## DIRECTORATE GENERAL OF HYDROCARBONS (Ministry of Petroleum & Natural Gas) GOVERNMENT OF INDIA NOIDA

# TENDER NO. : MM-12015/8/2017-DGH/C-3288/ENQ-097

## TENDER DOCUMENT FOR

Hiring of Third Party Consultant / Firm for "Evaluation and Validation of the Proposal Development Strategy for J-FIELD for the block KG-DWN-98/3"

Note: This tender Enquiry No. MM-12015/8/2017-DGH/C-3288/ENQ-097 has been issued to the below mentioned four consultant firms identified by DGH. Ordinarily bids from solicited consultant firms will be entertained on account of technical nature and reasons for timely completion of job. Any other renowned and professionally known firm presume themselves eligible as per Eligibility Criterion can approach DGH for issue of tender document with all requisite documents within five days from date of tender shown on website. DGH reserves the right to issue tender document (i.e., permission to quote) only to eligible bidders. Following firms who could not download the e mailed tender-document can download the same either from DGH's website www.dghindia.gov.in and Government of India's Public Procurement Portal http://eprocure.gov.in/cppp/ and submit their offers

- 1 M/s Beicip-Franlab, France
- 2 M/s Gaffney Cline & Associates, UK
- 3 M/s Bayphase Ltd., UK
- 4 M/s Petrotel Inc U.S.

## Directorate General of Hydrocarbons Ministry of Petroleum & Natural Gas <u>Govt. of India, New Delhi, INDIA</u>

 
 Phone No
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 OIDB Bhawan, Tower A, Plot No. 2, Sector - 73, NOIDA-201301, INDIA

No. MM-12015/8/2017-DGH/C-3288/ENQ-097

Date 19/12/2017

## FORWARDING LETTER FOR INVITATION TO BID

To,

## Sub : Hiring of Third Party Consultant / Firm for "Evaluation and Validation of the Proposal Development Strategy for J-FIELD for the block KG-DWN-98/3"

Sir/s,

The Directorate General of Hydrocarbons hereby invites sealed tenders in duplicate for carrying out "Validation / Endorsement of Field Development Plan". The salient features of the tender are:

1. Tender No. MM-12015/8/2017-DGH/C-3288/ENQ-097 : 2. Brief Description of the Services / Hiring of Third Party Consultant / Firm for Scope of Supply. "Evaluation and Validation of the Proposal Development Strategy for J-FIELD for the block KG-DWN-98/3" Type of Bid Two Bid System (Technical Bid & Price Bid) 3. : 4. **Bid Closing Time & Date** : 1400 Hrs (IST) on 10 January 2018. Place of Submission Directorate General of Hydrocarbons (DGH), 5. : OIDB Bhawan, Tower A, Plot No. 2, Sector - 73. Noida - 201 301. India. 6. Bid Opening Time, Date & Place : 1500 Hrs. (IST) 10 January 2018. On the same address as above. 7. Bid validity : 90 days from bid closing date. 8. Amount of Bid Bond (original Bid : Not applicable Bond to be enclosed with the Technical Bid only) 9. Performance Bank : 7.5 % of the contract value. Amount of Guarantee to be submitted only by the Successful Bidder. **10.** Signing of Contract Contract is to be signed within 28 days of date of : issue of LOA. **11.** Time period for completion of work Annexure II clause 2.0 : **12.** Quantum of Liquidated damages for At the rate of  $\frac{1}{2}$  % of the contract value per week : default in completion of the scope of or part thereof subject to a maximum of  $7\frac{1}{2}\%$  of work as per the contract. the contract value.

Annexure-I	_	Instructions to the Bidders.
Annexure-II	-	General Terms & Conditions of Contract
Annexure-III	-	Special Terms & Conditions
Annexure-IV	-	Terms of Reference/Scope of work
Annexure-V	-	Special Condition of Contract
Annexure-VI	-	Schedule of Rates
Annexure-VII	-	Bid Rejection Criteria/Bid Evaluation Criteria (BEC)
Annexure-VIII	-	Compliance Statement
Annexure- IX	-	Confidentiality and non- Disclosure Agreement
Annexure- X	-	Format for Permanent Establishment and Adm. Office
Annexure- XI	-	Proforma of Bank Guarantee towards Performance Security
Annexure -XII	-	Undertaking for Conflict of Interest
Annexure -IIIA	-	Model contract and general contract conditions

Other details and terms/conditions are as per the following Annexure:

Yours faithfully

HOD (MM) For Directorate General of Hydrocarbons

Encl: As above

#### **INSTRUCTIONS TO BIDDERS**

#### 1. COST OF BIDDING

**1.1** The bidder shall be solely liable to bear all costs and expenses associated with the preparation and submission of its bid, and DGH will in no case be held responsible or liable for payment of any costs associated with the preparation or submission of the said bids irrespective of the outcome of the bidding process as also in case the entire bidding process or part thereof is nullified/ cancelled due to any reason whatsoever.

## 2. BID DOCUMENT / TENDER DOCUMENT

- **2.1** The services required, bidding procedures and contract terms are prescribed in the Bid Document.
- **2.2** The bidders are expected to examine all instructions, forms, terms & specifications in the Bid Document. Failure to furnish all information required by the Bid Document or submission of a Bid not substantially responsive to the Bid Document to the satisfaction of the DGH in every respect will be at Bidder's risk and responsibility and may result in the rejection of its Bids.

#### 3. CLARIFICATION ON BID DOCUMENT

**3.1** A bidder requiring any clarification of Bid Document should notify DGH in writing at the address provided in the forwarding letter. Clarifications, if any, shall in no case be sought later than 7 days prior to the deadline prescribed herein for the submission of Bids. However, DGH may at its discretion provide clarifications on any relevant or crucial issue regarding the bid document and such clarifications shall not automatically cause any extensions of prescribed dates unless otherwise notified by DGH in writing within the original prescribed dates. In case no such extension of time is notified by DGH in writing then the original prescribed dates shall deem to apply.

