nitrogen Equipment including supply of nitrogen and operating manpower		X
1.13	Provision of Coiled Tubing including operating manpower		X
1.14	Supply of Proppant and all Fracturing Chemicals,		X
1.15	Mobilization & installation of Tree Saver / Wellhead Isolation Tool including trained manpower		X
1.16	Well Control Liability	X	
1.17	Environmental / Clean Up Liability (Disposal upto pit at wellsite)		X
1.18	Provision of Flow back –equipment & handling of return	X	
<b>2</b>	<b>Preparation of Fracturing Program</b>		
<b>2.1</b>	<b>Review of Existing Data</b>		X
2.1.1	Providing Production and Completion Data	X	
2.1.2	Providing Existing Open Hole and Cased Hole Log Data	X	
2.1.3	Well Test Data	X	
2.1.4	Interpretation of the data		X
2.1.5	Providing Core and fluid samples for lab test as per availability	X	
2.1.6	Laboratory tests as required		X
2.2	Preparation of Hydrofrac program		X

NO	DESCRIPTION	RESPONSIBILITY	
		OIL	CONTRACTOR
<b>1</b>	<b>Project General</b>		
2.3	Approval of Hydrofrac Program	<b>X</b>	
<b>3</b>	<b>Operations</b>		
3.1	Security at the Well Site	<b>X</b>	
3.2	Medivac, if any by Road		<b>X</b>
3.3	Firefighting facilities at the site	<b>X</b>	
3.4	Disposal pit at Well Site	<b>X</b>	
3.5	Trucks & Crane with trained manpower		<b>X</b>
3.6	Adequate Lighting for Operation	<b>X</b>	<b>X</b>
3.7	Waste transportation and Disposal upto pit		<b>X</b>
3.8	Provision for Diesel Supply at the site for frac jobs and contractor's equipment / units		<b>X</b>
3.9	Storage of chemicals and proppant		<b>X</b>
3.10	Camp : Accommodation and Catering for all Contractor personnel		<b>X</b>
3.11	Mobilization of the Contractor Personnel to the Rig / wellsite		<b>X</b>
3.12	Infield Transportation of Contractor Personnel		<b>X</b>
3.13	Infield Transportation - Contractors Equipment and materials		<b>X</b>
3.14	Infield Transportation & accommodation – OIL personnel	<b>X</b>	

***END OF SECTION -2***



### **SECTION – III**

#### **SPECIAL CONDITIONS OF CONTRACT**

- 1.0 DEFINITIONS:** Following terms and expression shall have the meaning hereby assigned to them unless the context otherwise requires:
- 1.1 “Equipment” means all the equipment required for execution of the work under the scope of works including Tools, machineries, hardware, software and other accessories.
  - 1.2 “Base” means where the Contractor will establish camp for their equipment and personnel.
  - 1.3 “Operating Area” means those areas in Assam/Arunachal Pradesh where the Contractor shall carry out the work under this bid.
  - 1.4 “Site” means the land and other places, on/under/in or through which the works are to be executed by the Contractor and any other land and places provided by the company for working space or any other purpose as designated hereinafter as forming part of the Site.
  - 1.5 “Company’s items” means the equipment, materials and services, which are to be provided by company at the expense of company.
  - 1.6 “Contractor’s items” means the Equipment, materials and services, which are to be provided by Contractor to carry out the job satisfactorily.
  - 1.7 “Date of Commencement” means the date on which the mobilization is completed in all respects to the first candidate well.
  - 1.8 “Contractor’s personnel” means the personnel as mentioned under section terms of reference and technical specification, to be provided by Contractor to conduct operations hereunder.
  - 1.9 “Contractor’s representatives” means such persons duly appointed by the Contractor to act on Contractor’s behalf and notified in writing to the company.
  - 1.10 “Day” means a calendar day of twenty-four (24) consecutive hours beginning at 06:00 hrs. and ending at 06:00 hrs of the next day.
  - 1.11 “Approval” as it relates to Company, means written approval.
  - 1.12 “Facility” means and includes all property of Company owned or hired, to be made available for services under this Contract and as described in this agreement which is or will be a part of the Company.
  - 1.13 “Certificate of Completion” means certificate issued by the Company to the Contractor stating that he has successfully completed the jobs/works assigned to him and submitted all necessary reports as required by the Company.

1.14 “Gross Negligence” means any act or failure to act (whether sole, joint or concurrent) by a person or entity which was intended to cause, or which was in reckless disregard of or wanton indifference to, avoidable and harmful consequences such person or entity knew, or should have known, would result from such act or failure to act.

1.15 **Call Out period: Callout period means the period from completion of mobilization to the designated well site, requisite operations, till demobilization from the said wellsite. No charges will be payable outside the callout period.**

**2.0 MOBILISATION:**

2.1 The mobilization of equipment along with all accessories and personnel shall be completed by Contractor **within 45 days from the date of issuance of mobilization callout notice after issuance of LOA.** Mobilization shall be deemed to be completed when Contractor’s all equipment (as listed in Section-II) and manpower (approved by OIL) are placed at well site and in readiness to undertake operation as envisaged under the Contract duly certified by the Company’s authorized representative.

2.2 Contractor shall issue a Notice of Readiness for Inspection to the Company. Company shall inspect the Contractors Equipment within 5 (five) days of receipt of the Contractors Notice of Readiness for Inspection.

If the Company fails to inspect the Contractors Equipment within 5 (five) days from the receipt of Notice of Readiness for Inspection, the Contractor’s Equipment’s shall be deemed to be Inspected.

2.3 **COMPLETION OF DEMOBILISATION:** Demobilization shall be completed by Contractor within 60 days of expiry / termination of the contract. After the completion of work, all equipment, accessories etc. brought into India on re-export basis shall be re-exported by Contractor except consumables and spares. In case of failure to do so in the allotted time hereof except under circumstances relating to Force Majeure, company reserves the right to withhold the estimated amount equivalent to the customs duty and/or penalty leviable by customs on such default in re-export from Contractor’s final settlement of bills. In the event all / part of the equipment etc. are transferred by Contractor within the country to an area where no nil customs duty is applicable and/or sold to a third party after obtaining permission from company and other appropriate government clearances in India, then Contractor shall be fully liable for payment of the customs duty.

2.4 The contractor shall collect well data available with KG Basin Project, OIL and carry out detailed designing for the Hydro-fracturing operation within 3 weeks from the date of issuance of LOA.

**3.0 CONTRACTOR’S PERSONNEL:**

3.1 Except as otherwise hereinafter provided the selection, replacement, and engagement; Contractor shall determine remuneration of Contractor’s personnel. Such employees shall be solely of Contractor’s employees. Contractor shall ensure that its personnel will be competent and efficient. However, the Contractor shall provide details of experience, qualification and other relevant data of the personnel to be deployed for scrutiny and clearance by the company before the actual deployment. The Contractor

shall not deploy its personnel unless cleared by the company.

- 3.2 Contractor's Personnel: Contractor shall provide all manpower for necessary supervision and execution of all work under this contract to company's satisfaction except where otherwise stated. The minimum number of key personnel to be deployed is mentioned in this document.
- 3.3 The following Key personnel, required for execution of the contract shall have to be deployed by the Contractor. The Contractor shall be required to furnish certificates of experience of the personnel deployed by them.

**a) POSITION - Project Coordinator**

**NUMBER OF PERSONNEL** - 1(One)

**QUALIFICATION** - Degree in any of the following discipline (Petroleum Technology, Mechanical, Chemical Engineering)

**MINIMUM EXPERIENCE** - Minimum 10 years international fracturing stimulation experience in particular and production enhancement experience in general. Office based at Kakinada to liaise with Company regularly. Acting as project manager for the whole campaign.

**b) POSITION - Fracturing Engineer**

**NUMBER OF PERSONNEL** - 1(One)

**QUALIFICATION** - Degree in any of the following discipline (Petroleum Technology, Mechanical, Chemical Engineering)

**MINIMUM EXPERIENCE** - Minimum of 4(four) years of experience in oil field operation out of which a minimum of 3(three) years has to be in hydro-fracturing operation. He must have worked in senior capacity as an Oilfield Engineer for a minimum period of at least 2(two) years. He must be well versed with all aspects of hydro-fracking operations including data analysis and job design, material selection, handling of surface and sub surface equipment, analysis of results and trouble shooting.

**c) POSITION - Fracturing Supervisor**

**NUMBER OF PERSONNEL** - 1(One)

**MINIMUM EXPERIENCE** - Minimum of 4(four) years of experience in oil field operation, out of which a minimum of 3 (three) years' experience in Hydro-fracturing operation.

**d) POSITION - Fluid Lab Technician**

**NUMBER OF PERSONNEL** - 1(One)

**MINIMUM EXPERIENCE** - Minimum of 4(four) years of experience in oil field operation, out of which a minimum of 3 (three) years' experience in hydro-fracturing operation. Thorough practical knowledge on fracturing fluids and materials. On the job fluids QAQC.

**e) POSITION - Mechanic & Electronic Technician**

**NUMBER OF PERSONNEL** - 2(Two) (1 each)

**MINIMUM EXPERIENCE** - Minimum 3 years' experience in fracturing stimulation equipment's. Performed routine maintenance during pre-job, execution and post job. Maintain proper regular equipment's maintenance report to be provided with each job tickets and monthly rental ticket. Manage equipment spare parts minimum inventory at well site and order requirement

**f) POSITION - Completion Supervisor/Technician**

**NUMBER OF PERSONNEL** - 1(One)

**MINIMUM EXPERIENCE** - Minimum 3 years of experience in installation of permanent packer and bridge plugs.

**g) POSITION- Assistance Supervisor, Pump and Blender Operator**

**NUMBER OF PERSONNEL** - 2(Two)

**MINIMUM EXPERIENCE** - Minimum 3 years' experience in fracturing stimulation Capable to run respective fracturing equipment's.

**h) Position: Helpers**

**NUMBER OF PERSONNEL** - 2(Two)

**MINIMUM EXPERIENCE** - Minimum 3 years' experience in fracturing stimulation Capable to run respective fracturing equipment's.

**Note:**

The above list of key personnel indicates the minimum requirement. The Contractor will need to make provisions for additional manpower that may be required for execution of the Contract smoothly. The detailed bio-data of the personnel and the number of additional personnel planned to be deployed shall be submitted with the technical bids.

- 3.4 The Contractor shall have a base office at Base camp at Kakinada to be manned by competent personnel, who shall act for the Contractor in all matters relating to Contractor's obligations under the contract.
- 3.5 The Contractor's representative shall have all power requisite for performance of the Work. He shall liaise with the Company's representative for the proper co-ordination and timely completion of the job and on any other matters pertaining to the job.
- 3.6 The Expatriate personnel of the Contractor shall possess a MHA (Ministry of Home Affairs) clearance and the Contractor shall ensure that the MHA clearance is obtained at his own responsibility and cost prior to any expatriate personnel mobilized to the field.
- 3.7 Personnel provided by the Contractor shall observe all safety and statutory norms applicable to the Company.
- 3.8 If the Contractor plans to change any personnel from the list, the Contractor shall notify Company in advance of the intended change and give Company the above mentioned particulars of the new person. Company reserves the right to reject any person on such list, and any subsequent changes to the list. A notice period of one week shall be given to mobilize personnel.
- 3.9 An undertaking from all the personnel as per Performa **(ANNEXURE-III)** shall be forwarded after deployment of manpower prior to mobilization.

