



**DIRECTORATE GENERAL OF HYDROCARBONS**  
(Ministry of Petroleum & Natural Gas)  
Plot No. 2, OIDB Bhawan, Sector 73, Noida -201 301  
e-Mail : [mm@dghindia.org](mailto:mm@dghindia.org), Phone – 0120-247 2000

**Bid Document No. DGH/MM/8th Round Audit/241/2014-15/ENQ-165 Dated 20.2.2015**

Directorate General of Hydrocarbons (DGH) on behalf of the Ministry of Petroleum & Natural Gas hereby invites bids from eligible bidders for the following Services/Scope of work:

1	<b>Tender No.</b>	:	DGH/MM/8th Round Audit/241/2014-15/ENQ-165
2	<b>Brief Description of the Services / Scope of Supply</b>	:	Engagement of Auditors by DGH for Audit of accounts for Exploration Blocks /producing Field blocks under PSC/ CBM for the year 2013-14
3	<b>Type of Bid</b>	:	National Open Tender under Single Bid System
4	<b>Cost of Bid Document/Tender Fee</b>	:	Rs. 500.00 in the form of Demand Draft payable at New Delhi
5	<b>Sale/Document Download of Bid Document</b>	:	20/02/2015 to 12/03/2015
6	<b>Bid Closing Date &amp; Time</b>	:	13/03/2015 at 14-00 hrs.(IST)
7	<b>Place of Submission</b>	:	Directorate General of Hydrocarbons (DGH), OIDB Bhawan, Tower A, Plot No. 2, Sector – 73, Noida -201 301, India

The detailed tender documents can be viewed / downloaded from DGH's web site [www.dghindia.org](http://www.dghindia.org). or Government of India's Public Procurement Portal <http://eprocure.gov.in/cppp/>. The bidders downloading the Bid document from the website should ensure to submit "Cost of Bid Documents", in the form of DD, along with the Bid. The offer will not be considered without tender fee.

Addendum/ Corrigendum / Bid Due Date Extensions, if any, to the tender documents shall be uploaded on afore-mentioned websites only. Hence, bidders shall view the said websites regularly.

**DGH/MM/8th Round Audit/241/2014-15/ENQ-165 DATED 20.02.2015.**

Bid Closing Date 13/03/2015 5 at 14.00 hrs

Bid Opening Date 13/03/2015 at 15.00 hrs

**Sub: Engagement of Auditors by DGH for Audit of accounts for Exploration Blocks / producing Field blocks under PSC/ CBM for the year 2013-14**

Dear Sir,

Directorate General of Hydrocarbons (DGH) under Ministry of Petroleum and Natural Gas invites sealed tenders in duplicate for hiring of qualified firms of Chartered Accountants registered in India **for comprehensive audit of Accounts** as stated in the Scope of work.

1. The scope of work required is as per **Annexure - A.**
2. Eligibility / rejection criteria of Bidders are as per **Annexure – B.**
3. Bid is to be submitted in a sealed cover for providing the services of Audit as per the price format enclosed as **Annexure - C.**
4. Information about the Exploration Blocks, CBM Block offered for Audit, the periods of audit due and investment/expenditure in the Block are given in **Annexure – D.**
5. All other terms and conditions are attached as per **Annexure – E.**
6. Single bid system will be followed in this tender. Bid should be submitted in sealed envelopes along with the required Documents of Eligibility, Tender Fee, Bid Security and any other required documents as detailed in tender document.
7. Please send your quotation in sealed envelope, super-scribed with the above-mentioned Enquiry No. and closing date so as to reach this office on due date and time as mentioned above to **Materials Management Department, Directorate General of Hydrocarbons, OIDB Bhawan, Plot No. 2, Sector-73, Noida-201301, India.**
8. Any quotation received after closing date and time will not be considered.
9. E-mail /fax/photocopy of the offer will not be considered.
10. No Increase in price after bid opening shall be entertained.
11. Incomplete bids would be summarily rejected.
12. The audit firm should certify that 'There would be no conflict of interest as specified in the revised Guidance Note on Independence of Auditors issued by the council of The Institute of Chartered Accountants of India in undertaking the audit of Each Block / Field. Bids without this certificate will be rejected.
13. DGH reserves the right to reject any bid without assigning any reason.
14. Purchased tender documents are not transferable.
15. **The bid should be valid for a period of 120 days from closing date.**

16. Bid security(Earnest Money Deposit or EMD) of Rs. 20,000.00/- (Rupees Twenty thousand only) in the form of Bank Draft or Bank Guarantee(as per enclosed format – **Annexure - F**), is to be deposited along with bid which should be valid for a period of 150 days from the bid closing date.
17. Bids without Tender Fee, in case of downloaded tender documents, would be rejected.
18. Bids without EMD would be rejected
19. Security Deposit (Performance Bank Guarantee): successful bidder will have to pay security deposit in the form of bank draft or Bank Guarantee (format of Bank Guarantee enclosed – **Annexure - G** ) @ 7.5% of the total value of the contract valid for 6 months and to be extended further up to three months of completion of audit process in cases of delays in completion of audit process, Security Deposit will be refunded / returned after the completion of the audit process and settlement of the bills.
20. Bidders can bid for any number of blocks as per the enclosed list. However, it would be at the discretion of the Committee to decide how many blocks need to be awarded to a bidder.
21. Successful / Qualified bidders will be intimated later on after complete evaluation of bids

Yours faithfully,

HOD (MM)  
For DG DGH

**Enclosures:** Annexure- A, B, C, D, E, F & G

**Scope of Govt.-Audit of PSCs**

- (a) Audit should be performed in accordance with generally Accepted Audit Standards issued by ICAI and updated from time to time by them and in particular covering the following areas:

- (i) Planning the work;
- (ii) Obtaining audit evidence through performance of compliance and substantive procedures;
- (iii) Evaluating the adequacy of the accounting system to reasonably assure that all accounting information is recorded;
- (iv) Studying and assessing the operation of internal controls to arrive at the conclusion that the internal control system could be relied upon, and
- (v) Review the financial statements

Auditor should indicate any material weaknesses observed in the system of internal control and the impact of change in the accounting policy, if any.

- (b) The Production Sharing Contract will be a source of criteria to be used in the audit. Auditors have to review:

1. Whether contractor is maintaining proper books of accounts for all its transactions pertaining to the PSCs and reports of production statement, value of production & pricing statement etc as required under section 4 to 12 of Accounting Procedure of PSC.
2.
  - (a) Whether all Expenditures and Incomes have been accounted for accurately, as per PSC.
  - (b) Whether validation of quantity of hydrocarbons produced and saved, sales and income has been done on accrual basis or not.
  - (c) Whether the methods of measurement of petroleum used by the contractor were approved by the management committee and whether material balancing of the quantity of petroleum has been reconciled.
  - (d) Whether investment multiple and profit petroleum to GOI has been calculated as per the provisions laid down in the PSC and is correct.
  - (e) Whether significant accounting policies adopted by contractor are in accordance with the requirements of PSC such as for foreign currency translation, fixed assets, inventories, etc.
  - (f) Issues of internal control, fixed assets and fraud as per CARO 2003

In case it is not so, the financial impact should be quantified against each and stated in audit exceptions.

3. Whether all costs and expenditures have been classified into proper heads of expenditures as defined in the PSC namely Exploration, Development and Production.