## 4. AMENDMENT OF BID DOCUMENT

- **4.1** At any time prior to the deadline for submission of bids, DGH may at its own discretion and for any reason whatsoever whether at its own initiative or in response to a clarification requested by a bidder modify the Bid Documents by notifying any such amendment as may be drafted / incorporated to the original bid documents.
- **4.2** The amendment will be communicated in writing by Fax and/ or courier to all bidders who had originally received the said Bid Documents.
- **4.3** In order to allow the bidders reasonable time to take the amendment into account in preparing their bids, the DGH may at its discretion, extend the deadline for the submission of Bids and any such extension will be conveyed to all the bidders.

#### 5. LANGUAGE OF BID

**5.1** The bid prepared by the bidder and all correspondence and documents exchanged between the bidder and DGH relating to the Bid submitted shall be in English language.

However, printed literature furnished by the bidder may be in any other language so long as it is accompanied by an English translation of all its contents. In such a case for the purposes of the interpretation of bid, English translation shall prevail.

## 6. DOCUMENTS COMPRISING THE BID

- **6.1** The bid should be prepared and submitted under the single stage single Bid system and should comprise the following components:
- (i) All exceptions the bidder wishes to take to any of the conditions specified in the general and special conditions contained in any of the bid documents other than those contained in the Bid Evaluation Criteria (BEC). Any requests for deviation from BEC will not be entertained by DGH.
- (ii) Any other information / documents mentioned in the terms of reference andBid Rejection Criteria/ Bid Evaluation Criteria.
- (iii) The Compliance statement at Annexure-VII to be submitted in the prescribed format.

## 7. BID PRICES

- **7.1** Prices quoted by the successful bidder shall be held firm during its performance of the contract and will not be subject to variation on any account. A bid submitted with an adjustable price quotation will be treated as non-responsive and will be liable to be rejected. Price quotations are to be strictly in accordance with price bid. Conditional bid is liable to be rejected.
- **7.2** All duties, taxes and other levies payable by the successful bidder under the contract, for which its Bid Document is being issued, shall be made accordingly. The bidder will have to however, indicate in their price bid the breakup of the various taxes and duties payable by them

## 8. BID CURRENCIES

- **8.1** The bidders are to quote firm prices. They may bid in USD (including Indian Rupees). Payment will be made accordingly. However the payment towards Indian taxes if applicable will be made by DGH in Indian Rupees as per actual. Currency once quoted will not be allowed to be changed.
- **8.2** While evaluating the bids, the closing B.C Selling Market rates of exchange declared by the State Bank of Indian on the day prior to bid opening will be taken into account for conversion of foreign currency into Indian Rupees.

## 9. PERIOD OF VALIDITY OF BIDS

- **9.1** Bids shall remain valid for 60 days after the bid closing date. A bid valid for a shorter period will be considered as non-responsive and be liable to be rejected by the DGH.
- **9.2** In exceptional circumstances, DGH may solicit the bidder's consent to an extension of the period of validity. In case of agreement to the request, the bid Bond provided as per above-mentioned para shall also to be suitably extended. The bidder will not be permitted to modify its bid within the extended validity period.

## 10. FORMAT AND SIGNING OF BID

- **10.1** The bidder shall prepare two copies of bid clearly marking each as the "Original Bid" and the "Copy Bid". In the event of any discrepancy between the "Original" and "Copy", the "Original" shall prevail over the "Copy".
- **10.2** The original and all copies of the bid shall be typed or written in indelible ink and shall be signed by the bidder or a person duly authorized to bind the bidder to the contract. The authorization shall be indicated by written power of attorney / board resolution / agency agreement etc. accompanying the bid. The person or persons signing the bid documents shall initial all pages of the bid, except for un-amended printed literature.

## 11. SUBMISSION OF BIDS

**11.1** Sealing and Marking of Bids:

The tender would be processed according to a single stage, single bid procedures. Offers should be submitted in duplicate in sealed envelope with the following information on the right hand top corner:

- Tender No.:
- Bid Closing Date:
- Bidder's Name:
- 11.1.1 The offer should contain complete specification, details of service and Equipments /accessories offered.
- 11.1.2 The Bid Bond of requisite amount as mentioned in the forwarding letter for

invitation to bid must be enclosed with the Bid.

**11.2** Tender should be delivered at the following address so as to reach not later than 1400 hrs of the closing date of the tender:

HOD (MM) Directorate General of Hydrocarbons OIDB Bhawan, Tower A, Plot No.2, Sector-73, NOIDA- 201301.

- **11.3** Timely delivery of the bid is the responsibility of the Bidder. Bids must reach DGH not later than the closing date & time specified in the forwarding letter. Any bid received by DGH after the closing date and time, will be rejected and/or returned unopened to the Bidder. DGH will not be responsible for the loss of tender or for any delay during the postal transit or otherwise.
- **11.4** The bids can only be submitted in the name of the bidder in whose name the bid documents were issued by DGH. The tender papers shall be complete in all respects and submitted together with requisite information and annexures, if any. It shall be complete and free from any ambiguity, changes or interlineations.
- **11.5** The offered rates will remain firm till finalization of Tender. Any representation or request received after bid opening date and before opening of commercial bid, regarding revision of rates, will not be entertained and may lead to rejection of the Bid.

- **11.6** Bidders shall indicate their complete postal and fax/e-mail address at the time of quoting against this tender.
- **11.7** The conditions of the contract to entered into with the successful bidder would be based on various sections of this Tender document. Bidders are requested to state their compliance on these terms in their technical offer itself, in addition to Compliance Statement at Annexure-VIII
- **11.8** Fax/e-mail or any other types of open offers are not acceptable. Unsolicited offers will be rejected.