**4.0 CONTRACTOR'S ITEMS:**

Contractor shall provide all Petroleum Oil and Lubricants (POL) for operation of Contractor's equipment both at well site and camp site at Contractor's cost. There shall be no escalation in the day rates and others throughout the duration of the contract including extension, if any, on account of any price increase in fuel/lubricants.

**5.0 CONTRACTOR'S SPECIAL OBLIGATIONS:**

- 5.1 It is understood that Contractor is an independent party and that neither it nor its employees and its subcontractors are employees or agents of Company.
- 5.2 Compliance with Company's Instructions: Contractor shall comply with all instructions of Company consistent with the provision of this Contract, but not limited to Hydro-Fracturing program, safety instructions, confidential nature of information etc. Such instructions shall, if Contractor requests, be confirmed in writing by Company's representative.
- 5.3 **WELL RECORDS**: Contractor shall keep/provide the record of operation on daily basis of each well to the Company's Representative.
- 5.4 Contractor shall provide the list of items if any to be imported in the format specified in **Proforma-A** for issuance of recommendatory letter to Directorate General of Hydrocarbons (DGH), New Delhi for clearance of equipment from Indian customs at concessional (nil) rate of customs duty.
- 5.5 Contractor shall arrange for inland transportation of all equipment, etc. from the port to the place of work and back at the end of the work at their own expense. Arrangement of Road Permits and payment of State Entry Tax for bringing equipment/material to Work place shall be Contractor's responsibility.
- 5.6 In case the Contractor imports the equipment etc. on re-export basis, the Contractor shall ensure for re-export of the equipment and all consumables and spares (except those consumed during the contract period) and complete all documentation required. Company will issue necessary certificates etc. as required. The Contractor should arrange for re-export of equipment within 60 days of notice of demobilization issued by the Company. If the re-export is not completed within the specified period, the company shall in no way be responsible for the additional custom duty/penalty etc imposed by Indian government. The company reserves the right to withhold the payment till all such equipment are exported back and the site/base camp cleared off. Customs duty, penalty etc. levied by customs authorities for such delay shall be to Contractor's account and the same will be deducted by the Company from Contractor's bills and security deposit.

**6.0 FOOD, ACCOMMODATION, TRANSPORTATION AND MEDICAL FACILITY AT WELL SITE AND CAMP SITE**

- 6.1 Contractor shall provide Accommodation, food & services for all its own & its sub-contractor's personnel.
- 6.2 Transportation of Contractor's personnel from base camp to work place will be arranged by Contractor.
- 6.3 Medical Facilities: The Contractor shall arrange for medical facilities for their personnel.

**7.0 CONTRACTOR'S ITEMS**

- 7.1 Contractor shall provide equipment and personnel to perform the services under the contract as specified in this document.

- 7.2 Contractor shall be responsible for maintaining at its own adequate stock levels of items including spares and replenishing them as necessary.
- 7.3 Contractor shall be responsible for the maintenance and repair of all equipment and will provide all spare parts, materials, consumables etc. during the entire period of the contractual period.
- 7.4 Contractor will provide all POL for operation of Contractor's equipment both at well-site and campsite at Contractor's cost. There shall be **no escalation** in the day rates and others throughout the duration of the contract including extension, if any, on account of **any price increase in fuel / lubricants**. Only acid along with other chemicals/inhibitors for carrying out the job successfully will be provided by the Company.
- 7.5 Contractor will provide necessary electricity at campsite.
- 7.6 Zero day rate with penalty as per clause 16.0 b) hereunder will be applicable for shutdown of well servicing operation on account of inadequate supply of Contractor's items, including but not limited to, POL, lubricants, personnel etc.

#### **8.0 CONDUCTING HYDRO-FRACTURING OPERATIONS**

- 8.1 The Contractor shall carry out all operations mentioned hereunder with due diligence in a safe and workmanlike manner and in accordance with accepted International Contractor field practices.
- 8.2 The Hydro-fracturing equipment's and all other equipment and materials to be provided by Contractor shall be in good working condition. The company reserves the right to check the relevant certificates of the equipment's, certifying the conditions of the equipment. The contractor needs to provide adequate certificates also certifying the quality of the consumables used in Hydro-fracturing job..
- 8.3 Contractor shall be solely responsible for the operation and maintenance of the Contractor's Hydro-fracturing equipment's.
- 8.4 Upon completion of an operation in a well, statement stating that the well has been completed in accordance with the terms of this contract and signed by the representatives of both Contractor and Company, will be made available to Company.
- 8.5 **Safety:** Contractor shall observe such safety/pollution control regulations in accordance with acceptable Contractor field practice and applicable Indian Laws such as Mines safety rules etc. Contractor shall take all necessary measures reasonably to provide safe working conditions and shall exercise due care & caution in preventing fire, pollution, explosion and blow out and maintain fire-fighting equipment in sound condition at all times during operation. Contractor shall conduct safety drills.
- 8.6 **Adverse Weather:** Contractor, in consultation with company, shall decide when, in the face of impending adverse weather conditions, to institute precautionary measures in order to safeguard the well, the equipment and personnel to the fullest possible extent.

- 8.7 AMENDMENTS OF COMPLETION PROGRAMME:** It is agreed that Contractor shall carry out Hydro-fracturing operations in accordance with the programme furnished to Company, which may be amended from time to time by reasonable modification as Company deems fit, in accordance with good Contractor field practices.
- 9.0 CONTRACTOR'S SPECIAL OBLIGATIONS**
- 9.1 It is expressly understood that Contractor is an independent Contractor and that neither it nor its employees and its subcontractors are employees or agents of company provided, however, company is authorized to designate its representative, who shall at all times have access to the Hydro-fracturing units, related equipment and materials and all records, for the purposes of observing, inspecting and designating the work to be performed hereunder by Contractor. The Contractor may treat company's representative at well site as being in charge of company's designated personnel at well site. The company's representative may, amongst other duties, observe, test, check and control implementation of Hydro-fracturing operations, equipment and inspect works performed by contractor or examine records kept at well site by Contractor.
- 9.2 **Compliance with Company's Instructions:** Contractor shall comply with all instructions of Company consistent with the provision of this Contract, but not limited to well servicing programme, safety instructions, confidential nature of information, etc. Such instructions shall, if Contractor request, be confirmed in writing by company's representative.
- 9.3 **Well Records:** Contractor shall keep/provide the record of operation on daily basis of each well on to the Company's Representative.
- 9.4 **Confidentiality of Information:** All information obtained by Contractor in the conduct of operations hereunder shall be considered confidential and shall not be divulged by Contractor or its employees to anyone other than company's representative. This obligation of Contractor shall be in force even after the termination of the Contract.
- 9.5 Contractor should provide the list of items to be imported in the format specified in Proforma-A for issuance of recommendatory letter to Directorate General of Hydrocarbons (DGH), New Delhi for clearance of equipment from Indian customs at concessional (nil) rate of customs duty.
- 9.6 Contractor shall arrange for inland transportation of all equipment, etc. from the port to the place of work and back at the end of the work at their own expense. Arrangement of Road Permits and payment of State Entry Tax for bringing equipment/material to Work place shall be Contractor's responsibility. Company will provide necessary Essential Certificate, if required.
- 9.7 In case the Contractor imports the equipment etc. on re-export basis, the Contractor shall ensure for re-export of the equipment and all consumables and spares (except those consumed during the contract period) and complete all documentation required. Company will issue necessary certificates etc. as required. The Contractor should arrange for re-export of equipment within 60 days of notice of demobilization issued by the Company. If the re-export is not completed within the specified period,

customs duty, penalty etc. levied by customs authorities for such delay shall be to Contractor's account and same will be deducted by the Company from Contractor's bills and security deposit.

**10.0 LOSS / DAMAGE TO HOLE & EQUIPMENT:**

**10.1 LOSS OR DAMAGE TO HOLE/INCLUDING FISHING OPERATION:**

- (a) OIL shall be liable for the cost of regaining control of any well, blowout, as well as the cost of removal of debris, and indemnify contractor.
- (b) In the event, the well is damaged by dropping of any tool/ tubing/fish or any reason of willful acts or contractor's gross negligence or other legal fault, contractors liability shall be to carry out the operations as required for completion of the well to the reasonable satisfaction of company at contractor's cost limited to his services only i.e. zero rate will be applicable for the entire fishing operation.
- (c) For any other reasons not attributable to contractor:

The contractor will be eligible for quoted Standby Day Rate Charges (as mentioned in Sl no 5 of Proforma-B) from start of such fishing operation for the initial 36 hours only, which will be followed by 50% of the quoted Standby Day Rate Charges (as mentioned in Sl no 5 of Proforma-B) for the remaining period of such fishing operation. All relevant fish retrieval tools (related to contractors downhole equipment /tools) along with supervision for fish recovery shall be the scope of the contractor.

The contractor shall provide retrieving/fishing tools for their non-standard size tubulars / sub-surface equipment/ tools along with suitable adaptors. In the event, the well is damaged by dropping of any tool/fish or any reason of wilful acts or Contractor's gross negligence, Contractor's liability shall be to carry out the operations as required for rectification of damage of the well to the reasonable satisfaction of company at Contractor's cost. However, no rate will be payable during the period.

**10.2 DAMAGE OR LOSS OF THE HYDROFRACTURING UNITS:**

- a) The Contractor shall at all times be solely responsible for any damage to or loss or destruction of the Hydro-fracturing Units and its other property irrespective of how such loss, damage or destruction is caused, and even if caused by the negligence of the agents, nominees, assignees, Contractors and subcontractor, and Contractor shall hold harmless and indemnify the Company from and against any expenses, loss or claim related to or resulting from such loss, damages or destruction.
- b) If the Hydro-fracturing Unit is declared to be a total loss and/or construed to be total loss, as determined by the applicable insurance coverage and the Contractor fail to replace the damaged unit(s) with the similar unit(s), this contract shall terminate in respect of the Hydro-fracturing Unit(s) as of the occurrence of the event causing such loss and each party shall thereupon be released of all further obligations hereunder in respect of that Hydro-fracturing Unit(s), except for its payment of money then due or liabilities to be charged in respect of work already done under this contract in respect of that Hydro-fracturing Unit(s). However, replacement for the damaged unit(s) shall be made within the stipulated time as mutually agreed.



**10.3 LOSS OR DAMAGE OF SUB-SURFACE EQUIPMENT:**

Notwithstanding any provision under this contract to the contrary, Company shall assume liability except in the event of Wilful Misconduct or Gross Negligence on the part of the contractor for loss or damage to the contractor's sub-surface equipment/ downhole tools in hole below rotary table, attributable to the company, subject to conditions prescribed herein below. Company shall at its option either reimburse the contractor for the value of lost equipment/ tool as declared in the import invoices at the time of mobilization or subsequent replacement/ addition of the same equipment/ tool or CIF value whichever is lower for any such loss or damage, less depreciation @ 3% per month from the date of start of the contract up to a maximum depreciation equivalent to 50% of CIF value as indicated by the contractor or at its option to replace similar equipment/ tools and any transportation expenses incurred in connection herewith. All such cost shall be payable by Company only after contractor undertakes in prescribed format **(FORMAT X)** that the particular equipment/ tool in question is not covered by contractor's insurance. For any such loss/damage, the contractor must notify the Company in writing within one month from the date of the lost tool and claim thereof must be made within six months of the date of the lost tool or before expiry of the Contract, whichever is earlier. The inspection of recovered tools/ equipment from downhole needs to be made by the Company Representative before submission of the invoice by contractor and the possession will be taken over by company if declared not reusable by the contractor.

OIL shall certify the Loss/Damage in Hole immediately upon receiving the intimation from the Contractor, so that replacement and claiming of Loss/Damage can be done within the stipulated time.