**4. Audit Report and Statement of Audited Accounts**

Auditor should validate inter-alia the following statements:

- a) Statement of sources & utilization of funds along with its various schedules(Format-1)
  - b) Value of petroleum produced and sold including the government's share of profit petroleum and sales schedule.
  - c) Valuation of petroleum as per PSC for crude oil/natural gas and condensate and financial impact in case of deviations.
  - d) Extent of allowable and recoverable costs as defined in section 3 of Accounting Procedures ( format 2, 2A, 3 &4)
  - e) Calculation of Profit petroleum, as per PSC ( Format-5,5A)
  - f) Calculation of Notional Income tax, Investment Multiple/PTRR as applicable, as per PSC.
5. Whether the cost petroleum and profit petroleum taken by the contractor was in accordance with the allocation done by the management committee and whether the cost petroleum is within the maximum limits stipulated in PSC under Article “ Recovery of Cost Petroleum’
  6. Whether the “Notional tax” considered by contractor while calculating the “Investment Multiple” / “PTRR” has been accurately determined as per Income Tax Act and PSC provisions. If not, notional tax liability and investment multiple / PTRR and impact on profit petroleum have to be worked out and stated in the audit exception.
  7. Auditor may check whether all the conditions in regard to all the Essentiality certificates issued for imports at concessional rates of Customs Duty were being fulfilled.
  8. Whether the Joint venture is properly following the procedures as laid down in JOA and PSC with regard to procurement of materials and services. If not, deviations should be detailed.
  9. Whether there are cases of procurement from affiliates and others, other than at arm's length.
  10. Whether the contractor has claimed cost recovery of items still lying in store/inventory and not consumed.
  11. Whether the contractor has accounted expenditure prohibited under section 3.2 of Accounting Procedure of PSC.
  12. Whether Royalty, Cess, License Fee, Profit Petroleum, PLP (in case of CBM block), and other statutory payments have been correctly determined and timely paid to the Government in line with ORD Act, P&NG Rules, OI DB Act and PSC wherever applicable. If not, correct liabilities shall be stated by auditors. Auditors to certify the month wise / year wise payment of Royalty, Cess amount etc. for crude oil, Natural gas and / or condensate separately. The certified statement should show the amount of Royalty, Cess etc. payable as per PSC, actual amount paid to the concerned authorities and excess / shortfall amount of Royalty, Cess etc.
  13. Whether all assets (movable/ immovable) and inventory have been properly recorded, accounted for, maintained, reconciled and verified at reasonable intervals and if any discrepancy found the same has been corrected. If not details to be provided.
  14. Whether the Overheads charged by the JV are reasonable, verifiable and devoid of any duplication, as per provisions of PSC. If not, details of deviations shall be indicated by the auditors alongwith recommendation.

15. Whether the actual expenditure incurred by contractor is in pursuance to an approved/ reviewed work programme and budget by MC (as the case may be as per provisions of PSC), and whether in the process of charging such costs to Cost Petroleum, the specific stipulations/points raised by the MC (if any) in regard to Budget have been taken care of. If not, details shall be provided by the auditors with recommendation.
16. (a) Whether contractor has carried out the satisfactory adjustment of observations raised by the Auditors appointed by the operator with approval of MC in the past.  
  
(b) Compliance on satisfactory adjustment of past audit exceptions of audit reports of auditors appointed by Govt. / DGH by the operator as directed by MOP&NG /DGH may be indicated by the audit firm by giving definite recommendations for either dropping the exception or pursuing it further.
17. Whether the salary & compensation in respect of nationals and expatriate manpower has been charged to Cost Petroleum as per contractor's standard personnel policy, as per provisions of PSC. If not, deviations should be detailed by auditors. Auditors should also suggest if any avoidable cost required adjustment due to such deviations.
18. Whether contractor has created and funded Site Restoration Fund as per provisions of PSC and Govt. Site Restoration Fund Scheme 1999. Auditors should comment regarding adequacy of SRF as required in PSC & Schemes.
19. Whether the contractor during the term of the contract, maintained and obtained insurance coverage for and in relation to petroleum operation for such amount and against such risks as are customarily or prudently insured in the international petroleum industry. Whether the premium paid for joint insurance policies has been duly segregated and only premium which was related to the specific PSC is accounted as contract cost.
20. Whether contractor has included the name of GOI as co-insured in all its' insurance policies and whether waiver of subrogation against GOI has been taken in all such policies.
21. Whether, in the case of transfer of material from one block/ field to another block/ field, DGH's prior approval has been obtained and whether the conditions stated by DGH in the permission of such transfer, have been fulfilled /adhered to. Auditors should also verify the transfers of costs of items & services transferred to / from the concerned blocks / operators.
22. Whether the contractor submitted the bank guarantees/performance guarantees as per provision of PSC.
23. Whether annual audit of accounts was carried out on behalf of the contractor by an independent firm of chartered accountants whose appointment was approved by the Management Committee.

**Auditor should not express merely opinion but should also give definite recommendations on all audit exceptions. In the absence of such definite recommendations the report would be considered incomplete.**

**Audit observations/exceptions finalized by auditors having financial implications should be quantified. Final exceptions will be drawn for communicating the Contractor in line with PSC provisions.**

**Scope of Govt.-Audit of CBM Blocks**

- (a) Audit should be performed in accordance with generally Accepted Audit Standards issued by ICAI and updated from time to time by them and in particular covering the following areas:
- (i) Planning the work;
  - (ii) Obtaining audit evidence through performance of compliance and substantive procedures;
  - (iii) Evaluating the adequacy of the accounting system to reasonably assure that all accounting information is recorded;
  - (iv) Studying and assessing the operation of internal controls to arrive at the conclusion that the internal control system could be relied upon, and
  - (v) Review the financial statements.

Auditor should indicate any material weaknesses observed in the system of internal control and the impact of change in the accounting policy, if any.

- (b) The CBM Contract will be a source of criteria to be used in the audit. Auditors have to review:
1. Whether contractor is preparing Royalty and PLP Statements pertaining to the CBM contract as required under section 7 of Accounting Procedure of Contract.
  2.
    - (a) Whether the contractor has done the valuation of CBM and obtained necessary GOI approval for pricing in accordance with the provisions of Article 18 of the contract.
    - (b) Whether validation of quantity of hydrocarbons produced and saved, sales and income has been done on accrual basis or not.
    - (c) Whether the methods of measurement of CBM were approved by the Govt.
    - (d) Whether measurement scheme correctly support computation of royalty and PLP.
    - (e) Issues of internal control, fixed assets and fraud as per CARO 2003

In case it is not so, the financial impact should be quantified against each and stated in audit exceptions.

**3. Audit Report and Statement of Audited Accounts**

Auditor should validate inter-alia the following statements:

- a) Computation of royalty, PLP & License Fees.
  - b) Reconciliation between quantities of CBM produced and sold.
  - c) Payment of Commercial Bonus
  - d) Payment of LD, cost of unfinished work programme & up interest thereon.
4. Auditor may check whether all the conditions in regard to all the Essentiality certificates issued for imports at concessional rates of Customs Duty were being fulfilled.



5. Whether Royalty, PLP, License Fee and other statutory payments have been correctly determined and timely paid to the Government in line with ORD Act, P&NG Rules, OIB Act and CBM Contract wherever applicable. If not, correct liabilities shall be stated by auditors. Auditors to certify the month wise / year wise payment of Royalty & PLP. The certified statement should show the amount of Royalty & PLP actually paid to the concerned authorities and excess / shortfall amount of Royalty, & PLP if any.
6. Whether all assets (movable/ immovable) including those sold / exchanged / discarded have been properly recorded, accounted for, maintained, reconciled and verified at reasonable intervals and, if any discrepancy, found the same has been corrected. If not details to be provided. Whether proceeds from sale of assets have been correctly accounted for.
7. (a) Whether contractor has carried out the satisfactory adjustment of observations raised by the Auditors appointed by the operator with approval of Steering Committee (SC) in the past.  
  