## 12. BID OPENING AND EVALUATION

**12.1** Opening of Bids by DGH:

DGH will open the Bids in the presence of Bidders, or their authorized representative, who choose to attend at the date, time and place mentioned in the forwarding letter. However, the Bidder's representative must produce an authorization letter from the Bidder at the time of opening of Bids.

## **13. CLARIFICATION OF BIDS**

To assist in the examination, evaluation and comparison of bids, the DGH may, at its discretion, ask the Bidders for certain clarifications. The request for clarifications and response shall be in writing.

## 14. DGH'S RIGHT TO ACCEPT OR REJECT BID

The DGH reserves the absolute right to accept or reject any or all Bids, at any time, prior to the award of Contract, without assigning any reason.

#### ANNEXURE-II

#### **GENERAL TERMS AND CONDITIONS OF CONTRACT**

#### 1.0 **DEFINITIONS**

- **1.1** In the Contract, the following terms shall be interpreted as indicated:
- (a) The "Contract" means the agreement entered into between DGH and the Contractor, as recorded in the Contract Form signed by the parties, includes all attachments, appendices thereto as also all documents incorporated by reference therein;
- (b) The "Contract Price" means the price payable to contractor under the contract in consideration for the full and proper performance of its contractual obligations.
- (c) The "Work" means each and every activity required to be carried out for the successful performance of the service described in the Scope of work at Annexure IV.
- (d) "DGH" means the Directorate General of Hydrocarbons and its executors, successors, administrators and assignees.
- (e) "Contractor" means the individual or firm or company or consortium or joint venture of companies performing the work under this contract.
- (f) "Contractor's personnel" mean the personnel to be provided by the contractor to provide services in terms of this contract.
- (g) "DGH Personnel" mean the personnel to be provided by the DGH.
- 2.0 **DURATION OF CONTRACT:** Refer Annexure V Effective under duration of Contract

#### 3.0 SCOPE OF WORK

The scope of work is for carrying out Evaluation and Validation of Field Development Plan, which is more fully described at Annexure IV attached herein.

#### 4.0 CONTRACTOR'S OBLIGATIONS

- **4.1** The Contractor shall in accordance with and subject to the terms and conditions of this contract perform the work described in the scope of work.
- **4.2** The contractor shall perform all other obligations, work and services which are required by the terms of this contract or which can be reasonably implied from such terms as being necessary for the successful and timely completion of work.
- **4.3** The Contractor shall give such services and provide all necessary supervision during the performance of the services and as long thereafter as DGH may consider necessary for proper fulfilling of contractor's obligations under the contract.

#### 5.0 DGH OBLIGATIONS

**5.1** The DGH shall pay the contractor in accordance with and subject to the terms and conditions of the contract. DGH will supply to the contractor all relevant inputs available at DGH.

## 6.0 CONTRACTOR'S PERSONNEL

- **6.1** The Contract warrants that the contractor shall provide, competent, qualified and sufficiently experienced personnel to perform the work correctly and efficiently and shall ensure that such personnel observe international safety standards. Upon the DGH's written request, the contractor, at its own expense shall remove immediately any contractor's personnel identified by the DGH to be unsuitable for the task assigned and such a person shall be immediately be replaced with a more competent and suitable person.
- **6.2** It is mandatory for the contractor to have the required infrastructure facilities for conducting work. Necessary documentary evidence of such capability should be submitted along with the bid.

## 7.0 REMEDY OF DEFECTS

The Contractor warrants that while performing its duties and obligations as per its scope of work set out herein it shall adhere to the high working standards and as per the industrial norms prevailing internationally. In respect of state-of-the-art oilfield practices and in conformity with all specifications, standards and drawings set forth or referred to in the terms of the instructions and guidance, which the DGH may from time to time provide to contractor. In case the contractor fails to rectify the defects as may be brought to its notice by the DGH, the DGH shall be entitled to get such defects rectified and deduct the cost of such rectification from the bills submitted by the contractor and/or adjust the same against the Performance Bank Guarantee.

## 8.0 LIABILITY

- **8.1** Except as otherwise expressly provided, neither the DGH nor its servants, agents, nominees, contractors or sub-contractors, shall have any liability or responsibility whatsoever to whomsoever (including the owner) for any loss or damage caused to the equipment and / or loss or damage to the property of contractor and / or its contractors or sub-contractors, irrespective of how such loss is caused. The contractor shall protect, defend indemnify and hold harmless DGH from and against such loss or damage and any suit, claim or expense resulting there from.
- **8.2** Neither the DGH nor its servants, agents, nominees, assignees, contractors and subcontractors, shall have any liability or responsibility what-so-ever for injury, illness, or death of any employee of contractor and/or of its contractors or sub-contractors irrespective of how such injury, illness or death is caused. Contractor shall protect, defend and hold harmless the DGH from and against such loss or damage and any suit claim or expense resulting there-from.

## 9.0 SECRECY OF CONTRACT DOCUMENTS

- **9.1** The successful bidder shall not, without the prior written consent of the DGH, disclose the contents of the Tender, or any provision thereof or any specification, data, maps, or other information furnished by or on behalf of DGH in connection therewith to any person or third party other than a person employed by the Bidder. Disclosure to any such employed person shall be made in confidence and shall extend only so far as may be necessary.
- **9.2** Contractor shall not without DGH's prior written consent make use of contract document or any information enumerated above except for bid preparation and contract execution.
- **9.3** CONFIDENTIALITY AGREEMENT: Bidder will sign non-disclosure agreement with DGH. Data given by DGH will not be used for interpretation or preparation of report(s) for the

third party. The bidder or their personnel shall not, either during the term or after expiration of contract, disclose any proprietary or confidential information relating to services and data base without written consent of DGH.