Note: No Mobilization cost would be payable towards replacement of LIH tools.

**11.0 BLOWOUT AND POLLUTION**

**11.1 BLOWOUT OR CRATER:** While carrying out any Hydro-fracturing operation, if any blowout or crater occurs due to gross negligence of contractor, contractor should take urgent necessary action to bring the well under control. If the bidder fails to control such situation and if OIL or any other third party is engaged, the contractor shall bear the cost and expenses incurred thereon as mutually agreed upon and shall indemnify and hold company harmless in this regard. This provision is not to be interpreted as company assuming any liability for loss of property, damages, loss of life or injuries caused by such a blowout, except as otherwise provided under the terms and conditions of the contract.

**11.2 POLLUTION AND CONTAMINATION:** Contractor shall assume all responsibility and liability for cleaning up and removal of pollution or contamination which originates above the surface from spills of fuels, lubricants etc. wholly in Contractor's possession and control and/or directly associated with Contractor's equipment and facilities. The Company shall assist the Contractor in providing the suitable site for safe disposal of such contamination.

**12.0 CONFIDENTIALITY:** Contractor agrees to be bound by professional secrecy and undertake to keep confidential any information obtained during the conduct of well operations, including, but not limited to, formations encountered, testing and surveying of the well. And to take all-reasonable steps to ensure the contractor's personnel likewise keep such information confidential.

12.1 This obligation shall keep in force even after the termination date and until such information will be disclosed by company.

12.2 Contractor shall handover to company all company's documents or drafts concerning operations carried out and which are still in its possession before transferring the equipment's /Unit to another sphere.

12.3 Contractor shall forbid access to the equipment's /Unit to any people not involved in the well operations or not authorized by the company to have access to the equipment's /Unit, however, this provision is not applicable to any Government and/or police representative on duty.

**13.0 RIGHTS AND PRIVILEGES OF COMPANY:** Company shall be entitled –

13.1 To check the Hydro-fracturing Unit and other Contractor's items before the commencement of operation. If they are not found in good order or do not meet specifications as per Section- II or in case of non-availability of some of the Contractor's items listed therein, the contractor may not be allowed for commencement until the contractor has remedied such default.

13.2 To approve the choice of sub-contractors for any essential third party contract, concerning materials, equipment, personnel and services to be rendered by Contractor. Sub-contract may be entered into by Contractor only after company's approval.

13.3 To check, at all times, Contractor's stock level, to inspect Contractor's equipment and request for renovation or replacement thereof, if found in unsatisfactory condition or not conforming to regulations or specifications.

13.4 To order suspension of operations while and whenever:

- a) Contractor's personnel is deemed by company to be not satisfactory, or
- b) Contractor's equipment does not conform to regulations or to the specifications laid down in the Contract.
- c) Contractor's equipment turns into a danger to personnel on or around the Hydro-frac unit or to the well, or
- d) Contractor's insurance in connection with the operations hereunder is found by company not to conform to the requirements set forth in the contract.
- e) Contractor fails to meet any of the provisions in the contract.
- f) Any shortage in key/additional (compulsory) personnel and inadequacy of other personnel.

**14.0 EMERGENCY**

The Company shall be entitled in emergency (the existence of which shall be determined by Company) at its own discretion, to direct Contractor's equipment and personnel if Company's interest will demand so.

**15.0 HEADINGS:** The headings of the clauses of the contract are for convenience only and shall not be used to interpret the provisions hereof.

**16.0 PENALTY:**

16.1 Contractor shall be liable for PENALTY for any delay in timely execution of individual jobs beyond the stipulated time period (to be fixed at the time of assigning the job and shall be mentioned in the individual work-order) resulting out of any of the following reasons:

- I. Delay in reporting to well site
- II. Failure of Contractor's equipment(s) beyond 2 hrs in a day
- III. Non availability of consumables and/or Contractor's personnel
- IV. Any other reasons attributable to Contractor

In such cases the Penalty shall be levied to the contractor at a rate of 15% of the per well hydro-fracturing job execution charges in addition to zero rate for delay of each day. Zero rate will be applicable the period of penalty.

16.2 In case of inordinate delays attributable to the Contractor in any well, the Company also reserves the right to discontinue Hydrofracturing operations in the well in which case no charge for that well shall be payable to Contractor. Company's decision in such matters shall be final and binding on the Contractor.

**17.0 SHIFTING OF EQUIPMENT**

17.1 Contractor shall take utmost care for the shifting of the equipment from the base camp to the first location and/or subsequent location(s) and back to the base camp within the specified time. The essence of time is important in this contract. The excess of the stipulated time attracts penalty as mentioned in **Clause No. 16.0 under Special Conditions of Contract, Section- III.**

17.2 The shifting of Hydro-fracturing equipment will include the clearing of well site from all materials, parts of equipment etc. and made free from all pollution.

**18.0 DISCIPLINE**

The Contractor shall maintain strict discipline and good order among their employees and their Sub-contractors (if any) and shall abide by and conform to all rules and regulations enforced by the Company. Should the Company feel with reasonable cause that the conduct of any of the Contractor's personnel is detrimental to Company's interests, the Company shall notify Contractor in writing the reasons for requesting removal of such personnel. The Contractor shall remove and replace such employees at their expense within 7 days from the time of such instruction given by the Company.

**19.0** The Contractor shall not make Company liable to reimburse the Contractor to the statutory increase in the wage rates of the contract labour appointed by the Contractor. Such statutory or any other increase in the wage rates of the contract labour shall be borne by the Contractor.

**20.0** Moreover, the Contractor should obtain and produce in advance before commencement of work, the following certificate / approvals:

- (i) Total manpower list
- (ii) All certificates as per applicable laws including Mines Acts.
- (iii) Regional Labour certificate, if required.

**21.0 ASSOCIATION OF COMPANY'S PERSONNEL**

- 21.1 Company may depute one or more than one representative (s) / engineer (s) to act on its behalf for overall co-ordination and operational management at location. Company's representative will be vested with the authority to order any changes in the scope of work to the extent so authorized and notified by the Company in writing. He shall liaise with the Contractor and monitor progress to ensure timely completion of the jobs. He shall also have the authority to oversee the execution of jobs by the Contractor and to ensure compliance of provisions of the contract.
- 21.2 Company's representatives shall have free access to all the equipment of the Contractor during operations as well as idle time for the purpose of observing / inspecting the operations performed by the Contractor in order to judge whether, in Company's opinion, the Contractor is complying with the provisions of the contract.
- 22.0 Company hereby acknowledges that the equipment and tools ("Equipment") that are owned and utilized by Contractor to perform its service obligations under the Contract shall be at all times be, handled and manned by the Contractor. Company shall not be entitled to use/operate/possess any of the Contractor's Equipment for providing Services under the Contract. To clarify that control, custody and possession of Contractor's equipment will always be with the Contractor.
- 23.0 While performing the Work for the Company, Contractor may utilize expertise, know-how and other intellectual capital (including intellectual property) and develop additional expertise, know-how and other intellectual capital (including intellectual property) which are Contractor's exclusive property and which Contractor may freely utilize in providing services for its other customers. Except where expressly and specifically indicated in writing, and in exchange for appropriate agreed payment, Contractor does not develop any intellectual property for ownership by Company, Contractor retains sole ownership of any such intellectual capital (including intellectual property) created by Contractor during the course of providing the Services.
- 24.0 All the clauses in this contract are limited to execution of this contract only and do not carry any precedence whatsoever for any OIL's such or similar tenders/contracts in future.

**25.0 RESPONSIBILITIES:**

The Contractor shall perform its obligations under this Contract, such that: The Services shall be rendered strictly in conformity with instructions of the Company, Applicable Laws, Directives, Clearances, Good Industry Practice, the Codes and Standards and this Contract; and The Contractor shall assume full responsibility for and shall ensure the proper, timely and expeditious performance of the Services in accordance with the Services Schedule and the Delivery of the Goods at the Site in accordance with the Delivery Schedule. Accordingly, the Contractor shall provide such necessary resources and experienced personnel having the requisite expertise for the purposes stated in this Contract. Except as otherwise expressly provided in this Contract, the Contractor agrees and acknowledges that it shall perform all of its obligations and responsibilities under this Contract at its own risk and Cost. The Contractor acknowledges and confirms that it shall be responsible for the Goods as a bailee thereof and shall accordingly fulfil its

obligations in accordance with the provisions of this Contract which will include, but not limited to the following:

Nothing in this Contract confers title or interest in the, in favour of the Contractor on any of its group companies and the Contractor shall make no claim regarding title or interest in the Goods;

This Contract does not create any pledge over the Goods in favour of the Contractor or vest the Contractor with any right of lien or any other Encumbrance over Goods, thus, at all times the ownership and title in the Goods is retained with the Company;

The Contractor shall not commit any act that results in and shall not permit the modification (save as reasonably necessary for the purpose of securing the safety thereof), sale, disposal, transfer of possession of or creation of any Encumbrance over the Goods at any time during which the Contractor has possession thereof, except upon receipt of instructions from the Owner to the contrary.

25.1 **Taxation**

The Company shall have the right to withhold the taxes from payments due to Contractor under the Contract to the extent that such withholding may be required by the applicable law or any government authority. The Company shall advise the Contractor of such requirement as soon as may be reasonably possible after the receipt by Company of instruction from the relevant authorities. Payment by company to the relevant government authority of the amount of money so withheld will relieve the Company from any further obligation to Contractor with respect to amount so withheld.

25.2 **Risk of Damage :**

Once the goods arrived at CIF [Indian] Port, the Contractor shall be responsible for any damage or loss arising to the goods. Contractor shall be responsible for obtaining insurance of goods in the name of Company and in case of any of damage or loss arising to the goods (includes expiry of shelf life) lying with the Contractor (which are owned by the Company), the Contractor shall be liable for the same subject to maximum value of goods (after deducting the insurance claim obtained by the Company).

**FORMAT-X**

Format that the particular equipment/ tool in question is not covered by contractor's insurance:

***ON THE OFFICIAL PAD OF THE CONTRACTOR TO BE EXECUTED BY THE  
AUTHORIZED SIGNATORY OF THE CONTRACTOR  
UNDERTAKING  
Ref Clause No. 10.3 of the SCC of the Contract***

I/We ..... the authorized signatory(s) of .....  
(Company or firm name with address) do hereby solemnly affirm and declare as under:-

- (1) That, my/our above Company/Firm has participated in the Tender IFB No. ....
- (2) That, our firm has been awarded with the contract no.....for .....
- (3) That, as required under Clause-9.0 of the GCC of the Contract, we have taken insurance to cover all risk in respect of our personnel, materials & equipment belonging to us or our sub contractor during the currency of the contract including the third party items/consumables.
- (4) That, I/we also declare that the tools / equipment which are below Rotary Table or in the well bore as stated under the clause 9.2 sub-clause (d) of General Condition of Contracts provided under the above tender are not covered under any Insurance Policies.
- (5) That, the statements made in above paras are true to the best of my/our knowledge and belief. That in case of the any of the above statement is found to be false/ incorrect/misleading at any point of time during the currency of the contract, OIL shall be at liberty to initiate necessary action against the Company/Firm in terms of the Contract.

Place...

Date:.....