(b) Compliance on satisfactory adjustment of past audit exceptions of audit reports of auditors appointed by Govt. / DGH by the operator as directed by MOP&NG / DGH may be indicated by the audit firm by giving definite recommendations for either dropping the exception or pursuing it further.
8. Whether contractor has created and funded Site Restoration Fund as per provisions of CBM and Govt. Site Restoration Fund Scheme 1999. Auditors should comment regarding adequacy of SRF as required in CBM & SRF Scheme.
9. Whether the contractor during the term of the contract, maintained and obtained insurance coverage for and in relation to petroleum operation for such amount and against such risks as are customarily or prudently insured in the international petroleum industry.
10. Whether contractor has included the name of GOI as co-insured in all its' insurance policies and whether waiver of subrogation against GOI has been taken in all such policies.
11. Whether, in the case of transfer of material from one block/ field to another block/ field, DGH's prior approval has been obtained and whether the conditions stated by DGH in the permission of such transfer, have been fulfilled /adhered to. Auditors should also verify the transfers of costs of items & services transferred to / from the concerned blocks / operators.
12. Whether the contractor submitted the bank guarantees/performance guarantees as per provision of CBM contract.
13. Whether contractor has paid Commercial Bonus as the requirement of Article 15 of the CBM requirement.
14. Whether annual audit of accounts was carried out on behalf of the contractor by an independent firm of chartered accountants whose appointment was approved by the Steering Committee.

**Auditor should not express merely opinion but should also give definite recommendations on all audit exceptions. In the absence of such definite recommendations the report would be considered incomplete.**

**Audit observations/exceptions finalized by auditors having financial implications should be quantified. Final exceptions will be drawn for communicating the Contractor in line with PSC provisions.**

**Eligibility Criteria of Bidders for participation.**

- (1) Audit firm must be registered in India.
- (2) Audit Firm must have minimum experience of full audit of at least one year in E&P Sector.
- (3) The Audit firm must have non-zero positive score in item serial number 2 of the Bid Evaluation Sheet 1.
- (4) The Audit Firm should have at least 6 CAs, out of which 5 should be Partners. At least one partner should have association with the firm for 10 years or more, 3 partners should have association for more than 5 years. The firm should be in existence for 10 years or more.
- (5) Audit firm should declare that they have no conflict of interest. Auditor of any of operator's blocks as MC auditor, internal auditor for the year 2013-14 will be regarded as conflict of interest.

**Documentary evidence for Eligibility**

Bidders to provide documentary evidence to confirm the eligibility criteria failing which the bids are liable for rejection.

**EVALUATION POINTS / WEIGHTAGE**

Marks for rates quoted 75

Marks for Technical Qualification 25

<b>S. No.</b>	<b>Criteria for Technical Evaluation</b>	<b>Weightage</b>
1	No. of man hours to be spent by qualified Chartered Accountants in Contractor's office for the job.  (Refer point C below)	10
2	Number of years experience in E&P Audit during years 2008-09 to 2012-13  (a) Statutory Audit of Cos. (who have E&P Operation under PSC &/or CBM) / MC appointed audit – One mark will be counted for one year audit in each company / PSC upto a maximum of 4  (b) Govt. appointed audit of PSC & CBM – One mark will be counted for one year audit in each contract upto a maximum of 3  (c) Internal Audit of company who have E&P operation under PSC &/or CBM – one mark will be counted for one year audit in each company upto a maximum of 3	4  3  3
3	International Affiliation of bidding entity group with an audit firm / audit association registered outside India as on date.	5

**A. Bidding Criteria**

- Bidding Entity Group includes all units of the bidder in India including its affiliates in India under a common brand.
- Under Points 1 to 3 of criterion, the bidder scoring highest marks for that criterion will be given highest weightage for that criterion and weightage for other bidders will be assigned proportionately up to two decimal points for Technical qualification. For rates, the L-1 bidder will be assigned a weightage of 75 and other bidders will be assigned weightage inverse proportionately.

## **B. Eligibility / Rejection Criteria of Bidders**

- 1) Bidding Audit Firm must be registered in India.
- 2) Audit Firm must have minimum experience of full audit of at least one year in E&P Sector.
- 3) The Audit Firm should have at least 6 CA's, out of which 5 should be partners. At least one partner should have association with firm for 10 years or more, 3 partners should have association for more than 5 years. The firm should be in existence for 10 years or more.
- 4) Audit firm should declare that they have no conflict of interest. Auditor of any of operator's Block as MC auditor, internal auditor for the year 2013-14 will be regarded as conflict of interest. The conflict for this purpose shall include audit of any of the companies of the operator.

## **C. No. of Hours by Qualified Chartered Accountants**

**Total audit fees payable will be proportionately reduced if the actual number of man hours of qualified Chartered Accountants spent for the job (based on self certification by bidding entity and qualified Chartered Accountant deputed on the job giving details viz. a) Name, Membership No. of CA. b) Date of Visiting the Clients and c) No. of Manhours Spent in contractor's office) is less than the manhours indicated in the bid.**

## **D. General**

DGH wishes to ensure quality in audit reports. Some steps in this direction are as follows:

- 1) No. of Blocks / Fields to be awarded per auditor would be restricted to 20
- 2) Auditor's quoting for the tender will have to give an undertaking that they would not accept any MC Appointed Audit / Internal Audit / Statutory Audit or any other assignment for one year from the date of completion of audit from the operator's company or their affiliates whose Blocks / Fields are awarded to them through this tender.
- 3) In the case of tie in marks, Selection of bidders would be made based on technical weightage, no. of blocks and geographical location.

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

**BID REJECTION CRITERIA (BRC):**

The bid shall conform generally to all the scope of work 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 scope of work/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 TECHNICAL:** The bidder must meet the following rejection criteria:-

- 1.1 The Bidding audit firm should be registered in India.
- 1.2 The Bidding audit firm should have positive non-zero positive score in Bid Evaluation sheet 1 for criteria no 2.
- 1.3 The Bidding audit firm should have at least 6 (six) CA's out of which 5 should be partners. At least one partner should have association with firm for 10 years or more and at least three partners should have association for more than 5 years.
- 1.4 The Bidding audit firm should be in existence for 10 years or more.
- 1.5 Audit firm should declare that they have no conflict of interest. Auditor of any of operator's blocks as MC auditor, internal auditor for the years 2013-14 will be regarded as conflict of interest.

**2.0 DOCUMENTS:**

- (a) Bidders must furnish documentary evidence along with their bid in support of fulfilling above requirement.
- (b) Organization Profile / no of working partners in India in the bidder's entity group (to be certified by the bidding entity group).

**3.0 COMMERCIAL**

- 3.1 Bids shall be submitted under single bid system, i.e. Technical bid and Price bid together. The Techno-Commercial Bid shall comprise of all the components and annexures, failing which the bid will be liable for rejection.
- 3.2 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.
- 3.4 Bid security shall be furnished as a part of the technical bid. The amount of bid security shall be as specified in the bid document. Any bid not accompanied by a proper bid security will be rejected.