**9.4** The Contractor (consulting firm) will not use the subject study for any other use (viz., promotional, further consultation etc.) during the process of completion and subsequent period during which it is being referred by GoI / DGH for ensuring confidentiality

## **10.0 FORCE MAJEURE**

- 10.1 The term "Force Majeure" as employed herein shall mean an event beyond the control of the DGH and/or the Contractor and not occurring due to the fault or negligence of any of the parties hereto and such acts include acts of nature, tempest, war, civil war, riot, flood, fire and Acts and Regulations of respective governments of the two parties i.e., DGH and the Contractor. Force Majeure does not include the financial condition of the Contractor or the DGH, nor does it arise from the failure of one or both parties to meet their obligations under the Contract.
- **10.2** Neither party shall be held responsible for any loss or damage or delay in or failure of performance of the Contract consequent to this tender to the extent that such loss or damage or such delay or failure of performance is caused due to *Force Majeure*.
- **10.3** In the event of either party not being able to perform any obligation required to be performed by them under the contract due to *force majeure*, the corresponding obligation of the party affected due to such non-performance shall, upon notification in writing to the other party, be suspended for the period during which such cause lasts.
- **10.4** Upon the occurrence of such cause, the party alleging that it has been disabled from discharging its duty as aforesaid shall notify the other party in writing within 72 hours of the beginning, estimated duration thereof of the *force majeure* condition first occurring giving the full particulars supporting of its claim. The party affected shall promptly notify the other party as soon as the force majeure event has been removed and no longer prevents it from complying with the obligations which have been suspended and shall thereafter resume compliance with such obligations as soon as possible.
- **10.5** Time for performance of the relative obligation suspended by *Force Majeure* shall then stand extended by the period for which such cause lasts.
- **10.6** If a *Force Majeure* situation arises, the Contractor shall notify the DGH of such condition and the cause thereof. The Contractor shall continue to perform his obligations under the Contract as far as reasonably practicable, and shall seek all reasonable alternative means for performance.
- **10.7** Either party will have the right to terminate the Contract with a prior written notice of 15 days if such *Force Majeure* conditions continue beyond 30 days. No payments or Standby charges are payable to the Contractor for the duration of *Force Majeure* conditions.

## **11.0 TERMINATION**

**11.1** Termination on expiry of the terms (Duration):

The contract shall be deemed to have been automatically terminated on expiry of duration of contract or extension, if any, thereof.

**11.2** Termination on account of Force Majeure conditions prevailing:

Either party shall have the right to terminate the contract on account of Force Majeure under clause 11.7 hereinabove.

**11.3** Termination on account of Insolvency:

In the event that the CONTRACTOR at any time during the term of the contract becomes insolvent or makes a voluntary assignment of its assets for the benefits of creditors or is adjudged bankrupt, then the DGH shall by a notice in writing have the right to terminate the contract and all the contractor's right and privileges hereunder, shall stand terminated forthwith.

**11.4** Termination for Unsatisfactory Performance:

If DGH considers that the performance of the contractor is unsatisfactory, or not up to the expected standards, DGH shall notify the contractor in writing and specify in details the cause of the dissatisfaction. DGH shall have the option to terminate the contract by giving 15 days notice in writing to the contractor if the contractor fails to comply with the requisitions contained in the said written notice issued by DGH.

**11.5** Termination due to change of Ownership & Assignment:

In case the contractor's rights and/or obligations under the contract and / or the contractors rights title and interest to the equipment / material, are transferred or assigned without the DGH's consent, DGH may at its absolute discretion, terminate the contract.

**11.6** Termination due to delay:

Beside others, DGH can terminate the contract under following conditions:

- Delay beyond two months in completion of contractual work beyond the scheduled completion date
- **11.7** Consequences of Termination:

In all cases of termination herein set forth, the obligation of DGH to pay the rates or any other charges 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.

- **11.8** If at any time during the term of the contract, breakdown of contractor's equipment results in contractor being unable to perform obligations hereunder for a period of 15 successive days (not including *force majeure* delay). DGH, at its option, may terminate this contract without any further right or obligation on the part of DGH, except for the payment of money then due. No notice shall be served by DGH under the condition stated above.
- **11.9** Upon termination of the contract, contractor shall return to DGH all of DGH's items, which are at the time in contractor's possession, at contractor's cost.
- **11.10** Notwithstanding any provisions herein to the contrary, the contract may be terminated at any time by DGH on giving 15 days written notice to the contractor due to any other reason not covered under the above clauses from 12.1 to 12.7 and in the event of such termination the DGH shall not be liable to pay any cost or damages to the contractor except for payment for all services, repairs, total replacement cost and all personnel, charges and

other charges including demobilization charges if provided for in the contract as per the contract up to termination.

**11.11** In the event of termination of contract, DGH will issue notice of termination of the contract with date or event after which contract will be terminated. The contract shall then stand terminated and the contractor shall demobilize their personnel and materials.

## **12.0 INDEMNITY AGREEMENT**

- **12.1** The Contractor hereby agrees to indemnify and hold DGH harmless from any loss or liability, (including all/any attorney's fees and related legal expenses), arising out of any claim for damage to Contractor's property and injuries to or death of Contractor's employees and agents, consultants caused by, or incidental to Contractor's performance under this Contract, regardless of whether any such loss, liability, injury or death may be caused by negligence of DGH, its third party agents or its employees.
- **12.2** DGH and Contractor agree to indemnify and hold one another harmless from any loss, expense or liability, including all/any attorney's fees and related expenses arising out of any claim presented by third parties for personnel injuries or death, or property or equipment damage which is attributable to the negligence of DGH and/or Contractor caused by, or incidental to the performance of each party under this Contract.