SIGNATURE OF THE DECLARANT

**END OF SECTION III**

## **SECTION-IV**

### **SCHEDULE OF RATES**

The bidder shall quote their rates in the price bids as per the format given in Proforma-B. The quantities mentioned against each item in Price Bid Format /Price Schedule is for evaluation purposes only. **However, payment shall be made for the actual work done.**

#### **1.0 MOBILIZATION CHARGES**

- a) Mobilization charge as mentioned in the proforma B shall be payable one time on lump sum basis.
- b) Mobilization charges will be payable only when Mobilization is completed in all respect as per clause 2.2 of General Condition of the Contract.
- c) Mobilization charges cover all local and foreign cost to be incurred by the Contractor to mobilize the equipment to the appointed site and include all local and foreign taxes, port fees, inland transport etc., but excluding customs duty, which will be to the Company's account, if applicable on the items.
- d) The Company will provide all necessary documents as required for Customs Clearance only on receipt of request from the Contractor and all such request must be made by the Contractor well in advance so that the Company can make necessary arrangement for providing the documents in time without causing any delay for the Customs / Port Clearance.
- e) In the event of the Contractor quoting Mobilization charge above 7.5 % of the total contract value, only 7.5% of the contract value will be paid after successful completion of the mobilization and the remaining amount will be paid after successful completion of the contract.

#### **2.0 DEMOBILISATION CHARGES**

- a) The demobilization charges shall be payable one time on lump sum basis which include all charges towards demobilization of all contractor's equipment/tools and crew for Hydrofrack Operation from the site to contractor's base upon completion of the assignment of works under this contract is concluded to the satisfaction of Company. Company shall give 10 (ten) days' notice to contractor to commence demobilization.
- b) All contractual day rates/charges, whatsoever, on account of Contractor's Tools/Equipment/Spare/Accessories/manpower etc. under this contract shall cease to exist with effect from the day, time or event as to be notified in the de-mobilization notice issued by Company.
- c) Demobilization shall be completed by Contractor within 60 days of expiry / termination of the contract. Contractor will ensure that demobilization is completed within the aforesaid period. No charge whatsoever will be payable from the date of notice to demobilize.
- d) All charges connected with demobilization including all fees and taxes in relation thereto and insurance & freight on export outside India will be to Contractor's account.
- e) The contractor has to provide documentary evidence of re-exporting all the items exported under EC against the contract for payment of final demobilization.

### 3.0 **DESIGN FEES**

Design charges shall be inclusive of the following:

- Data analysis
- Method of optimization
- Operation parameters design
- Specific well sand control design & finalization of Hydro Frac programme.
- Result evaluation (Post Job)

### 4.0 **HYDROFRACTURING JOB EXECUTION CHARGES**

Hydro-fracturing job execution charges shall be payable on per well basis for execution of the hydro-fracturing job in a well. It will cater all charges for pre well completion job required for successful HF job like - packer setting / retrieval, supervision, and successful execution of the hydro-fracturing operation as per approved design including flow-back and production establishment.

### 5.0 **STANDBY DAY RATE CHARGES FOR SURFACE EQUIPMENT, HANDLING & RUNNING TOOL ALONGWITH MANPOWER**

- a. The Standby Day Rate Charge shall be payable from the date of completion of Mobilization, and when the tools/ equipment are not in operation and out of hole under the following conditions:
  - i. Contractor's equipment is defect free and ready to undertake operation but well is not ready.
  - ii. The Standby Day Rate Charge shall be applicable against temporary halt of operation due to repair/shut down of the tools and equipment. If the equipment is not brought into operation within Two Hrs. of shut down, it will be treated as Zero Rate as per Clause No. 9.0 below.
  - iii. Job is completed but the notice of demobilization/ Interim demobilization is not issued.
- b. The Standby Day Rate Charge will be considered on day rate basis for a day of 24 hrs. for any time in part thereof, the charges shall be computed on pro-rata basis.
- c. Standby Day Rate Charge shall **not be payable** to Contractor when the equipment's are in operation.
- d. **Standby Day Rate Charge shall not be more than 10% of Charges for per well Hydro fracturing Job Execution.**
- e. Standby charges will not be applicable if the reasons for such standby is attributable to the contractor.
- f. No Standby charges will be payable when the equipment's are in operations i.e. during operations only Operating Day Rate charges will be applicable.

If any equipment is not available in Operating condition, zero rate for the entire period of shut down will be applicable and penalty for that period will be applicable as per **Clause No 16.0 mentioned in Special Conditions of the Contract.**

### 6.0 **INTERIM DEMOBILIZATION and INTERIM MOBILIZATION CHARGES FOR ALL THE EQUIPMENT & PERSONNEL**

Interim De-mobilization & Re-mobilization charges will be applicable once interim demobilization notice is issued from the current well to till interim re-mobilization to the next well is completed upon receipt of notice from the



company. The charges will be payable on lump sum basis which will be inclusive of ILM charges for equipment & manpower. No Charges except 'Interim Demobilization and Interim Mobilization Charges' will be applicable once interim demobilization notice is issued till interim remobilization is completed. Interim Mobilization shall be completed within 7 days of issuance of interim remobilization notice.

**If interim remobilization notice is not served by OIL within 90 days of issuance of interim demobilization notice, then it will be deemed to be De-mobilized completely and final De-mobilisation charges as stated in point no-2.0 above will be applicable.**

**Interim De-mobilisation and Interim-Remobilisation charge will be payable only after re-mobilisation to the next location.**

**Note:**

**Also note that either charges against Sl no 6 or Sl no 7 of Priced Bid Format will be applicable at a time. This will be based on notice issued by the Company.**

**7.0 INTER LOCATION MOVEMENT CHARGES (I):**

- a) This will cover expenses incurred for disassembly and transfer of the Contractor's equipment from one location (after completion of a job) to the next location. The charge is on lump-sum basis of ILM.
- b) Distance between two locations is expected to be not more than 80 KM (Approximately).
- c) Movement to the first site will be covered under initial mobilization.

**8.0 COST OF CONSUMABLES -DOWNHOLE EQUIPMENT/TOOLS AND CHEMICALS INCLUDING PROPPANTS FOR HYDROFRACTURING**

These are charges of downhole equipment/tools(packers, SSD, X-Overs etc. as mentioned in SOW) and chemicals including proppants for hydro-fracturing per well for execution and completion of hydro-fracturing operation. The contractor shall estimate and submit the requirement of consumables, chemicals, additives, proppants and all sub surface equipment which will be used in the hole as consumables including their unit cost and total price. Payment of chemicals and other consumables shall be made on the basis of actual consumption as certified by Company's representative or quoted price, whichever is less.

**9.0 ZERO RATES**

Notwithstanding any provision in this Contract, no charges shall be payable for the period, the job or activity assigned to the Contractor is halted due to break-down of Contractor's tools/equipment, non-availability of key personnel or for any other reason whatsoever attributable to the Contractor.

**10.0 FORCE MAJEURE**

- 10.1 The Force majeure rate shall be payable during the first 15 days period of force majeure. No payment shall accrue to the Contractor beyond the first 15 days period unless mutually agreed upon. However, if either party decides for termination with 15 days' notice beyond the first 15 days, the rate of payment during 15 days' notice period shall be force majeure rate per day.

- 10.2 Payment towards 'Force Majeure' rate shall be 50% of Standby Day rate Charges. Payment shall be made considering 1(one) full 'Force Majeure' day = ½ (half) day Standby Dayrate Charge.

**END OF SECTION IV**

**PROFORMA - A**

**LIST OF ITEMS (EQUIPMENT, TOOLS, ACCESSORIES, SPARES & CONSUMABLE)**  
**TO BE IMPORTED IN CONNECTION WITH EXECUTION OF THE CONTRACT**  
**SHOWING CIF VALUE.**

Sl. No.	Item Description	Qty/Unit	Rate	Total	Freight & Insurance	CIF Value	Port & other charge	Landed Cost	Is it re-exportable? YES or NO	Year of Mfg.	HSN Code
A	B	C	D	$E = C \times D$	F	$G = F + E$	H	$I = G + H$	J	K	L

(1) The items which are not of consumable in nature and required to be re exported outside India after completion of the Contract should be indicated as "YES" in column "J".

(2) The items which are of consumable in nature should be indicated as "PARTLY" in column "J".

(3) For estimation of applicable customs duty, the bidders are required to indicate customs tariff code (i.e. HSN Code) of each item in column "L".

(4) At the time of bid submission, bidder may mention the indicative value as above. However, the detailed List of Items as per Proforma A shall be submitted by the successful bidder after the shipment of items."

**Authorized Person's Signature:** \_\_\_\_\_

**Name:** \_\_\_\_\_

**Seal of the Bidder:**

**PRICE SCHEDULE**

**Price schedule format for Hiring of Services for Hydraulic Fracturing of 2 (two) gas well (2HPHT or 2 Shallow or 1 HPHT + 1 shallow) on call out basis in OIL's operational area in KG Basin Project**

<b>TENDER NO:</b>							<b>Name of the Bidder</b>	
<b>TENDER DESCRIPTION :</b>							<b>Currency of Quote</b>	
Sl. No	Description of Job/ Item	Unit	Quantity	Rate (Per Unit)	Amount (Rate x Qty)	SAC/ HSN Code	QUOTED GST RATE IN Percentage	TOTAL (A) including GST rate
			a	b	c= axb		d	e= c + (%age of d on c)
<b>A</b>	<b>SERVICE PART (AT SITE)</b>							
1	Mobilisation Charge for Surface Equipment, Handling & running tool alongwith Manpower	Lump Sum	1					
2	De-Mobilisation Charge for Surface Equipment, Handling & running tool alongwith Manpower	Lump Sum	1					
3	Design Fees	Per Well	2					
4	Hydrofracturing Job Execution	Per Well	2					

5	Standby Day Rate Charges for Surface Equipment, Handling & running tool alongwith Manpower	Days	90					
6	Interim De-mobilization and Interim Remobilization charges for Surface Equipment, Handling & running tool alongwith Manpower	Lump Sum	1					
7	Inter-location movement charges	Lump Sum	1					
B	Cost of Consumables			Rate Per Well at Well Site*		SAC/ HSN Code	QUOTED GST RATE IN Percentage	
8	Downhole Equipment/tools and Chemicals including propants for Hydrofracturing	Per Well	2					
	Hiring of Services for Hydraulic Fracturing of 2 (two) gas well (2HPHT or 2 Shallow or 1 HPHT + 1 shallow) on call out basis in OIL's operational area in KG Basin Project					TOTAL(T) (Including GST)		
<b>Rate Per Well at Well Site* - The detail break up of the Cost considering all the related cost upto well site to be provided under Proforma B1 imported and/or Proforma-B1 indigenous.</b>								
<b>NOTE: 1) Total Amount against Mobilization Charges shall not be more than 7.5% of the Contract Value.</b>								
<b>2) Standby Day Rate Charges shall not be more than 10% of Charges for Hydrofracturing Job Execution.</b>								
<b>3) No Standby charges will be payable when the equipment's are in operations.</b>								
<b>4) Interim De-mobilization &amp; Remobilization charges will be applicable once interim demobilization notice is issued from the current well till interim re-mobilization to the next well is completed upon receipt of notice from the company. The charges will be payable on lump sum which will be inclusive of ILM charges for equipment &amp; manpower. No Charges except Charges in Sl. no 6 above will be applicable once interim demobilization notice is issued till interim remobilization is completed. Interim Mobilization shall be completed within 7 days of issuance of interim remobilization notice</b>								