- 3.5 Bids received after bid closing date and time will be rejected.
- 3.6 Any bid received in the form of Telefax/ e-mail/ Xerox /Photocopy and bids with Scanned signature will be rejected. Original bids should be signed manually failing which they shall be rejected.
- 3.7 Bids shall be typed or written in indelible ink and Original bid shall be signed by the bidder or his authorized representative on all pages failing which the bid may be liable for rejection.
- 3.8 Bids shall contain no interlineations, erasures or over writing except as necessary to correct errors made by bidders, in which case such corrections shall be initialed by the person(s) signing the bid. However, white fluid should not be used for making corrections. Any bid not meeting this requirement will be liable for rejection.
- 3.9 Any bid containing false statement will be rejected.
- 3.10 Bidders must quote clearly and strictly in accordance with the “Price Format and Evaluation Sheets” of bidding document; otherwise the bid will be summarily rejected.
- 3.11 Bidder must accept and comply with the following clauses as given in the Bid Document in toto failing which offer will be rejected –
- (i) Performance Guarantee Bond Clause
  - (ii) Force Majeure Clause
  - (iii) Arbitration Clause
  - (iv) Acceptance of Jurisdiction and Applicable Law
  - (v) Liquidated damage clause
  - (vi) Indemnity Clause

#### **4 GENERAL**

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

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

- 5.1 The bids will be evaluated on the basis/ parameters given in two evaluation sheets i.e. Evaluation Sheet 1, 2 and Price Format as given ahead.
- 5.2 Bids will be evaluated on the basis of total marks scored by the bidders on both Technical bid and Price Bid for individual PSC/CBM blocks/fields.
- 5.3 The bidder who is securing the highest total evaluated marks(H1) (i.e. summation of marks scored on Technical and Price Bid) for the particular block will be awarded the block if the bidder is otherwise techno-commercially qualified.
- 5.4 One bidder normally will not be awarded more than 20 blocks/fields altogether even if the bidder is H1 in more than 20 blocks. However, in case of less number of eligible bidders or the situation given in the point 4 and 5 below, DGH reserves the right to award the audit work for more than 20 blocks/fields to single bidder.
- 5.5 In a situation where a bidder is getting more than 20 blocks, DGH would request the bidder for confirmation of blocks which he is interested to retain and the rest will be allocated as per procedure given in para 5 below.
- 5.6 The excess over 20 blocks will be awarded to the H2 bidder (failing which H3 bidder and so on) subject to his agreeing to match the total score of the H1 bidder by reducing the price, if the price is higher than that of the H1 bidder .Where the price of the H2 bidder is lower than that of the H1 bidder the block will be awarded to the H2 bidder at his quoted price.
- 5.7 The opportunity to match the score with that of H1 bidder, whenever given shall be given for one time only.
- 5.8 DGH reserves the right to take appropriate decision as deemed fit in case of any unforeseen situation.
- 5.9 DGH also reserves the right not to award some of the blocks to any bidder without assigning any reason.
- 5.10 DGH reserves the right to cancel the tender without assigning any reason.
- 5.11 In the event no bidders opt to quote for a specific block; DGH reserves the right to award the job to suitable identified bidder on mutually agreed rates, terms and conditions based on available similar quotes received for other blocks.



<b>Bid Evaluation Sheet 1</b>				
<b>Technical Criteria</b>			<b>(Maximum Marks: 25)</b>	
<b>Price Quoted</b>			<b>(Maximum Marks: 75)</b>	
<b>Sl. No.</b>	<b>Criteria</b>	<b>Max weightage</b>	<b>Quote.</b>	
1.	No. of man hours to be spent by qualified Chartered Accountants in Contractor's office for the job.	10	Provide Details in price format given in Annexure C.	
2.	Number of years' experience in E&P Audit during years 2008-09 to 2012-13 (Audit Firm must have non zero score)			
2.a	Statutory audit of Companies (who have E&P Operations under PSC and /or CBM)-One mark will be counted for one year audit in each company upto maximum of 4 marks.	4	Name of Company audited	Year of Audit
2.b	Govt. appointed audit of PSC & CBM – One mark will be counted for one year audit in each contract upto a maximum of 3 marks.	3	Name of Company/Block audited	Year of Audit
2.c	Internal Audit of company who have E&P operation under PSC &/or CBM – one mark will be counted for one year audit in each company upto a maximum of 3 marks.	3	Name of Company/Block audited	Year of Audit
	<b>Total of 2.a+2b+2c= audit Firm must have non zero score )</b>	10		
<b>3</b>	International Affiliation of bidding entity group with an audit firm / audit association registered outside India as on date.	<b>5</b>		

**Note: Refer Sample evaluation sheet at annexure B (IV)**

### **Explanation/Illustration for Evaluation**

1. Under each item of criteria the bidding entity scoring the highest marks for that criterion will be given highest marks and marks for other bidding entity will be assigned proportionately up to two decimal points in Evaluation Sheet 1 and price bid.
2. Maximum Marks for quoted rates for each block is 75. However maximum marks will be given for quoting the lowest rate for the block. Marks will be proportionately reduced for other bidders as per the following formula. **(Lowest quote for the block X Maximum Marks for the criteria)/Actual quote of the bidder for the block)**
3. Evaluation Ranking will be decided on the basis of sum of marks received in Evaluation Sheet 1, 2 and Price Format. Evaluation Ranking will be block wise. Bidder's offer getting highest marks in total marks received in Evaluation Sheet 1,2 and Price Format for that block will be declared as Lowest Evaluated offer and will be eligible for the award of job if otherwise offer is found to be techno-commercially acceptable.
4. In the case of tie in marks, Selection of bidders would be made based on technical weightage, no. of blocks and geographical location
5. Sample Evaluation Sheet 1 and Sample Evaluation Sheet 2 with filled in sample data are attached for reference purpose. However filled data is just used to show method of calculation only and otherwise does not have any relevance.

**Annexure – B (iv)**

<b>Sample Evaluation Sheet 1 (say for Block “AA”)</b>								
						<b>Weighted Score</b>		
<b>Sl. No</b>	<b>Criteria</b>	<b>Max marks</b>	<b>Quote 1</b>	<b>Quote 2</b>	<b>Quote 3</b>	<b>Quote 1</b>	<b>Quote 2</b>	<b>Quote 3</b>
			(A)	(B)	(C)	(A)	(B)	(C)
1.	No. of man hours to be spent by qualified Chartered Accountants in Contractor's office for the job.(from ES 2 Sheet)	10	50	100	200	2.5	5	10
2.	Number of years' experience in E&P Audit during years 2008-09 to 2012-13 (Audit Firm must have non zero score)							
2.a	Statutory audit of Companies (who have E&P Operations under PSC and /or CBM)-One mark will be counted for one year audit in each company.	4	6	0	4	4	0	2.66
2.b	Govt. appointed audit of PSC & CBM – One mark will be counted for one year audit in each contract upto a maximum of 3.	3	0	10	3	0	3	0.9
2.c	Internal Audit of company who have E&P operation under PSC &/or CBM – one mark will be counted for one year audit in each company upto a maximum of 3	3	0	0	8	0	0	3
2	<b>Total of 2.a+2b+2c= audit Firm must have non zero score )</b>	10				4	3.0	6.56
3	International affiliation with an audit firm registered outside India	5	0	1	1	-	5.00	5.00
	<b>Total 2+3 (ES1)</b>	15				4.0	8.0	11.56
	<b>Evaluation sheet 2</b>							

	Total marks of Evaluation sheet 1 and Evaluation sheet 2	25				6.5	13	21.56
Sample Price Format								
Sr. No.	Name of Block.	Quote 1	Quote 2			Quote 3		
1	A	15000	50000			250000		
		Weighted Scores(ES 1 and ES 2)			Price weightage			
1	Quote 1	6.5			75.00			
2	Quote 2	13			22.5			
3	Quote 3	21.56			4.5			
		Combined Weightage of ES1+ES2+Price			Ranking of the bidders			
1	Quote 1	81.5			First Rank			
2	Quote 2	35.5			Second Rank			
3	Quote 3	26.06			Third Rank			

**PRICE FORMAT**

1. Total amount to be paid inclusive of travelling and lodging expenses
2. Schedule of payment to Auditors shall be as follows:
  - i) 75% of total payment shall be released within 30 days from the date of submission of audit report. The remaining 25% of total payment will be released after finalization of audit exceptions.
3. TDS as per rules.
4. Service Tax would be paid extra, if applicable.
5. No other amount is payable.
6. The evaluation would be done block wise.
7. Transport, if required, from onshore base to offshore platforms shall be arranged and borne by DGH. Transportation for site visit if any, for inspection of inventory / assets, shall be arranged by DGH.
8. Total audit fees payable will be proportionately reduced if the actual number of man hours of qualified Chartered Accountants spent for the job (based on self certification by bidding entity and qualified Chartered Accountant deputed on the job giving details viz.
  - a) Name, Membership No. of CA. b) Date of Visiting the Clients and c) No. of Man hours Spent in contractor's office) is less than the man hours indicated in the bid.