## **13.0 ARBITRATION**

- **13.1** Except as otherwise provided elsewhere in the contract, if any dispute or difference arises between the parties hereto or the respective representatives or assignees at any time in connection with operation, interpretation or out of CONTRACT or breach thereof shall be decided in accordance with Indian Arbitration and Conciliation Act, 1996 by an Arbitral Tribunal consisting of three arbitrators. Each party shall appoint one arbitrator and the Arbitrators so appointed shall appoint third arbitrator, who shall act as the presiding arbitrator.
- **13.2** In case a party fails to appoint an arbitrator within 30 days from the receipt of request to do so by the other party or the two arbitrators so appointed fail to agree on the appointment of the third arbitrator within 30 days of the appointment of second Arbitrator, the Chief Justice of Supreme Court/High Court as the case may be or any other person or institution designated by him within whose jurisdiction the subject CONTRACT has been made, shall appoint the arbitrator/presiding arbitrator upon request of any of the parties.
- **13.3** If any of the arbitrators so appointed dies, resigns, incapacitated or withdraws for any reasons 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 the parties agree for the same and otherwise he shall proceed de-novo.
- **13.4** It is agreed between the parties that the party invoking arbitration shall specify all disputes to be referred to arbitration at the time of invocation of arbitration and not thereafter.
- **13.5** It is also agreed between the parties that neither party to the arbitration shall be entitled to the interest on the amount of award.

- **13.6** The Arbitral tribunal shall give a reasoned award and the same shall be final, conclusive and binding on the parties.
- **13.7** The venue of the arbitration shall be New Delhi, India and shall be conducted in English language. The Courts in Delhi will have the jurisdiction to deal with such arbitration award if required.
- **13.8** The fees of the arbitrators shall be borne by the respective parties nominating them and the fee of the presiding arbitrator, cost and other expenses incidental to the arbitration proceedings shall be borne equally by the parties. Subject to aforesaid, the provisions of Indian Arbitration and Conciliation Act, 1996 and any statutory modification or reenactment in lieu thereof shall apply to the arbitration proceedings under this clause.

## **14.0 APPLICABLE LAWS**

The contract shall be deemed to be a contract made under, governed by and construed in accordance with the laws of India. Contractor shall ensure full compliance of all applicable Indian Laws and statutory regulations at its own cost.

## **15.0 TAXES AND LEVIES**

The bidder will have to bear all Income Tax liability both corporate and personal tax.

## 16.0 GST Liability:

The bidder will have to bear all GST liability, as applicable except in case of services provided by Goods Transport Agency (GTA) and Services provided by a service provider from outside India not having a fixed establishment or permanent address in India as prescribed under GST Law (amended from time to time)

The Bidder should quote the applicable GST, clearly indicating the rate and the amount of GST included in the bid and the classification of the respective service (as per GST law) under which the GST is payable.

In the contracts involving multiple services or involving supply of certain goods / materials along with the services, the Bidder should give separate break-up for cost of goods and cost of various services, and accordingly quote GST as applicable for the taxable services.

In case the applicability of GST is not quoted explicitly in the offer by the Bidder, the offer will be considered as inclusive of all liabilities of GST. DGH will not entertain any future claim in respect of GST against such offers.

In case, the quoted information related to various taxes and duties subsequently proves wrong, incorrect or misleading:-

a) DGH will have no liability to reimburse the difference in the duty / tax, if the finally assessed amount is on the higher side.

b) DGH will have the right to recover the difference in case the rate of duty / tax finally assessed is on the lower side.

The service provider should have a valid registration with the concerned authorities of GSTt and a copy of such registration certificate should be submitted along with the offer. In case the registration certificate for the quoted category of service is not available at the time of submission of offer, an undertaking should be furnished for submission of copy of requisite GSTIN certificate along with the first invoice under the contract.

(i) GST on contracts for transportation of goods by road in a goods carriage (Applicable for Goods Transport where the contract is for transportation / logistics and not the service/ turnkey contracts where transportation is a part):

In this case, since the liability to pay GST is on DGH as receiver of the service, the Bidder shall not include GST in the quoted prices.

As the above statutory provisions are frequently reviewed by the Government, the bidders are advised to check the latest position in their own interest and DGH will not bear any responsibilities for inc

#### 17.0 PERFORMANCE SECURITY / PERFORMANCE BOND

- **17.1** The successful Bidder, within 21 days from the date of issue of LOA/NOA from the Purchaser, will be required to send Performance Security in the form of Bank Draft or in lieu thereof, Performance Bond for **7.5%** of the contract value in the form of Bank Guarantee from a nationalised/scheduled Bank. Detailed P.O. shall be placed only after receipt of acceptable Contract Security (i.e. Security Deposit/Performance Bond).
- **17.2** DGH shall not be liable to pay any bank charges, commissions or interest on the amount of Performance Security / Performance Bond.
- **17.3** Performance Security/ Performance Bond shall be refunded / returned to the SUPPLIER after completion of supplies/after satisfactory execution of the order.
- **17.4** In the event of non performance of the contract, if the losses suffered by DGH are more than the value of the Performance Security/Performance bond, DGH in addition to forfeiting the performance security/ performance bond, reserves the right to claim the balance amount of damages/losses suffered by DGH.
- **17.5** The performance security/performance bond shall remain at the entire disposal of DGH as a security for the satisfactory completion of the supply in accordance with the conditions of the contract.

#### 18.0 HOLIDAY

DGH may at its sole discretion, put the contractor on Holiday for a particular period or permanently in case of default or as a result of poor performance, non-adherence to the contractual obligations and/or delay in execution of the contract by the party.