<b>5) Either charges against Sl. no 6 or Sl. no 7 will be applicable at a time. This will be based on notice issued by the Company.</b>
<b>6) Cost Breakup of Supply Items to be provided vide Proforma B1 for Imported Materials and Indigenous Materials (as applicable)</b>
<b>7) Bidder to categorically mention the currency of the quote.</b>
<b>8) Procurement of Specific Goods: Earlier, there is no tax incidence in case of import of specified goods (i.e. the goods covered under List-34 of Customs Notification no. 12/2012-Cus dated. 17.03.2012 as amended). Customs duty is not payable as per the policy. However, under GST regime, IGST Plus GST compensation cess (if applicable) would be leviable on such imports. Bidders should quote GST as inclusive considering IGST component for the imported Materials portion while quoting their prices on destination basis.</b>
<b>9) Unless stated otherwise in the Bidding Documents, the Contract shall be for the whole works as described in Bidding Documents, based on the rates and prices submitted by the Bidder and accepted by the Employer. The price/rate(s) quoted by the Bidders will be inclusive of all taxes except GST(i.e. IGST or CGST and SGST/UTGST applicable in case of interstate supply or intra state supply respectively and Cess on GST , if applicable) on the final services. However, GST rate (including cess) to be provided in the respective places in the Price Bid.</b>
<b>10) Bidder should also mention the Harmonised System of Nomenclature (HSN) and Service Accounting Codes (SAC) at the designated place in SOR.</b>
<b>11) Price Bids shall be evaluated on overall lowest cost to OIL (L-1 offer) basis i.e. considering total quoted price for all services including GST(CGST &amp; SGST/UTGST or IGST).</b>
<b>12) OIL will prefer to deal with registered bidder under GST. Therefore, bidders are requested to get themselves registered under GST, if not registered yet. However, in case any unregistered bidder is submitting their bid, their prices will be loaded with applicable GST while evaluation of bid. Where OIL is entitled for input credit of GST, the same will be considered for evaluation of bid as per evaluation methodology of tender document.</b>
<b>13) Price Bid without giving any of the details of the taxes (Including rates and amounts) will be considered as inclusive of all taxes including GST. Bidders should quote for the Applicable GST Rate and mentioned the SAC/HSN code in the respective places in the Priced Bid. When a bidder mentions taxes as extra without specifying the rates &amp; 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 contract/order on that bidder, taxes mentioned by OIL on the Purchase Order/ Contracts will be binding on the bidder.</b>
<b>14) 0(zero) % Input Tax Credit on GST (Goods &amp; Service Tax) is available to OIL &amp; the same shall be considered for the Purpose of evaluation.</b>

## Proforma-B1 (Imported)

Cost of Consumables - Downhole Equipment/tools and Chemicals including propants for Hydrofracturing - Imported Items											Currency of Quote	
S. No.	Consumables (Imported Items)	Total No of Wells	Qty (as per design)	UNIT	Unit Rate	HSN/ SAC code	Unit F.O.B Rate	Unit C.I.F Value(for Port of Import)	Landing Charge [Incl. applicable Taxes (IGST/GST etc.) and duties]	Inland Transportation & Insurance Charges up to Well Site [Incl. applicables Taxes (IGST/GST etc.) and duties]	Total Well Site Rate per Well for PEL/ML Area(G)	Total cost For Total No. of Wells
			a		b		c	d	e	f	(a*b)+c+d+e+f	G*2
1	Hydraulic Fracturing of 2 (two) gas well (2HPHT or 2 Shallow or 1 HPHT + 1 shallow)	2 Wells	Quote as Quantity per Well									
A	Cost of Chemicals & Proppants											
		2										

[illegible]



## Proforma-B1 (Indigenous)

Cost of Consumables - Downhole Equipment/tools and Chemicals including propants for Hydrofracturings - Indigenous Items										Currency of Quote	
S. No.	Consumables (Imported Items)	Total No of Wells	Qty (as per design)	UNIT	HSN/SAC code	Unit Ex – Works Price	Unit P&F Charges	GST Rate (@ %)	Inland Transportation & Insurance Charges up to Well Site [Incl. applicables Taxes (IGST/GST etc.) and duties]	Total Well Site Rate per Well for PEL/ML Area (F)	Total Cost For Total No. of Wells
			a			b	c	d	e	$((a*b)+c)*(1+d/100)+e$	F*2
1	Hydraulic Fracturing of 2 (two) gas well (2HPHT or 2 Shallow or 1 HPHT + 1 shallow)	2 Wells	Quote as Quantity per Well								
A	Cost of Chemicals & Propants										
		2									

[illegible]

**BID FORM**

**To:**  
**EXECUTIVE DIRECTOR (KGB & BEP)**  
**OIL INDIA LIMITED,**  
**D.No.11-4-7; 3<sup>RD</sup> FLOOR**  
**NOOKALAMMA TEMPLE STREET**  
**RAMARAOPETA, KAKINADA-533004**  
**Andhra Pradesh, India**

**Sub: Tender No.** \_\_\_\_\_

Gentlemen,

Having examined the General Conditions of Contract and the Terms of Reference including all attachments thereto, the receipt of which is hereby duly acknowledged, we the undersigned offer to perform the services in conformity with the said conditions of Contract and Terms of Reference for the sum of \_\_\_\_\_ (Total Bid Amount in words and figures) or such other sums as may be ascertained in accordance with the Schedule of Prices attached herewith and made part of this Bid.

We undertake, if our Bid is accepted, to commence the work within (\_\_\_\_\_) days/months calculated from the date of issue of Letter of Award (LOA).

If our Bid is accepted, we will obtain the guarantee of a bank in a sum not exceeding \_\_\_\_\_ for the due performance of the Contract.

We agree to abide by this Bid for a period of 120 days from the date fixed for Bid opening and it shall remain binding upon us and may be accepted at any time before the expiration of that period or any extension to bid validity agreed by us.

Until a formal Contract is prepared and executed, this Bid, together with your written acceptance thereof in your Letter of Award shall constitute a binding Contract between us.

We understand that you are not bound to accept the lowest or any Bid you may receive.

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 20...

Name of the Authorized Signatory: \_\_\_\_\_  
Name of the Firm/Service Provider/Bidder: \_\_\_\_\_

**PROFORMA - D**

**CERTIFICATE OF COMPLIANCE WITH RESPECT TO BRC**

We \_\_\_\_\_(Name of the bidder) hereby confirm that all the conditions given in the Bid Rejection Criteria(BRC) of the Bid document of Tender No. ----- are acceptable to us and we have not made any deviations from the same or put forward any additional condition in our offer in this respect. It is also confirmed that the supporting documents with regard to Eligibility Criteria of the bidder, laid down in the Bid Document are duly submitted in the Envelope 'C' containing the Techno-commercial Bid.

Name of the Authorized Signatory: \_\_\_\_\_

Name of the Firm/Service Provider/Bidder: \_\_\_\_\_

**To be digitally signed by Bidder's Authorized signatory**

**PROFORMA-E****STATEMENT OF NON-COMPLIANCE (excepting BRC)  
(Only exceptions/deviations to be rendered)**

1.0 The Bidder shall furnish detailed statement of **exceptions/deviations excepting BRC**, if any, to the tender stipulations, terms and conditions in respect of each Section of Bid Document in the following format:

<b>Section No.</b>	<b>Clause No. (Page No.)</b>	<b>Non-Compliance</b>	<b>Remarks</b>

2.0 In addition to the above, the Bidder shall furnish detailed information pertaining to construction, operational requirements, velocity-pattern, added technical features, if any and limitations etc. of the Inspection Tool proposed to be deployed.

Name of the Authorized Signatory: \_\_\_\_\_

Name of the Firm/Service Provider/Bidder: \_\_\_\_\_

**Seal of the Bidder:**

**NOTE:** OIL INDIA LIMITED expects the bidders to fully accept the terms and conditions of the bid document. However, shall the bidders still envisage some exceptions/deviations to the terms and conditions of the bid document, the same shall be indicated as per above format and submit along with their bids. If the “**Statement of Non-Compliance**” in the above Proforma is left blank (or not submitted along with the Techno-commercial bid), then it would be construed that the bidder has not taken any exception/deviation to the tender requirements.

**To be digitally signed by Bidder’s Authorized signatory**

**PROFORMA - F**

**FORM OF BID SECURITY (BANK GUARANTEE)**

**OIL INDIA LIMITED,  
D.No.11-4-7;3rd Floor  
NOOKALAMMA TEMPLE STREET  
RAMARAOPETA, KAKINADA-533004  
Andhra Pradesh, India**

WHEREAS, (Name of Bidder) \_\_\_\_\_ (hereinafter called "the Bidder") has submitted their offer Dated \_\_\_\_\_ for the provision of certain oilfield services (hereinafter called "the Bid") against OIL INDIA LIMITED, Kakinada, AP, India (hereinafter called the Company)'s tender No.: \_\_\_\_\_.  
KNOW ALL MEN BY these presents that we (Name of Bank) \_\_\_\_\_ of (Name of Country) \_\_\_\_\_ having our registered office at \_\_\_\_\_ (hereinafter called "Bank") are bound unto the Company in the sum of ( \* ) for which payment well and truly to be made to Company, the Bank binds itself, its successors and assignees by these presents.

SEALED with the common seal of the said Bank this \_\_\_\_\_ day of \_\_\_\_\_ 20\*\*.

THE CONDITIONS of these obligations are:

1. If the Bidder withdraws their Bid within its original/extended validity; or
2. The Bidder modifies/revises their bid suomoto; or
3. The Bidder does not accept the contract; or
4. The Bidder does not furnish Performance Security Deposit within the stipulated time as per tender/contract; or
5. If it is established that the Bidder has submitted fraudulent documents or has indulged into corrupt and fraudulent practice.

We undertake to pay to Company up to the above amount upon receipt of its first written demand (by way of letter/fax/cable), without Company having to substantiate its demand provided that in its demand Company will note that the amount claimed by it is due to it owing to the occurrence of any of the conditions, specifying the occurred condition or conditions.

This guarantee will remain in force up to and including the date (\*\*) and any demand in respect thereof should reach the Bank not later than the above date.

The details of the Issuing Bank and Controlling Bank are as under:

**A. Issuing Bank:**

BANK FAX NO:  
BANK EMAIL ID:  
BANK TELEPHONE NO.:  
IFSC CODE OF THE BANK:

**B. Controlling Office:**

Address of the Controlling Office of the BG issuing Bank:  
Name of the Contact Person at the Controlling Office with Mobile No. and e-mail address:

\* The Bidder shall insert the amount of the guarantee in words and figures.

\*\* Date of expiry of Bank Guarantee shall be minimum 30 days after the end of the validity period of the Bid.

**PROFORMA - G**

**FORM OF PERFORMANCE BANK GUARANTEE**

**OIL INDIA LIMITED,  
D.No.11-4-7; 3rd Floor  
NOOKALAMMA TEMPLE STREET  
RAMARAOPETA, KAKINADA-533004  
Andhra Pradesh, India**

WHEREAS \_\_\_\_\_ (Name and address of Bidder) (hereinafter called "Bidder") had undertaken, in pursuance of Contract No. \_\_\_\_\_ to execute (Name of Contract and Brief Description of the Work) \_\_\_\_\_ (hereinafter called "the Contract").

AND WHEREAS it has been stipulated by you in the said Contract that the Bidder shall furnish you with a Bank Guarantee as security for compliance with Bidder's obligations in accordance with the Contract.