S. No.	Name of the Block	Lumpsum Fees (Rs.)	No of Man-hours proposed to be spent by qualified Chartered Accountants in Contractor's office for the auditing of the quoted block
1	Ravva		
2	Hazira		
3	Kharsang		
4	Dholka		
5	CB-OS/2		
6	CB-ONN-2000/2		
7	PY-1		
8	CB-ONN-2000/1		

9	WAVEL		
10	ASJOL		
11	LOHAR		
12	N. BALOL		
13	CB-ON/7		
14	CAMBAY		
15	INDRORA		
16	BAKROL		
17	BAOLA		
18	KANAWARA		
19	KARJISAN		
20	OGNAJ		
21	BHANDUT		
22	DHOLASAN		
23	SABARMATI		
24	ALLORA		
25	NORTH KATHANA		
26	SANGANPUR		
27	UNAWA		
28	MODHERA		
	<b>PRE-NELP</b>		
29	CB-ON/2		
30	CB-ON/3		
31	RJ-ON/6		
32	CB-OS/1		
33	AAP-ON-94/1		

34	GK-ON/4		
35	AA-ONJ-02		
	<b>NELP 1</b>		
36	MN-DWN-98/3		
37	KG-DWN-98/2		
38	NEC-OSN-97/2		
	<b>NELP 2</b>		
39	MN-OSN-2000/2		
	<b>NELP 3</b>		
40	KG-OSN-2001/3		
41	CY-DWN-2001/2		
42	AA-ONN-2001/1		
43	AA-ONN-2001/2		
44	CB-ONN-2001/1		
	<b>NELP 4</b>		
45	CY-ONN-2002/2		
46	CB-ONN-2002/1		
46	NEC-DWN-2002/2		
48	AA-ONN-2002/1		
49	AA-ONN-2002/4		
50	CB-ONN-2002/3		
	<b>NELP 5</b>		

51	CB-OSN-2003/1		
52	AN-DWN-2003/2		
53	AA-ONN-2003/1		
54	RJ-ONN-2003/2		
55	CB-ONN-2003/1		
56	KG-ONN-2003/1		
57	CB-ONN-2003/2		
	<b>NELP 6</b>		
58	SR-ONN-2004/1		
59	AA-ONN-2004/3		
60	AA-ONN-2004/5		
61	CY-DWN-2004/3		
62	CY-PR-DWN- 2004/1		
63	PR-OSN-2004/1		
64	GS-OSN-2004/1		
65	CB-OSN-2004/1		
66	CB-ONN-2004/1		
67	CB-ONN-2004/2		
68	CB-ONN-2004/3		
69	KG-OSN-2004/1		
70	VN-ONN-2004/1		
71	VN-ONN-2004/2		
72	RJ-ONN-2004/2		
73	NEC-DWN-2004/1		
74	MZ-ONN-2004/1		
75	DS-ONN-2004/1		



76	KG-ONN-2004/1		
77	KG-ONN-2004/2		
78	CY-ONN-2004/1		
79	CY-ONN-2004/2		
80	AA-ONN-2004/2		
	<b>NELP 7</b>		
81	MB-OSN-2005/1		
82	MB-OSN-2005/2		
83	MB-OSN-2005/3		
84	MB-OSN-2005/5		
85	MB-OSN-2005/6		
86	PA-ONN-2005/1		
87	PA-ONN-2005/2		
88	WB-ONN-2005/2		
89	WB-ONN-2005/3		
90	WB-ONN-2005/4		
91	RJ-ONN-2005/2		
92	RJ-ONN-2005/3		
93	CB-ONN-2005/2		
94	CB-ONN-2005/4		
95	CB-ONN-2005/7		
96	CB-ONN-2005/9		
97	CB-ONN-2005/10		
98	PR-ONN-2005/1		
99	CY-ONN-2005/1		
100	RJ-ONN-2005/1		

101	CB-ONN-2005/3		
	<b>NELP 8</b>		
102	MB-DWN-2009/1		
103	AN-DWN-2009/1		
104	AN-DWN-2009/2		
105	AN-DWN-2009/3		
106	AN-DWN-2009/5		
107	AN-DWN-2009/13		
108	GK-OSN-2009/1		
109	GK-OSN-2009/2		
110	CY-OSN-2009/2		
111	KG-OSN-2009/1		
112	KG-OSN-2009/2		
113	KG-OSN-2009/3		
114	KG-OSN-2009/4		
115	AA-ONN-2009/1		
116	CB-ONN-2009/1		
117	CB-ONN-2009/2		
118	CB-ONN-2009/7		
119	CB-ONN-2009/8		
120	AA-ONN-2009/3		
121	AA-ONN-2009/4		
122	VN-ONN-2009/3		
123	CB-ONN-2009/4		
124	CB-ONN-2009/5		
125	GK-OSN-2010/1		

126	GK-OSN-2010/2		
127	MB-DWN-2010/1		
128	CB-ONN-2010/1		
129	CB-ONN-2010/6		
130	CB-ONN-2010/9		
131	MB-OSN-2010/2		
132	AA-ONN-2010/3		
133	CB-ONN-2010/8		
134	CB-ONN-2010/11		
	<b>CBM Blocks</b>		
135	RANIGANJ(S)		
136	RANIGANJ(E)		
137	JHARIA		