#### NOTICES

Any notice given by one party to other pursuant to the contract shall be sent by telegram, telex, cable or fax and confirmed in writing to the applicable address of the other party. For the purpose of this contract the addresses of the parties are:

The Director General Directorate General of Hydrocarbons OIDB Bhawan, Tower A, Plot No. 2, Sector – 73, NOIDA-201301, INDIA Fax No :( 0091) - 120-2472049 Contractor's Address

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#### **SPECIAL TERMS & CONDITIONS**

**1. SCHEDULE OF PAYMENTS:** Full payment on successful completion of job i.e., after submission of final report and presentation at DGH.

#### 2. CONSEQUENTIAL DAMAGE

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 of profit or business interruptions, howsoever caused and regardless of whether such loss or damage was caused by the negligence of the parties.

#### 3. 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 either party to execute any right of termination shall not act as a waiver or amendment of any right of such party provided hereunder.

#### 4. WITHHOLDING

- **4.1** DGH may at its absolute discretion withhold or nullify its obligations to pay the whole or any part of the amount due to the Contractor on account of subsequently discovered evidence of loss/ damages caused to the DGH by the contractor on account of:
- **4.2** Non-completion of contracted work to the absolute satisfaction of the DGH or its duly appointed representative/agent.
- **4.3** Contractor's un-cleared debt arising out of execution of the Contract.
- **4.4** Defective work not remedied by the Contractor.
- **4.5** Unsettled claims by any of the sub-contractor/s appointed by the Contractor or by any other third party claiming through the contractor or on the basis of any reasonable evidence indicating probable filing of such claims against the Contractor.
- **4.6** Any failure by the Contractor to fully reimburse the DGH in terms of the indemnification provisions of the Contract. Where, during the process of the work, the Contractor allows any indebtedness to accrue for which DGH may be held to be primarily or contingently liable or ultimately responsible for its discharge and where the Contractor fails to pay and discharge such indebtedness, within five days of being called upon to do so, then DGH may during the period for which indebtedness shall remain unpaid, be entitled to with-hold a sum equal to the amount of such unpaid indebtedness. When all the above grounds for withholding payments are removed, the payments shall thereafter be made for amounts so withheld.
- 4.7 Withholding will also be effected on account of the following :-
- (i) Garnishee 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 DGH in the event of Contractor's failure to adhere to such Laws.
- (iv) Any payment due from Contractor in respect of any unauthorized imports.

## 5. LIQUIDATED DAMAGES (L.D.) FOR DEFAULT IN TIMELY COMPLETION

5.1 Timely completion of this project is essential. In the event of the Contractor's default in completion of scope of work from commencement date (as defined in Annexure – V, Clause 5) under the contract, the Contractor will be liable to pay liquidated damages at the rate of ½% of Contract value per week or part thereof, but not exceeding 7½%. Part thereof means that part of the week will be treated as full week, e.g. a delay of one week and one or two days and so on will be treated as delay of two weeks (not for one week and one or two days) and LD will be levied accordingly. It is agreed between the parties that the aforesaid amount of liquidated damages is a genuine pre-estimated loss in case of breach of contract and is not by way of penalty.

#### **TERMS OF REFERENCE/SCOPE OF WORK**

Scope of Work for Hiring of Third Party Consultant / Firm for "Evaluation and Validation of the Proposal Development Strategy for J-FIELD for the block KG-DWN-98/3"

#### 1. Evaluation and Validation of the FDP includes but not limited to the following:

- 1.1. Evaluation and Validation of proposed development strategy for Production Facilities of the Field by the Operator. Also, explore and suggest the possibility of having any other development strategy/option other than the final option suggested in the instant FDP (Indicative broad facilities suggested by Operator is enclosed as attachment).
- 1.2. Evaluation and Validation whether the proposed well completions (both lower & upper), strategies are optimum and adequate.
- 1.3. Evaluation of system risks w.r.t. development concept and production facilities such as:
- (i) Flow assurance issues due to high wax appearance temperature and hydrate formation in the Fluid.
- (ii) Presence of CO2 and Mercury content in Fluid.
- 1.4. Domain experts of the consultant in the field of Production Facility must be present at Directorate General of Hydrocarbons (DGH), India office along with respective software applications for a minimum period of two days prior to the draft presentation to associate themselves with DGH personnel for discussions and deliberations on the technical aspect of the Field Development Plan.

#### 2. Deliverables:

- a. Submission of draft report(s) to DGH followed by presentation on the same. The draft report shall contain all analysis, maps, tables along with reasons/justification for acceptance /disagreement on all issues/ aspects as described at item 1.1 to1.3 above.
- b. Two hard copies and one soft copy of the final report giving details on evaluation, validation and the details as desired at item 1.1 to 1.3 above. Reasons/justification for acceptance /disagreement on all issues/ aspects of the FDP need to be submitted at the end of the study.
- c. Submission of Final report along with recommendations and conclusions on each of the above aspects, followed by presentation at DGH office at Noida.
- d. Contractor should present his views on the interim report on evaluation of FDP through video-conferencing.

## 3. Data, information/ documents available with DGH:

List of reports / documents available for carrying out the evaluation and validation job:

- a. Field Development Plan submitted by the Operator.
- b. Other Technical data, if required and available, will be provided by DGH within 1 week from receipt of request.
- c. Production Sharing Contract.

## 4. Further data, if required.

The list of data mentioned under item 3 includes the studies/ reports that may be made available for carrying out the evaluation job. Any further information/ documents required for carrying out the above scope of work is to be intimated to DGH, so that effort can be made to arrange the same. However, non-availability of the additional data should not affect the time frame for the completion of the job and the deliverables.

## 5. Salient features of FDP

- a. Type of the block : Deep Water on Eastern Coast of India.
- b. No. of discoveries in FDP: One (Gas + Condensate)
- c. Type of discoveries : Deep Water with water depth ranging From 600-1200 mt.