AND WHEREAS we (Name of Bank) \_\_\_\_\_ of (Name of Country) \_\_\_\_\_ having our registered office at \_\_\_\_\_ (hereinafter called "the Bank") have agreed to give the Bidder such a Bank Guarantee; NOW THEREFORE we hereby affirm that we are Guarantors on behalf of the Bidder, up to a total of (Amount of Guarantee in figures) \_\_\_\_\_ (in words \_\_\_\_\_), such amount being payable in the types and proportions of currencies in which the Contract price is payable, and we undertake to pay you, upon your first written demand and without cavil or argument, any sum or sums within the limits of guarantee sum as aforesaid without your needing to prove or to show grounds or reasons for your demand for the sum specified therein. We hereby waive the necessity of your demanding the said debt from the Bidder before presenting us with the demand.

We further agree that no change or addition to or other modification of the terms of the Contract or the work to be performed there under or of any of the Contract documents which may be made between you and the Bidder shall in any way cease us from any liability under this guarantee, and we hereby waive notice of such change, addition or modification.

This guarantee is valid until the date \_\_\_\_\_ (calculated 90 days after the Contract completion date).

The details of the Issuing Bank and Controlling Bank are as under:

**A. Issuing Bank:**

BANK FAX NO:  
BANK EMAIL ID:  
BANK TELEPHONE NO.:  
IFSC CODE OF THE BANK:

**B. Controlling Office:**

Address of the Controlling Office of the BG issuing Bank:  
Name of the Contact Person at the Controlling Office with Mobile No. and e-mail address:



SIGNATURE AND SEAL OF THE GUARANTORS \_\_\_\_\_

Designation \_\_\_\_\_

Name of Bank \_\_\_\_\_

Address \_\_\_\_\_

Witness \_\_\_\_\_

Address \_\_\_\_\_

\_\_\_\_\_  
(Signature, Name and Address)

Date: \_\_\_\_\_

Place: \_\_\_\_\_

**PROFORMA-H****CONTRACT FORM**

This Contract is made on \_\_\_\_ day of \_\_\_\_\_ between Oil India Limited, a Government of India Enterprise, incorporated under the Companies Act 1956, having its registered office at Duliajan in the State of Assam, hereinafter called the "Company" which expression unless repugnant to the context shall include executors, administrators and assignees on the one part, and M/s. \_\_\_\_\_ (Name and address of Contractor) hereinafter called the "Contractor" which expression unless repugnant to the context shall include executors, administrators and assignees on the other part,

WHEREAS the Company desires that Services \_\_\_\_\_ (brief description of services) shall be provided by the Contractor as detailed hereinafter or as Company may require;

WHEREAS, Contractor engaged themselves in the business of offering such services represents that they have adequate resources and equipment, material etc. in good working order and fully trained personnel capable of efficiently undertaking the operations and is ready, willing and able to carry out the said services for the Company as per Section-II attached herewith for this purpose and

WHEREAS, Company had issued a firm Letter of Award No. \_\_\_\_\_ dated \_\_\_\_\_ based on Offer No. \_\_\_\_\_ dated \_\_\_\_\_ submitted by the Contractor against Company's Tender No. ----- . All these aforesaid documents shall be deemed to form and be read and construed as part of this agreement/contract. However, shall there be any dispute arising out of interpretation of this contract in regard to the terms and conditions with those mentioned in Company's Bid Document and subsequent letters including the Letter of Intent and Contractor's offer and their subsequent letters, the terms and conditions attached hereto shall prevail. Changes, additions or deletions to the terms of the contract shall be authorized solely by an amendment to the contract executed in the same manner as this contract.

NOW WHEREAS, in consideration of the mutual covenants and agreements hereinafter contained, it is hereby agreed as follows –

1. In this Contract words and expressions shall have the same meanings as are respectively assigned to them in the General Conditions of Contract referred to.
2. In addition to documents herein above, the following Sections and Annexures attached herewith shall be deemed to form and be read and construed as part of this agreement viz.:
  - (a) Section-I indicating the General Conditions of Contract;
  - (b) Section-II indicating the Terms of Reference/Technical Specifications;
  - (c) Section-III indicating Special Conditions of Contract;
  - (d) Section-IV indicating the Schedule of Rates;

In the event of any contradiction between General Condition of Contract and Special Condition Contract, then the Special Condition of Contract shall prevail.

3. In consideration of the payments to be made by the Company to the Contractor as hereinafter mentioned, the Contractor hereby covenants with the Company to provide the Services and to remedy defects therein in conformity in all respect with the provisions of this Contract.
4. The Company hereby covenants to pay the Contractor in consideration of the provision of the Services and the remedying of defects therein, the Contract Price or such other sum as may become payable under the provisions of this Contract at the times and in the manner prescribed by this Contract.

IN WITNESS thereof, each party has executed this contract at Kakinada as of the date shown above.

Signed, Sealed and Delivered,

For and on behalf of  
Company (Oil India Limited)

for and on behalf of Contractor  
(M/s. \_\_\_\_\_)

Name:  
Status:

Name:  
Status:

In presence of

In presence of

- 1.
- 2.

- 1.
- 2.

**PROFORMA - I**

**PROFORMA LETTER OF AUTHORITY**

TO

**EXECUTIVE DIRECTOR (KGB&BEP)  
OIL INDIA LIMITED  
D.No.11-4-7; 3rd Floor  
NOOKALAMMA TEMPLE STREET  
RAMARAOPETA, KAKINADA-533004  
Andhra Pradesh, India**

Sir,

Sub: OIL's Tender No. \_\_\_\_\_

We \_\_\_\_\_ confirm that Mr. \_\_\_\_\_ (Name and address) is authorised to represent us to Bid, negotiate and conclude the agreement on our behalf with you against Tender Invitation No. \_\_\_\_\_ for hiring of services for \_\_\_\_\_.

We confirm that we shall be bound by all and whatsoever our said representative shall commit.

Yours Faithfully,

Signature: \_\_\_\_\_

Name & Designation: \_\_\_\_\_

For & on behalf of: \_\_\_\_\_

**Note:** This letter of authority shall be on printed letter head of the Bidder and shall be signed by a person competent and having the power of attorney (power of attorney shall be annexed) to bind such Bidder. If signed by a consortium, it shall be signed by members of the consortium.

**PROFORMA-J**

**AUTHORISATION FOR ATTENDING BID OPENING**

TO

Date: \_\_\_\_\_

**EXECUTIVE DIRECTOR (KGB&BEP)  
OIL INDIA LIMITED,  
D.NO.11-4-7; 3RD FLOOR  
NOOKALAMMA TEMPLE STREET  
RAMARAOPETA, KAKINADA-533004  
Andhra Pradesh, India**

Sir,

**Sub: OIL's Tender No. -----**

We authorize Mr. /Mrs. \_\_\_\_\_ (Name and address) to be present at the time of opening of the above Tender due on \_\_\_\_\_ on our behalf.

Yours Faithfully,

**Authorised Person's Signature:** \_\_\_\_\_

**Name:** \_\_\_\_\_

**Designation:** \_\_\_\_\_

**Seal of the Bidder:**

**Note:** This letter of authority shall be on printed letter head of the Bidder and shall be signed by a person who signs the bid.

**Annexure-I**

**INTEGRITY PACT**

Between  
Oil India Limited (OIL) hereinafter referred to as “The Principal”

And

----- hereinafter referred to as “The Bidder/Contractor”

**Preamble:**

The Principal intends to award, under laid down organizational procedures, contract/s for services under Tender **CEG7668L19**. The Principal values full compliance with all relevant laws and regulations, and the principles of economic use of resources, and of fairness and transparency in its relations with its Bidder/s and Contractor/s.

In order to achieve these goals, the Principal cooperates with the renowned international Non-Governmental Organisation “Transparency International” (TI). Following TI’s national and international experience, the Principal will appoint an external independent Monitor who will monitor the tender process and the execution of the contract for compliance with the principles mentioned above.

**Section: 1 -Commitments of the Principal**

**(1)** The Principal commits itself to take all measures necessary to prevent corruption and to observe the following principles:

1. No employee of the Principal, personally or through family members, will in connection with the tender for, or the execution of a contract, demand, take a promise for or accept, for him/herself or third person, any material or immaterial benefit which he/she is not legally entitled to.

2. The Principal will, during the tender process treat all Bidders with equity and reason. The Principal will in particular, before and during the tender process, provide to all Bidders the same information and will not provide to any Bidder confidential/additional information through which the Bidder could obtain an advantage in relation to the tender process or the contract execution.

3. The Principal will exclude from the process all known prejudiced persons.

**(2)** If the Principal obtains information on the conduct of any of its employees which is a criminal offence under the relevant Anti-Corruption Laws of India, or if there be a substantive suspicion in this regard, the Principal will inform its Vigilance Office and in addition can initiate disciplinary actions.

## **Section: 2 -Commitments of the Bidder/Contractor**

**(1)** The Bidder/Contractor commits itself to take all measures necessary to prevent corruption. He commits himself to observe the following principles during his participation in the tender process and during the contract execution.

1. The Bidder/Contractor will not, directly or through any other person or firm, offer, promise or give to any of the Principal's employees involved in the tender process or the execution of the contract or to any third person any material or immaterial benefit which he/she is not legally entitled to, in order to obtain in exchange any advantage of any kind whatsoever during the tender process or during the execution of the contract.

2. The Bidder/Contractor will not enter with other Bidders into any undisclosed agreement or understanding, whether formal or informal. This applies in particular to prices, specifications, certifications, Subsidiary contracts, submission or non-submission of bids or any other actions to restrict competitiveness or to introduce cartelization in the bidding process.

3. The Bidder/Contractor will not commit any offence under the relevant Anticorruption Laws of India; further the Bidder/Contractor will not use improperly, for purposes of competition or personal gain, or pass on to others, any information or document provided by the Principal as part of the business relationship, regarding plans, technical proposals and business details, including information contained or transmitted electronically.

4. The Bidder/Contractor will, when presenting his bid, disclose any and all payments he has made, is committed to or intends to make to agents, brokers or any other intermediaries in connection with the award of the contract.

**(2)** The Bidder/Contractor will not instigate third persons to commit offences outlined above or be an accessory to such offences.

**(3)** The Bidder/Contractor signing Integrity Pact shall not approach the Courts while representing the matters to IEMs and he/she will await their decision in the matter.

## **Section 3 -Disqualification from tender process and exclusion from future Contracts**

If the Bidder, before contract award has committed a transgression through a violation of Section 2 or in any other form such as to put his reliability or risibility as Bidder into question, the Principal is entitled to disqualify the Bidder from the tender process or to terminate the contract, if already signed, for such reason.

1. If the Bidder/Contractor has committed a transgression through a violation of Section 2 such as to put his reliability or credibility into question, the Principal is entitled also to exclude the Bidder/Contractor from future contract award processes. The imposition and duration of the exclusion will be determined by the severity of the transgression. The

severity will be determined by the circumstances of the case, in particular the number of transgressions, the position of the transgressions within the company hierarchy of the Bidder and the amount of the damage. The exclusion will be imposed for a minimum of 6 months and maximum of 3 years.

2. The Bidder accepts and undertakes to respect and uphold the Principal's Absolute right to resort to and impose such exclusion and further accepts and undertakes not to challenge or question such exclusion on any ground, including the lack of any hearing before the decision to resort to such exclusion is taken. This undertaking is given freely and after obtaining independent legal advice.

3. If the Bidder/Contractor can prove that he has restored/recouped the Damage caused by him and has installed a suitable corruption prevention system, the Principal may revoke the exclusion prematurely.

4. A transgression is considered to have occurred if in light of available evidence no reasonable doubt is possible.

5. Integrity Pact, in respect of a particular contract, shall be operative from the date Integrity Pact is signed by both the parties till the final completion of the contract **or as mentioned in Section 9- Pact Duration whichever is later**. Any violation of the same would entail disqualification of the bidders and exclusion from future business dealings

#### **Section 4 -Compensation for Damages**

1. If the Principal has disqualified the Bidder from the tender process prior to the award according to Section 3, the Principal is entitled to demand and recover from the Bidder liquidated damages equivalent to Earnest Money Deposit / Bid Security.