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

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

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

8<sup>th</sup> Round of Audit – List of Blocks

S. No.	NELP Round wise Blocks	Operator	Location (where books of Account are kept)	Revenue for the year	Contract cost of the year
				<b>2013-14</b>	<b>2013-14</b>
				<b>(US\$) mn</b>	<b>(US\$) mn</b>
1	Ravva	Cairn Energy	Gurgaon	874.48	214.42
2	Hazira	Niko Resources	Baroda	17.99	17.77
3	Kharsang	Geo Enpro	Noida	70.37	23.84
4	Dholka	JTI	Ahmedabad	32.62	14.48
5	CB-OS/2	Cairn Energy	Gurgaon	300.32	30.40
6	CB-ONN-2000/2	Niko Resources	Baroda	-----	3.38
7	PY-1	HOEC	Chennai	8.06	14.16
8	CB-ONN-2000/1	GSPC	Gandhi Nagar (Guj)	25.65	4.85
9	WAVEL	JTI	Ahmedabad	2.50	.59
10	ASJOL	HOEC	Chennai	.68	.24
11	LOHAR	SELAN	Gurgaon	7.31	2.685
12	N. BALOL	HOEC	Chennai	1.33	.26
13	CB-ON/7	HOEC	Chennai	5.08	.44
14	CAMBAY	OILEX	Gandhinagar (Gujrat)	0.28	6.83
15	INDRORA	SELAN	Gurgaon	0.77	1.82
16	BAKROL	SELAN	Gurgaon	10.446	8.497
17	BAOLA	INTERLINK PETROLEUM	Noida	0.02	.619
18	KANAWARA	HERAMEC	Ahmedabad	4.25	4.60
19	KARJISAN	SELAN	Gurgaon	-----	1.149
20	OGNAJ	SELAN	Gurgaon	-----	.25
21	BHANDUT	OILEX	Gandhinagar	-----	.117
22	DHOLASAN	HERAMEC	Ahmedabad	-----	4.28
23	SABARMATI	OILEX	Gandhi Nagar (Guj)	0.24	.25
24	ALLORA	HERAQMAC	Ahmedabad	0.18	.43
25	NORTH KATHANA	HERAMEC	Ahmedabad	0.34	.54
26	SANGANPUR	HRDC/Profit Petroleum	Mumbai	0.061	0.11
27	UNAWA	GSPC	Gandhinagar	0.44	0.03
28	MODHERA	INTERLINK	Noida	-----	.116
				<b>Revenue</b>	<b>Cost</b>
				<b>2013-14</b>	<b>2013-14</b>
	<b>PRE-NELP</b>				
29	CB-ON/2	GSPCL	Gandhinagar	4.27	3.11
30	CB-ON/3	ESSAR	Mumbai	1.18	.86
31	RJ-ON/6	FOCUS	Delhi NCR	30.92	71.12
32	CB-OS/1	ONGC	Baroda		.387
33	AAP-ON-94/1	HOEC	Chennai		.78
34	GK-ON/4	FOCUS	Delhi NCR		.645
35	AA-ONJ-02	ONGC	JORHAT		1.938
	<b>NELP 1</b>				

36	MN-DWN-98/3	ONGC	Kolkatta		164.18
37	KG-DWN-98/2	ONGC	Chennai		412.10
38	NEC-OSN-97/2	RIL	Mumbai		4.35
	<b>NELP 2</b>				
39	MN-OSN-2000/2	ONGC	Kolkatta		9.48
	<b>NELP 3</b>				
40	KG-OSN-2001/3	GSPCL	Gandhi Nagar		429.89
41	CY-DWN-2001/2	RIL	Mumbai		134.09
42	AA-ONN-2001/1	ONGC	Jorhat		33.70
43	AA-ONN-2001/2	ONGC	Jorhat		1.71
44	CB-ONN-2001/1	ONGC	Baroda		.28
	<b>NELP 4</b>				
45	CY-ONN-2002/2	ONGC	Chennai		2.11
46	CB-ONN-2002/1	ONGC	Baroda		3.39
47	NEC-DWN-2002/2	ONGC	Kolkata		63.72
48	AA-ONN-2002/1	JOGPL	Noida		8.82
49	AA-ONN-2002/4	ONGC	Jorhat		.118
50	CB-ONN-2002/3	GSPC	Gandhinagar		.89
	<b>NELP 5</b>				
51	CB-OSN-2003/1	ONGC	Baroda		3.7
52	AN-DWN-2003/2	ENI	New Delhi		2.71
53	AA-ONN-2003/1	JOGPL	Greater Noida		0.17
54	RJ-ONN-2003/2	FOCUS	New Delhi		6.40
55	CB-ONN-2003/1	RIL	Mumbai		1.22
56	KG-ONN-2003/1	CAIRN	Gurgaon		70.218
57	CB-ONN-2003/2	GSPC	Gandhinagar		.96
	<b>NELP 6</b>				
58	SR-ONN-2004/1	PRIZE PETROLEUM	New Delhi-1		.11
59	AA-ONN-2004/3	ESSAR	Mumbai		.21
60	AA-ONN-2004/5	ESSAR	Mumbai		.28
61	CY-DWN-2004/3	ONGC	Chennai		2.035
62	CY-PR-DWN-2004/1	ONGC	Chennai		2.1
63	PR-OSN-2004/1	CAIRN	Gurgaon		1.22
64	GS-OSN-2004/1	ONGC	Mumbai		37.73
65	CB-OSN-2004/1	FOCUS	New Delhi		5.15
66	CB-ONN-2004/1	ONGC	Baroda		.25
67	CB-ONN-2004/2	ONGC	Baroda		2.52
68	CB-ONN-2004/3	ONGC	Baroda		1.2
69	KG-OSN-2004/1	ONGC	Chennai		123.77
70	VN-ONN-2004/1	ONGC	Dehradun		.83

71	VN-ONN-2004/2	ONGC	Dehradun		.77
72	RJ-ONN-2004/2	OIL	Jodhpur		4.77
73	NEC-DWN-2004/1	SANTOS	Delhi		.98
74	MZ-ONN-2004/1	OIL	Duliajan Assam		10.48
75	DS-ONN-2004/1	GGR	Gandhinagar		1.78
76	KG-ONN-2004/1	OIL	Chennai		10.15
77	KG-ONN-2004/2	GSPCL	Gandhinagar		.22
78	CY-ONN-2004/1	ONGC	Chennai		8.17
79	CY-ONN-2004/2	ONGC	Chennai		1.68
80	AA-ONN-2004/2	OIL	Duliajan Assam		.50
	<b>NELP 7</b>				
81	MB-OSN-2005/1	ONGC	Mumbai		41.69
82	MB-OSN-2005/2	ADANI	Ahemdabad		40.15
83	MB-OSN-2005/3	EEPL	Mumbai		.20
84	MB-OSN-2005/5	ONGC	Mumbai		39.27
85	MB-OSN-2005/6	ONGC	Mumbai		64.99
86	PA-ONN-2005/1	ONGC	Kolkata		6.34
87	PA-ONN-2005/2	ONGC	Kolkata		2.13
88	WB-ONN-2005/2	ONGC	Kolkata		3.55
89	WB-ONN-2005/3	ONGC	Kolkata		2.27
90	WB-ONN-2005/4	ONGC	Kolkata		4.99
91	RJ-ONN-2005/2	OIL	Jodhpur		.188
92	RJ-ONN-2005/3	GSPCL	Gandhinagar		9.68
93	CB-ONN-2005/2	IOCL	Delhi NCR		14.25
94	CB-ONN-2005/4	ONGC	Baroda		1.50
95	CB-ONN-2005/7	IOCL	Delhi NCR		.50
96	CB-ONN-2005/9	MERCATOR PETROLEUM	Mumbai		.52
97	CB-ONN-2005/10	ONGC	Baroda		10.55
98	PR-ONN-2005/1	ONGC	Chennai		1.67
99	CY-ONN-2005/1	GAIL	Delhi NCR		.86
100	RJ-ONN-2005/1	HOEC	CHENNAI		2.07
101	CB-ONN-2005/3	MERCATOR PETROLEUM	MUMBAI		.20
	<b>NELP 8</b>				
102	MB-DWN-2009/1	CAIRN	Gurgaon		0.402
103	AN-DWN-2009/1	ONGC	Kolkata		8.53
104	AN-DWN-2009/2	ONGC	Kolkata		2.36
105	AN-DWN-2009/3	ONGC	Kolkata		2.53
106	AN-DWN-2009/5	ONGC	Kolkata		9.67
107	AN-DWN-2009/13	ONGC	Kolkata		1.84
108	GK-OSN-2009/1	ONGC	Mumbai		.85
109	GK-OSN-2009/2	ONGC	Mumbai		1.09
110	CY-OSN-2009/2	OIL	Delhi NCR		1.10
111	KG-OSN-2009/1	ONGC	Chennai		6.03
112	KG-OSN-2009/2	ONGC	Chennai		50.27
113	KG-OSN-2009/3	CAIRN	Gurgaon		6.20
114	KG-OSN-2009/4	ONGC	Chennai		.50