:

## 6. Period of Completion of Work

Submission of draft report &<br/>presentation at DGHWithin thirty days from the date of<br/>handing of data, reports and documents<br/>etc. by DGH.Submission of final reportThe final report to be submitted within<br/>one week after receiving response from<br/>DGH on draft report.

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

**1.0 DEFINITIONS:** Following terms and expressions shall have the meaning hereby assigned to them unless the context otherwise requires:

**2.0 Mobilization**: The mobilization of services shall commence on the date of receipt of the Letter of Award awarding the Contract and continue until the collection of DoC / FDP related technical data by the authorized representative of the contractor from DGH. Please note that the data will, under no circumstances, be sent to the contractor by courier or in any other mode by DGH. The data is to be received by the contractor in person from DGH by authorized representative by presenting necessary authority letter in original issued by the bidder.

**3.0 Return of Data provided by DGH:** The data received from DGH in soft & hard from for the study is to be kept confidential during the study & afterwards and will not be shared with anyone. Further the data received must be returned to DGH in original, after completion of the study along with the final report. The contractor should give an undertaking that no data has been retained either in part or in full by him by way of copy or in any other form

**4.0 Security & Safety of Data**: Safety & Security of the data handed over to the contractor by DGH will be the contractor's responsibility. Loss or damage of data by the contractor for whatever reason will not be acceptable to DGH.

#### 5.0 Period of Completion of Work

Submission of draft report & presentation at DGH from	:	Within thirty days
the date of handing of data, reports and documents etc.		
by DGH		
Submission of final report	:	The final report to be submitted
		within one response from DGH on

draft report.

#### SCHEDULE OF RATES

## Currency of quote (Bidder to indicate) - INR / US\$

<u>S.No.</u>	Description of assignment	<u>Amount (Lump sum)</u>
1	Hiring of Third Party Consultant / Firm for "Evaluation and Validation of the Proposal Development Strategy for J-FIELD for the block KG-DWN-98/3" as detailed in Annexure IV as per tenders terms and conditions	
2	GST Applicable (to be indicated by Indian bidders and will be loaded for the foreign bidders)	
]	TOTAL	

## NOTE:

- 1. The contract price is inclusive of all traveling expenses including both overseas and domestic and boarding & lodging charges. No other payment on any score whatsoever will be payable by DGH.
- 2. The prices are inclusive of all taxes, levies, duties etc. However, in case of foreign bidders who do not have any permanent establishment in India, GST will be borne by DGH. However, at the time of evaluation, GST as applicable shall be loaded on the portion of services which attract GST. In case the Bidder does not give break-up of the quoted prices, indicating the components of taxable services separately, the GST will be loaded on entire quoted /Contract value for evaluation
- 3. Travelling, Boarding, lodging, and local conveyance and other requirements of the contractors / sub contractor's personnel shall be of contractor's responsibility.

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

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

Designation:	

Seal of the Bidder:

#### **ANNEXURE-VII**

#### **BID REJECTION CRITERIA/ BID EVALUATION CRITERIA**

#### **Bid Rejection Criteria**

#### A. VITAL CRITERIA FOR ACCEPTANCE OF BIDS

Bidders are advised not to take any exception/deviations to the bid document. Exceptions/ deviations, if any, along with suggested changes are to be communicated by Fax / Courier, so as to reach DGH within 2 (two) days of closing of sale / download of bid documents. DGH after processing such suggestions may, through an addendum to the bid document, communicate to the bidders the changes in its bid document, if any, through DGH's website. Still, if exceptions /deviations are maintained in the bid, such conditional/ non-conforming bids shall not be considered and shall be rejected.

#### B. **REJECTION CRITERIA**

#### B.1 **Technical rejection criteria**

The following vital technical conditions should be strictly complied with, failing which the bid will be rejected:

1.0 Bid should be complete covering all the scope of job/ supply and should conform to the technical specifications indicated in the bid documents, duly supported with technical catalogues/ literatures wherever required. Incomplete and non-conforming bids will be rejected outright.

2.0 Eligibility and experience of the bidder:-

2.0 (a) The bidder should have experience in preparation/ evaluation of Deep Water (water depth > 400 meters or 1312 feet) development plans of Oil & Gas Industries in accordance with the technical scope of work attached. To this effect, bidder should submit documentary evidence for completion of work related to preparation / evaluation of Deep water development plans of Oil & gas Industries".

## <u>(Bids without documentary evidence for the eligibility criterion and experience of the bidders are</u> <u>liable to be rejected.</u>)

(a.1) **Documentary evidence for 2.0 (a)** : Necessary documentary evidence / certificates to be submitted along with techno-commercial bid, in the form of copies of respective contracts, along with documentary evidence in respect of satisfactory execution of one or more of those contracts, in the form of :

(A) copies of any of the documents (indicating respective contract number and type of services), such as - (i) Satisfactory completion / performance report (OR) (ii) proof of release of Performance Security after completion of the contract (OR) (iii) proof of settlement / release of final payment against the contract (OR) (iv) any other documentary evidence that can substantiate the satisfactory execution of each of the contracts cited above.

OR

(B) A statement of successful execution of services as per 2.0 (a) above, from the statutory auditor of the bidder, indicating (i) Name of Client / Contractee, (ii) Nature of Service provided, (iii) Date

of Commencement & Completion, (iv) Whether satisfactorily completed, for each of the contract done.

2.1 In case the bidder is a consortium of companies, the following requirement should be satisfied (Please see Clause No. 7.15 of Instruction to bidders).

a) The leader of the consortium should satisfy the minimum experience requirement as per **para 2.0 (a & b)** above.

b) The leader of the consortium should confirm unconditional acceptance of full responsibility of executing the 'Scope of work' of this tender. This confirmation should be submitted along with the techno-commercial bid.

c) All the members of the consortium must undertake in their MOU that each party shall be jointly and severally liable to DGH for any and all obligations and responsibilities arising out of this contract.