(2) If the Principal has terminated the contract according to Section 3, or if the Principal is entitled to terminate the contract according to Section 3, the principal shall be entitled to demand and recover from the Contractor liquidated damages equivalent to Security Deposit / Performance Bank Guarantee.

3. The bidder agrees and undertakes to pay the said amounts without protest or demur subject only to condition that if the Bidder/Contractor can prove and establish that the exclusion of the Bidder from the tender process or the termination of the contract after the contract award has caused no damage or less damage than the amount or the liquidated damages, the Bidder/Contractor shall compensate the Principal only to the extent of the damage in the amount proved.

#### **Section 5 -Previous transgression**

1. The Bidder declares that no previous transgression occurred in the last 3 years with any other Company in any country conforming to the TI approach or with any other Public Sector Enterprise in India that could justify his exclusion from the tender process.



2. If the Bidder makes incorrect statement on this subject, he can be disqualified from the tender process or the contract, if already awarded, can be terminated for such reason.

**Section: 6 -Equal treatment of all Bidders/Contractor/Subcontractors**

1. The Principal will enter into Pacts on identical terms with all bidders and contractors.
2. The Bidder / Contractor undertake(s) to procure from all subcontractors a commitment in conformity with this Integrity Pact. The Bidder/Contractor shall be responsible for any violation(s) of the provisions laid down in this agreement/Pact by any of its sub-contractors/sub-vendors.
3. The Principal will disqualify from the tender process all bidders who do not sign this Pact or violate its provisions.

**Section: 7 -Criminal charges against violating Bidders/Contractors/Subcontractors**

If the Principal obtains knowledge of conduct of a Bidder, Contractor or Subcontractor, or of an employee or a representative or an associate of a Bidder, Contractor or Subcontractor, which constitutes corruption, or if the Principal has substantive suspicion in this regard, the Principal will inform the Vigilance Office.

**Section: 8 -External Independent Monitor/Monitors**

1. The Principal appoints competent and credible external independent Monitor for this Pact. The task of the Monitor is to review independently and objectively, whether and to what extent the parties comply with the obligations under this agreement.
2. The Monitor is not subject to instructions by the representatives of the parties and performs his functions neutrally and independently. He reports to the Chairperson of the Board of the Principal.
3. The Contractor accepts that the Monitor has the right to access without restriction to all Project documentation of the Principal including that provided by the Contractor. The Contractor will also grant the Monitor, upon his request and demonstration of a valid interest, unrestricted and unconditional access to his project documentation. The same is applicable to Subcontractors. The Monitor is under contractual obligation to treat the information and documents of the Bidder/Contractor/Subcontractor with confidentiality.
4. The Principal will provide to the Monitor sufficient information about all meetings among the parties related to the Project provided such meetings could have an impact on the contractual relations between the Principal and the Contractor. The parties offer to the Monitor the option to participate in such meetings.
5. As soon as the Monitor notices, or believes to notice, a violation of this agreement, he will so inform the Management of the Principal and request the Management to discontinue or heal the violation, or to take other relevant action. The monitor can in this regard submit non-binding recommendations. Beyond this,

the Monitor has no right to demand from the parties that they act in a specific manner, refrain from action or tolerate action. However, the Independent External Monitor shall give an opportunity to the bidder / contractor to present its case before making its recommendations to the Principal.

6. The Monitor will submit a written report to the Chairperson of the Board of the Principal within 8 to 10 weeks from the date of reference or intimation to him by the 'Principal' and, should the occasion arise, submit proposals for correcting problematic situations.

7. If the Monitor has reported to the Chairperson of the Board a Substantiated suspicion of an offence under relevant Anti-Corruption Laws of India, and the Chairperson has not, within reasonable time, taken visible action to proceed against such offence or reported it to the Vigilance Office, the Monitor may also transmit this information directly to the Central Vigilance Commissioner, Government of India.

8. The word 'Monitor' would include both singular and plural.

#### **Section:9 -Pact Duration**

This Pact begins when both parties have legally signed it. It expires for the Contractor 12 months after the last payment under the respective contract, and for all other Bidders 6 months after the contract has been awarded.

If any claim is made/ lodged during this time, the same shall be binding and continue to be valid despite the lapse of this pact as specified above, unless it is discharged/determined by Chairperson of the Principal.

#### **Section:10 -Other provisions**

1. This agreement is subject to Indian Law. Place of performance and jurisdiction is the Registered Office of the Principal, i.e. New Delhi. The Arbitration clause provided in the main tender document / contract shall not be applicable for any issue / dispute arising under Integrity Pact.

2. Changes and supplements as well as termination notices need to be made in writing. Side agreements have not been made.

3. If the Contractor is a partnership or a consortium, this agreement must be, signed by all partners or consortium members.

4. Should one or several provisions of this agreement turn out to be invalid, the remainder of this agreement remains valid. In this case, the parties will strive to come to an agreement to their original intentions.

A.BARUAH

.....  
**(For the Principal)**

.....  
**for the Bidder/Contractor**

Place .Kakinada  
Date:11.04.2018

Witness 1 : .....  
Witness 2 : .....

**Annexure II****Bio-Data and Experience of Personnel**

Name:

Present Address:

Home Address:

Nationality:

Date of Birth:

Educational Qualification:

Certifications:

Job Experience:

	<b>From Date</b>	<b>To Date</b>	<b>Name of Organization</b>	<b>Client/ Project</b>	<b>Type of wells drilled</b>	<b>Worked as</b>

1	:
2	:
3	:
4	:
5	:
6	:
7	:
8	:
9	:
10	:

NOTE: TO ATTACH ALL SUPPLEMENTARY DOCUMENTS.

**SIGNATURE OF THE BIDDER**

**Annexure-III**

**PROFORMA UNDERTAKING FROM CONTRACTOR'S PERSONNEL**

I \_\_\_\_\_ S/o \_\_\_\_\_ having permanent residence at \_\_\_\_\_ Dist. \_\_\_\_\_ am working with M/s. \_\_\_\_\_ as their employee. Now, I have been transferred by M/s. \_\_\_\_\_ for carrying out the contract job under Contract No. \_\_\_\_\_ which has been awarded in favour of my employer M/s. \_\_\_\_\_.

I hereby declare that I will not have any claim for employment or any service benefit from OIL by virtue of my deployment for carrying out contract job in OIL by M/s. \_\_\_\_\_.

I am an employee of \_\_\_\_\_ for all practical purposes and there is no privity of Contract between OIL and me.

-----  
**Signature**

Place:

Date:

1. NAME: .....  
DESIGNATION:.....  
DATE:.....

2. NAME: .....  
DESIGNATION:.....  
DATE:.....

**FORMAT OF AGREEMENT BETWEEN BIDDER AND THEIR PARENT COMPANY/ 100% SUBSIDIARY COMPANY (As the case may be)**

**(TO BE EXECUTED ON STAMP PAPER OF REQUISITE VALUE AND NOTORISED)**

This agreement made this \_\_\_\_ day of \_\_\_\_ month \_\_\_\_ year by and between M/s. \_\_\_\_\_ (Fill in the Bidder's full name, constitution and registered office address) hereinafter referred to as bidder on the first part and M/s. \_\_\_\_\_ (Fill in full name, constitution and registered office address of Parent Company/Subsidiary Company, as the case may be) hereinafter referred to as "Parent Company/ Subsidiary Company (Delete whichever not applicable)" of the other part:

**WHEREAS**

M/s. Oil India Limited (hereinafter referred to as OIL) has invited offers vide their tender No. \_\_\_\_\_ for \_\_\_\_\_ and

M/s. \_\_\_\_\_ (Bidder) intends to bid against the said tender and desires to have technical support of M/s. \_\_\_\_\_ [Parent Company/ Subsidiary Company-(Delete whichever not applicable)] and whereas Parent Company/ Subsidiary Company (Delete whichever not applicable) represents that they have gone through and understood the requirements of subject tender and are capable and committed to provide the services as required by the bidder for successful execution of the contract, if awarded to the bidder.

Now, it is hereby agreed to by and between the parties as follows:

1. M/s. \_\_\_\_\_ (Bidder) will submit an offer to OIL for the full scope of work as envisaged in the tender document as a main bidder and liaise with OIL directly for any clarifications etc. in this context.
2. M/s. \_\_\_\_\_ (Parent Company/ Subsidiary Company (Delete whichever not applicable) undertakes to provide technical support and expertise, expert manpower and procurement assistance and project management to support the bidder to discharge its obligations as per the Scope of work of the tender / Contract for which offer has been made by the Parent Company/Subsidiary Company (Delete whichever not applicable) and accepted by the bidder.
3. This agreement will remain valid till validity of bidder's offer to OIL including extension if any and till satisfactory performance of the contract in the event the contract is awarded by OIL to the bidder
4. It is further agreed that for the performance of work during contract period bidder and Parent Company/Subsidiary Company (Delete whichever not applicable) shall be jointly and severally responsible to OIL for satisfactory execution of the contract.
5. However, the bidder shall have the overall responsibility of satisfactory execution of the contract awarded by OIL.

In witness whereof the parties hereto have executed this agreement on the date mentioned above.

For and on behalf of  
(Bidder)

M/s.  
Witness:  
1)  
2)

For and on behalf of  
(Parent Company/Subsidiary  
Company (Delete whichever not  
applicable))

M/s.  
Witness:  
1)  
2)

**Attachment – II**

**PARENT COMPANY/ SUBSIDIARY COMPANY GUARANTEE  
(Delete whichever not applicable)  
(TO BE EXECUTED ON STAMP PAPER OF REQUISITE VALUE AND  
NOTORISED)**

**DEED OF GUARANTEE**

THIS DEED OF GUARANTEE executed at ..... this ..... day of ..... by M/s ..... (mention complete name) a company duly organized and existing under the laws of ..... (insert jurisdiction/country), having its Registered Office at ..... hereinafter called “the Guarantor” which expression shall, unless excluded by or repugnant to the subject or context thereof, be deemed to include its successors and permitted assigns.

**WHEREAS**

M/s Oil India Limited, a company duly registered under the Companies Act 1956, having its Registered Office at Duliajan in the State of Assam, India, and having an office, amongst others, at Kakinada, Andhra Pradesh, India hereinafter called “OIL” which expression shall unless excluded by or repugnant to the context thereof, be deemed to include its successor and assigns, invited tender number ..... for ..... on .....

M/s ..... (mention complete name), a company duly organized and existing under the laws of ..... (insert jurisdiction/country), having its Registered Office at ..... (give complete address) hereinafter called “the Company” which expression shall, unless excluded by or repugnant to the subject or context thereof, be deemed to include its successor and permitted assigns, have, in response to the above mentioned tender invited by OIL, submitted their bid number ..... to OIL with one of the condition that the Company shall arrange a guarantee from its parent company guaranteeing due and satisfactory performance of the work covered under the said tender including any change therein as may be deemed appropriate by OIL at any stage.

The Guarantor represents that they have gone through and understood the requirement of the above said tender and are capable of and committed to provide technical and such other supports as may be required by the Company for successful execution of the same.

The Company and the Guarantor have entered into an agreement dated ..... as per which the Guarantor shall be providing technical and such other supports as may be necessary for performance of the work relating to the said tender.