115	AA-ONN-2009/1	JOGPL	Noida		.172
116	CB-ONN-2009/1	ESGPL / Sintex	Ahemdabad		3.69
117	CB-ONN-2009/2	ESGPL / Sintex	Ahemdabad		1.62
118	CB-ONN-2009/7	ESGPL / Sintex	Ahemdabad		3.60
119	CB-ONN-2009/8	JPIL	Greater Noida		2.60
120	AA-ONN-2009/3	ONGC	JORHAT		1.77
121	AA-ONN-2009/4	OIL	DULIAJAN / ASSAM		6.54
122	VN-ONN-2009/3	ONGC	DEHRADUN		.42
123	CB-ONN-2009/4	ONGC	BARODA		.21
124	CB-ONN-2009/5	NTPC	Noida		5.06
125	GK-OSN-2010/1	ONGC	Mumbai		19.98
126	GK-OSN-2010/2	ONGC	Mumbai		25.19
127	MB-DWN-2010/1	BGEPIL	Mumbai		9.96
128	CB-ONN-2010/1	ONGC	BARODA		1.54
129	CB-ONN-2010/6	ONGC	BARODA		1.30
130	CB-ONN-2010/9	ONGC	BARODA		1.30
131	MB-OSN-2010/2	OIL	NOIDA		3.01
132	AA-ONN-2010/3	OIL	DULIAJAN / ASSAM		.97
133	CB-ONN-2010/8	BRPL/GAIL	Mumbai		1.85
134	CB-ONN-2010/11	GAIL/BRPL	NOIDA		2.02
	<b>CBM Blocks</b>				
135	RANIGANJ (S)	GEECL	GURGAON		
136	RANIGANJ(E)	ESSAR Oil Ltd.	Durgapur West Bengal		
137	JHARIA	ONGC	Bokaro		

**Terms and Conditions**

- 1) **Commencement and Completion of Audit:** Audit of all awarded Blocks / Fields to be commenced immediately after issue of Letter of Award (LoA) and completed within 3 months after contractor provides the complete records. In the event of any difficulty and delay beyond 3 weeks from LoA, in receipt of necessary records, auditor has to inform DGH formally & immediately for ensuring early completion of audit.
- 2) **Liquidated Damages:** The final Audit report shall be submitted to the Govt. of India within 30 days from the completion of audit, failing which the liquidated damages at the rate of half percent per week of delay or part thereof limited to five percent of the lump sum auditing fees shall be levied for the fields for which the submission of report is delayed.
- 3) **Non-performance Remedies:** In the event of failure to accomplish the work to the satisfaction of DGH under engagement letter, DGH reserves the right to cancel the engagement letter or a portion thereof by serving prior notice to the bidder and if so desired, engage other firms for availing the same services at the sole risk and cost of bidder.
- 4) The list of Blocks and years for exercising the Govt. audit rights along with Revenue/contract cost is enclosed. DGH may at its sole discretion delete any block from the list of blocks to be audited / inspected and may delete the job for any of the year of audit mentioned without assigning any reason.
- 5) **Force Majeure:** (i) For the purpose of this Contract, the term Force Majeure means any cause or event, other than the unavailability of funds, whether similar to or different from those enumerated herein, lying beyond the reasonable control of, and unanticipated or unforeseeable by, and not brought about at the instance of, the Party claiming to be affected by such event, or which, if anticipated or foreseeable, could not be avoided or provided for, and which has caused the non-performance or delay in performance. Without limitation to the generality of the foregoing, the term force Majeure shall include natural phenomena or calamities, earthquake, typhoon, fire, war declared or undeclared, hostilities, invasions, blockades, riots, strikes, insurrection and civil disturbance but shall not include the unavailability of funds.  
  
(ii) Neither party shall be held responsible for any loss or damage or delay in or failure of performance under the engagement letter to the extent that such loss or damage or delay in audit or failure of performance is caused by the force majeure. Either party shall have the right to terminate the engagement /contract with prior written notice. The written notice shall be give promptly but in no case later than seven (7) days after the occurrence of the event of Force Majeure giving full particulars of the Force Majeure, the obligations affected and the reasons of the termination. No payment due to bidder for the work completed prior to "Force Majeure" conditions shall be made.

In case the contract is agreed mutually to be not terminated, then time for performance of the relative obligations suspended by the force majeure shall then



stand extended by the period for which such cause lasts. Such period shall be decided mutually and the Government will have the final say in the matter.

- 6) **Assignment:** Auditor shall not assign or sub-contract, in part or in whole, directly or indirectly, any work here under without obtaining the prior consent of DGH in writing.
- 7) **Indemnity:** Auditor shall indemnify, defend and hold DGH harmless from/against any claim, loss, liability, costs and expenses (including attorney fees) for damage to operator's property arising from the use of equipment/software/data regardless of cause while at operator's premises for Inspecting/Auditing of their accounts.

The Auditor shall also indemnify DGH for any indirect losses or consequential damages including without limitation, loss of profit, loss of production, loss of business, loss of use and loss of data regardless of the cause thereof.

- 8) **Confidentiality:** As this assignment is of confidential nature, the Auditor shall give an undertaking that they will hold in strict confidence all information obtained from the DGH and the independent field operators and shall not disclose such information to others except in connection with the performance of services for which they are engaged.
- 9) **Arbitration:** Any dispute or difference arising out of this contract shall be settled by mutual negotiations. If the dispute or difference cannot be settled by way of negotiations, it will be referred to Arbitration. There shall be three arbitrators, one by each party and the third appointed by the two. The arbitrator shall give reasoned award.

The arbitrators shall decide by whom the arbitrator's fee as well as cost incurred in arbitration shall be borne.

All arbitration proceedings shall be conducted in New Delhi / Delhi.

- 10) **Governing law and jurisdiction:** This engagement letter is governed by Indian Laws and the courts of Delhi/ New Delhi shall have the extensive jurisdiction on the subject matter.

**Performa of Bank Guarantee towards Bid Security  
BID BOND**

Ref. No.....

Bank Guarantee No.....

Dated .....

To,

Directorate General of Hydrocarbons  
OIDB Bhawan, Tower A, Plot No. 2, Sector – 73, Noida -201 301, India.