Accordingly, at the request of the Company and in consideration of and as a requirement for OIL to enter into agreement(s) with the Company, the Guarantor hereby agrees to give this guarantee and undertakes as follows:

1. The Guarantor (Parent Company / 100% Subsidiary Company (Delete whichever not applicable) unconditionally agrees that in case of non-performance by the Company of any of its obligations in any respect, the Guarantor shall, immediately on receipt of notice of demand by OIL, take up

the job without any demur or objection, in continuation and without loss of time and without any cost to OIL and duly perform the obligations of the Company to the satisfaction of OIL.

2. The Guarantor agrees that the Guarantee herein contained shall remain valid and enforceable till the satisfactory execution and completion of the work (including discharge of the warranty obligations) awarded to the Company.
3. The Guarantor shall be jointly with the Company as also severally responsible for satisfactory performance of the contract entered between the Company and OIL.
4. The liability of the Guarantor, under the Guarantee, is limited to the 50% of the annualized contract price entered between the Company and OIL. This will, however, be in addition to the forfeiture of the Performance Guarantee furnished by the Company.
5. The Guarantor represents that this Guarantee has been issued after due observance of the appropriate laws in force in India. The Guarantor hereby undertakes that the Guarantor shall obtain and maintain in full force and effect all the governmental and other approvals and consents that are necessary and do all other acts and things necessary or desirable in connection therewith or for the due performance of the Guarantor's obligations hereunder.
6. The Guarantor also agrees that this Guarantee shall be governed and construed in accordance with the laws in force in India and subject to the exclusive jurisdiction of the courts of ....., India.
7. The Guarantor hereby declares and represents that this Guarantee has been given without any undue influence or coercion, and that the Guarantor has fully understood the implications of the same.
8. The Guarantor represents and confirms that the Guarantor has the legal capacity, power and authority to issue this Guarantee and that giving of this Guarantee and the performance and observations of the obligations hereunder do not contravene any existing laws.

For & on behalf of (Parent  
Company/Subsidiary Company (Delete whichever not applicable))

M/s \_\_\_\_\_

Witness:

1. Signature \_\_\_\_\_  
Full Name \_\_\_\_\_  
Address \_\_\_\_\_

Signature \_\_\_\_\_  
Name \_\_\_\_\_  
Designation \_\_\_\_\_

Common seal of the  
Company\_\_\_\_\_

Witness:

2. Signature \_\_\_\_\_  
Full Name \_\_\_\_\_  
Address \_\_\_\_\_



## Attachment-III

**PARENT/ULTIMATE    PARENT/    HOLDING    COMPANY'S    CORPORATE**  
**GUARANTEE TOWARDS FINANCIAL STANDING**

*(Delete whichever not applicable)*  
**(TO BE EXECUTED ON COMPANY'S LETTER HEAD)**  
**DEED OF GUARANTEE**

THIS DEED OF GUARANTEE executed at ..... this ..... day of ..... by M/s ..... (mention complete name) a company duly organized and existing under the laws of ..... (insert jurisdiction/country), having its Registered Office at ..... hereinafter called "the Guarantor" which expression shall, unless excluded by or repugnant to the subject or context thereof, be deemed to include its successors and permitted assigns.

WHEREAS

M/s. Oil India Limited (hereinafter referred to as OIL) has invited offers vide their Tender No. \_\_\_\_\_ for \_\_\_\_\_ and M/s \_\_\_\_\_ (Bidder) intends to bid against the said tender and desires to have Financial support of M/s \_\_\_\_\_ [Parent/Ultimate Parent/Holding Company (Delete whichever not applicable)] and whereas Parent/Ultimate Parent/Holding Company (Delete whichever not applicable) represents that they have gone through and understood the requirements of subject tender and are capable and committed to provide the Financial support as required by the bidder for qualifying and successful execution of the contract, if awarded to the bidder.

Now, it is hereby agreed by the Guarantor to give this Guarantee and undertakes as follows:

1. The Guarantor confirms that the Bidder is a 100% subsidiary of the Guarantor.
2. The Guarantor agrees and confirms to provide the Audited Annual Reports of any of the preceding 03(three) financial/accounting years reckoned from the original bid closing date.
3. The Guarantor have an annual financial turnover of minimum Rs. 4.94 Crore (or equivalent USD 0.76 million) during any of the preceding 03(three) financial/accounting years reckoned from the original bid closing date.
4. Net worth of the Guarantor is positive for preceding financial/ accounting year.
5. The Guarantor undertakes to provide financial support to the Bidder for executing the project/job, in case the same is awarded to the Bidder.
6. The Guarantor represents that:
  - (a) this Guarantee herein contained shall remain valid and enforceable till the satisfactory execution and completion of the work (including discharge of the warranty obligations) awarded to the Bidder.
  - (b) the liability of the Guarantor, under the Guarantee, is limited to the 50% of the annualized contract price entered between the Bidder and OIL. This will, however, be in addition to the forfeiture of the Performance Guarantee furnished by the Bidder.
  - (c) this Guarantee has been issued after due observance of the appropriate laws in force in India.

(d) this Guarantee shall be governed and construed in accordance with the laws in force in India and subject to the exclusive jurisdiction of the courts of New Delhi, India.

(e) this Guarantee has been given without any undue influence or coercion, and that the Guarantor has fully understood the implications of the same.

(f) the Guarantor has the legal capacity, power and authority to issue this Guarantee and that giving of this Guarantee and the performance and observations of the obligations hereunder do not contravene any existing laws.

For and on behalf of  
(Bidder)

For and on behalf of  
(Parent/Ultimate Parent/Holding  
Company (Delete whichever not applicable))

Witness:

- 1.
- 2.

Witness:

- 1.
- 2.

**Attachment – IV**

**FORMAT OF AGREEMENT BETWEEN BIDDER, THEIR SISTER SUBSIDIARY/CO-SUBSIDIARY COMPANY AND THE ULTIMATE PARENT/HOLDING COMPANY OF BOTH THE BIDDER AND THE SISTER SUBSIDIARY/CO-SUBSIDIARY** (Strike out whichever is not applicable between Ultimate Parent and Holding Company. Similarly strike out whichever is not applicable between Sister Subsidiary and Co-subsidiary Company)

**(TO BE EXECUTED ON STAMP PAPER OF REQUISITE VALUE AND NOTORISED)**

This agreement made this \_\_\_\_ day of \_\_\_\_ month \_\_\_\_ year by and between M/s. \_\_\_\_\_ (Fill in Bidder's full name, constitution and registered office address) \_\_\_\_\_ hereinafter referred to as "Bidder" of the first part and

M/s. \_\_\_\_\_ (Fill in full name, constitution and registered office address of Sister Subsidiary/Co-subsidiary Company of the Bidder) herein after referred to as "Sister Subsidiary/ Co-subsidiary" of the second part and

M/s. \_\_\_\_\_ (Fill in the full name, constitution and registered office address of the Ultimate Parent/Holding Company's of both the subsidiaries) hereinafter referred to as "Ultimate Parent/ Holding Company" of the third part.

**WHEREAS**

M/s. Oil India Limited (hereinafter referred to as OIL) has invited offers vide their tender No. \_\_\_\_\_ for \_\_\_\_\_ and

M/s. \_\_\_\_\_ (Bidder) intends to bid against the said tender and desires to have a technical support of M/s. \_\_\_\_\_ (Sister Subsidiary/Co-subsidiary Company) and

Sister Subsidiary/Co-subsidiary Company represents that they have gone through and understood the requirements of subject tender and are capable and committed to provide the services as required by the bidder for successful execution of the contract, if awarded to the bidder.

Now, it is hereby agreed to by and between all the three parties as follows:

1. M/s. \_\_\_\_\_ (Bidder) will submit an offer to OIL for the full scope of work as envisaged in the tender document.
2. M/s. \_\_\_\_\_ (Sister Subsidiary/Co-subsidiary Company) undertakes to provide technical support and expertise and expert manpower, material, if any, to support the bidder to discharge its obligations as per the Scope of work of the tender / Contract for which offer has been made by the bidder.
3. This agreement will remain valid till validity of bidder's offer to OIL including extension if any and also till satisfactory performance of the contract in the event the bid is accepted and contract is awarded by OIL to the bidder.
4. Sister Subsidiary/ Co-subsidiary Company unconditionally agrees that in case of award of contract to the Bidder, if the Bidder is unable to execute the

contract, they shall, immediately on receipt of notice by OIL, take up the job without any demur or objection, in continuation without loss of time and without any extra cost to OIL and duly perform the obligations of the Bidder/Contractor to the satisfaction of OIL.

5. The Ultimate Parent/Holding Company also confirms and undertakes that the commitment made by the Sister Subsidiary/ Co-subsidiary company in providing the technical support and technical expertise and expert manpower to support the bidder for execution of the contract are honoured.
6. The Ultimate Parent/Holding Company also takes full responsibility in getting the contract executed through the Sister subsidiary/ Co-subsidiary company in case the Bidder/Contractor is unable to execute the contract.
7. In witness whereof the parties hereto have executed this agreement on the date mentioned above.

For and on behalf of  
(Bidder)

M/s.  
Witness

1)  
2)

For and on behalf of  
(Sister Subsidiary / Co-  
subsidiary)

M/s.  
Witness

1)  
2)

For and on behalf of  
(Ultimate Parent /  
Holding Company)

M/s.  
Witness

1)  
2)

Note: In case of contracts involving - (a) manufacture/supply (b) installation and commissioning (c) servicing and maintenance of any equipment, as the bidding company can draw on the experience of their multiple subsidiary sister/Co-subsidiary company (ies) specializing in each sphere of activity, i.e. (a) manufacture/supply (b) installation and commissioning (c) servicing and maintenance, therefore, in that case, the above format shall be signed by all the sister/Co-subsidiary company(ies) and necessary modifications may be made in the above format to include all sister subsidiaries.

**ANNEXURE-A****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.

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

\*Rate of Conversion (if used any): USD 1.00 = INR.....

Place:

Date:

Seal:

Membership No. :  
Registration Code:

Signature

**ANNEXURE-B**

To,

**ED (KGB&BEP)  
OIL INDIA LIMITED  
KG Basin Project  
Kakinada**

**SUB:SAFETY MEASURES FORTENDER NO.CEG7668L19**

**DESCRIPTION OF WORK/ SERVICE:**

Sir,

We hereby confirm that we have fully understood the safety measures to be adopted during execution of the above contract and that the same have been explained to us by the concerned authorities. We also give the following assurances.

a) Only experienced and competent persons shall be engaged by us for carrying out work under the said contract.

b) The names of the authorised persons who would be supervising the jobs on day to day basis from our end are the following:

- i) \_\_\_\_\_
- ii) \_\_\_\_\_
- iii) \_\_\_\_\_

The above personnel are fully familiar with the nature of jobs assigned and safety precautions required.

c) Due notice would be given for any change of personnel under item(b) above.

d) We hereby accept the responsibility for the safety of all the personnel engaged by us and for the safety of the Company's personnel and property involved during the course of our working under this contract. We would ensure that all the provisions under the Oil Mines Regulations, 1984 and other safety rules related to execution of our work would be strictly followed by our personnel. Any violation pointed out by the Company's Engineers would be **rectified forthwith** or the work suspended till such time the rectification is completed by us and all expenditure towards this would be on our account.

e) We confirm that all persons engaged by us would be provided with the necessary Safety Gears at our cost.

f) All losses caused due to inadequate safety measures or lack of supervision on our part would be fully compensated by us and the Company will not be responsible for any lapses on our part in this regard.

Yours faithfully

.....  
for & on behalf of Contractor

Seal:

Date:

**END OF PART-4**