Dear Sirs,

1. Whereas Directorate General of Hydrocarbons, having its office at OIDB Bhawan, Tower A, Plot No. 2, Sector – 73, Noida -201 301, India. (hereinafter called 'DGH' which expression unless repugnant to the context or meaning thereof shall mean and include all its successors, administrators, executors and assignees) has floated a Tender No. \_\_\_\_\_ and M/s \_\_\_\_\_ having Head/Registered office at \_\_\_\_\_ (hereinafter called the 'Bidder' which expression unless repugnant to the context or meaning thereof shall mean and include all its successors, administrators, executors and permitted assignees) have submitted a bid Reference No..... and Bidder having agreed to furnish as a condition precedent for participation in the said tender an unconditional and irrevocable Bank Guarantee of Indian Rupees (in figures) \_\_\_\_\_ (Indian Rupees )(in words) \_\_\_\_\_ only) for the due performance of Bidder's obligations as contained in the terms of the Notice Inviting Tender (NIT) and other terms and conditions contained in the Bidding documents supplied by DGH which amount is liable to be forfeited on the happening of any contingencies mentioned in said documents.
2. We (name of the bank) \_\_\_\_\_ registered under the laws of \_\_\_\_\_ having its head/registered office at \_\_\_\_\_ (hereinafter referred to as "the Bank" which expression, unless repugnant to the context or meaning thereof, shall mean and include all its successors, administrators, executors and permitted assignees) do hereby guarantee and undertake to pay immediately on the first demand by DGH, the amount of Indian Rs. (in figures) \_\_\_\_\_ (Indian Rupees (in words) \_\_\_\_\_ only) in aggregate at any time without any demur and recourse, and without DGH having to substantiate the demand. Any such demand made by DGH shall be conclusive and binding on the Bank irrespective of any dispute or difference raised by the Bidder.
3. The Bank confirms that this guarantee has been issued with observance of appropriate laws of the country of issue.
4. The Bank also agree that this guarantee shall be irrevocable and governed and construed in accordance with Indian Laws and subject to exclusive jurisdiction of Indian Courts of the place from where tenders have been invited.
5. This guarantee shall be irrevocable and shall remain in force up to \_\_\_\_\_ which **includes thirty days** after the period of bid validity and any demand in respect thereof should reach the Bank not later than the aforesaid date.
6. Notwithstanding anything contained hereinabove, our liability under this Guarantee is limited to Indian Rs. (in figures) \_\_\_\_\_ (Indian Rupees (in words) \_\_\_\_\_)

\_\_\_\_\_ only) and our guarantee shall remain in force until (indicate the date of expiry of bank guarantee) \_\_\_\_\_.

Any claim under this Guarantee must be received by us before the expiry of this Bank Guarantee. If no such claim has been received by us by the said date, the rights of DGH under this Guarantee will cease. However, if such a claim has been received by us by the said date, all the rights of DGH under this Guarantee shall be valid and shall not cease until we have satisfied that claim. In witness whereof, the Bank, through its authorized officer, has set its hand and stamp on this ..... day of ..... at .....

WITNESS NO. 1

-----  
(Signature)  
Full name and official  
address (in legible letters)

-----  
(Signature)  
Full name, designation and  
official address (in legible  
letters) with Bank stamp.

Attorney as per Power of  
Attorney No.....  
Dated .....

WITNESS NO. 2

-----  
(Signature)  
Full name and official  
address (in legible letters)

Notes:

1. Please indicate the currency in which Bank Guarantee is being given Indian Rupees have been mentioned only for illustration. Therefore, in case where Bank Guarantee is being given in a currency other than Rupees, these terms may be deleted and replaced by relevant currency.
2. The expiry date as mentioned in clause **5 & 6** should be arrived at by adding 30 days to the date of expiry of the bid validity unless otherwise specified in the bidding documents.

**PERFORMANCE BANK GUARANTEE**

Ref. No. \_\_\_\_\_ Bank Guarantee No \_\_\_\_\_

Dated \_\_\_\_\_

To,  
Directorate General of Hydrocarbons,  
OIDB Bhawan, Plot No. 2, Sector 73, Noida -201 301, UP, India.

Dear Sirs,

1. In consideration of Directorate General of Hydrocarbons, having its Office at OIDB Bhawan, Plot No.2, Sector-73, NOIDA, India (hereinafter referred to as 'DGH', which expression shall, unless repugnant to the context or meaning thereof, include all its successors, administrators, executors and assignees) having entered into a CONTRACT No. \_\_\_\_\_ dated \_\_\_\_\_ (hereinafter called 'the CONTRACT' which expression shall include all the amendments thereto) with M/s \_\_\_\_\_ having its registered/head office at \_\_\_\_\_ (hereinafter referred to as the 'CONTRACTOR') which expression shall, unless repugnant to the context or meaning thereof include all its successors, administrators, executors and assignees) and DGH having agreed that the CONTRACTOR shall furnish to DGH a performance guarantee for Rupees..... for the faithful performance of the entire CONTRACT.
2. We (name of the bank) \_\_\_\_\_ registered under the laws of \_\_\_\_\_ having head/registered office at \_\_\_\_\_ (hereinafter referred to as "the Bank", which expression shall, unless repugnant to the context or meaning thereof, include all its successors, administrators, executors and permitted assignees) do hereby guarantee and undertake to pay immediately on first demand in writing any /all moneys to the extent of Rs. (in figures) \_\_\_\_\_ (Rupees. (in words) \_\_\_\_\_) without any demur, reservation, contest or protest and/or without any reference to the CONTRACTOR. Any such demand made by DGH on the Bank by serving a written notice shall be conclusive and binding, without any proof, on the bank as regards the amount due and payable, notwithstanding any dispute(s) pending before any Court, Tribunal, Arbitrator or any other authority and/or any other matter or thing whatsoever, as liability under these presents being absolute and unequivocal. We agree that the guarantee herein contained shall be irrevocable and shall continue to be enforceable until it is discharged by DGH in writing. This guarantee shall not be determined, discharged or affected by the liquidation, winding up, dissolution or insolvency of the CONTRACTOR and shall remain valid, binding and operative against the bank.
3. The Bank also agrees that DGH at its option shall be entitled to enforce this Guarantee against the Bank as a principal debtor, in the first instance, without proceeding against the CONTRACTOR and notwithstanding any security or other guarantee that DGH may have in relation to the CONTRACTOR's liabilities.
4. The Bank further agrees that DGH shall have the fullest liberty without our consent and without affecting in any manner our obligations hereunder to vary any of the terms and conditions of the said CONTRACT or to extend time of performance by the said CONTRACTOR(s) from

time to time or to postpone for any time or from time to time exercise of any of the powers vested in DGH against the said CONTRACTOR(s) and to forbear or enforce any of the terms and conditions relating to the said agreement and we shall not be relieved from our liability by reason of any such variation, or extension being granted to the said CONTRACTOR(s) or for any forbearance, act or omission on the part of DGH or any indulgence by DGH to the said CONTRACTOR(s) or any such matter or thing whatsoever which under the law relating to sureties would, but for this provision, have effect of so relieving us.

5. The Bank further agrees that the Guarantee herein contained shall remain in full force during the period that is taken for the performance of the CONTRACT and all dues of DGH under or by virtue of this CONTRACT have been fully paid and its claim satisfied or discharged or till DGH discharges this guarantee in writing, whichever is earlier.
6. This Guarantee shall not be discharged by any change in our constitution, in the constitution of DGH or that of the CONTRACTOR.
7. The Bank confirms that this guarantee has been issued with observance of appropriate laws of the country of issue.
8. The Bank also agrees that this guarantee shall be governed and construed in accordance with Laws and subject to the exclusive jurisdiction of Courts of the place from where the purchase CONTRACT has been placed.
9. Notwithstanding anything contained herein above, our liability under this Guarantee is limited to Rs. (in figures) \_\_\_\_\_ (Rupees (in words) \_\_\_\_\_) and our guarantee shall remain in force until \_\_\_\_\_.(indicate the date of expiry of bank guarantee)

Any claim under this Guarantee must be received by us before the expiry of this Bank Guarantee. If no such claim has been received by us by the said date, the rights of DGH under this Guarantee will cease. However, if such a claim has been received by us within the said date, all the rights of DGH under this Guarantee shall be valid and shall not cease until we have satisfied that claim.

In witness whereof, the Bank through its authorised officer has set its hand and stamp on this .....day of .....20\_\_ at .....

WITNESS NO. 1

-----  
(Signature)  
Full name and official  
address (in legible letters)  
with Bank stamp

-----  
(Signature)  
Full name, designation and  
address (in legible letters)

Attorney as per power of  
Attorney No.....  
Dated .....

WITNESS NO. 2

-----  
(Signature)  
Full name and official  
address (in legible letters)