B2. Commercial rejection criteria

The following vital commercial conditions should be strictly complied with failingwhich the bid will be rejected:

1.0 Bid should be submitted (in Two Bid system) in two separate envelopes. The Techno Commercial bid shall contain all details but with the price column of the price bid format blanked out. However a tick mark ( $\sqrt{}$ ) shall be provided against each item of the price bid format to indicate that there is a quote against this item in the Priced Commercial bid. The Priced bid shall contain only the prices duly filled in as per the price bid format.

Offers with techno commercial bid containing prices shall be rejected outright.

2.0 Acceptance of terms & conditions:

The bidder must confirm unconditional acceptance of General Conditions of Contract, Special Conditions of Contract and Instruction to Bidders.

3.0 Offers of following kinds will be rejected:

a) Offers made without Bid Security/Bid Bond/Bank Guarantee along with the offer (Refer **clause 16** of Instruction to Bidders at **Annexure I)**.

b) Fax / e-Mail / Photo copy offers and bids with scanned signature. Original bids which are not signed manually.

c) Offers made by Agents/Consultants/Retainers/Representatives /Associates of foreign principals.

d) Offers which do not confirm unconditional validity of the bid for the period indicated in the Forwarding Letter of this Bid Documents.

e) Offers where prices are not firm during the entire duration of the contract and/or with any qualifications.

- f) Offers which do not conform to DGH's price bid format.
- g) Offers which do not conform to the mobilization period indicated in the bid.
- h) Offers which do not conform to the contract period indicated in the bid.

j) Offers and all attached documents not signed by the authorised person.

k) Offers not accompanied with a declaration to the effect that the bidder do not have any fixed establishment or permanent address in India. (Applicable for Service providers from outside India, who do not have any fixed establishment or permanent address in India).

l) Offers not accompanied with a declaration that neither the bidders themselves, nor any of its allied concerns, partners or associates or directors or proprietors involved in any capacity, are currently serving any banning orders issued by DGH debarring them from carrying

on business dealings with DGH.

3.1 The offers of the bidders indicating/disclosing prices in techno-commercial (un-priced bid) orat any stage before opening of price-bid shall be straightaway rejected.

4.0 Bidder shall bear, within the quoted rates, the Personnel Tax as applicable in respect of their personnel and their sub-contractor's personnel, arising out of this contract. Bidder shall also bear, within the quoted rates, the Corporate Tax, as applicable, on the income arising out of this contract.

5.0 Indian agent is not permitted to represent more than one foreign bidder (Supplier/ Manufacturer/Contractor) in a particular tender. In case an Indian agent represents more than one foreign bidder (Supplier/Manufacturer/Contractor) in a particular tender, then offers of such foreign bidders (Suppliers/Manufacturers/Contractors) shall be rejected in that tender.

## C.Price Evaluation Criteria

1.1 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.

1.2 While evaluating the bids, the closing B.C. Selling market rates of exchange declared by the State Bank of India on the day prior to the price bid opening will be taken into account for conversion of foreign currency into Indian Rupees. Where the time lag between opening of price bid and final decision exceeds three months, the B.C. selling market rate of exchange declared by SBI on the day prior to date of final decision will be adopted for conversion of foreign currency into Indian Rupees.

## 2 Evaluation of bids :-

2.1.1 Pre-qualification criteria- A screening committee approved by the competent authority will undertake the screening of all the tenders based on the pre-qualifying criterion.

2.1.2 Bidding by forming a consortium or under an MOU amongst companies is also allowed, with the lead company being identified which should also meet the BRC conditions.

2.1.3 Evaluation and Selection Procedure- After Techno - Commercial evaluation, financial bids will be opened for the acceptable and responsive bids and among them the lowest bidders will be considered for award of job. Evaluation of Price Bids will be made on the basis of the Grand Total Price row indicated in the Price Format / Schedule.

2.1.4 DGH reserves the right to negotiate the rates with Lowest Evaluated Bid as specified above and also reserves the right to reject any or all the offers without assigning any reason.

2.2 For Services received by DGH in Indian Territory from a Service provider from outside India, who does not have any fixed establishment or permanent address in India, the Bidder should not include the GST in his quoted price. However, the GST as applicable will be loaded for evaluation.

## D.General:

1. The BEC/BRC over-rides all other similar clauses operating anywhere in the Bid Documents.

2. The bidder/contractor is prohibited to offer any service / benefit of any manner to any employee of DGH and that the contractor may suffer summary termination of contract /

disqualification in case of violation.

3. On site inspection will be carried out by DGH's officers / representative / Third Parties at the discretion of the DGH.

## <u> Annexure – VIII</u>

#### **COMPLIANCE STATEMENT \***

Date .....

Tender Enquiry No. MM-12015/8/2017-DGH/C-3288/ENQ-097

To,

Directorate General of Hydrocarbons OIDB Bhawan, Tower A, Plot No.2,Sector-73, NOIDA-201301.

Sirs,

Having examined the Bidding Documents including Annexures, the receipt of which is hereby duly acknowledged, I / We, the undersigned, offer to undertake the job of Validation / Endorsement of Field Development Plan in conformity with the said Bidding Documents for the sum/s as may be ascertained in accordance with the schedule of prices attached with the Price Bid.

I / We undertake, if my/our bid is accepted, to commence the study with effect from the date of receipt of Geoscientific data from DGH.

If my/our bid is accepted, I/We hereby undertake to submit within 7 days of the date of issuance of the said LOI / Award of Contract, a bank guarantee for 7.5% of ordered value for the execution of the order.

I / We agree to abide by this bid for a period of 60 days from the date fixed for bid opening and it shall remain in force and shall be binding upon us and may be accepted at any time before the expiry of the said prescribed period.

Until a formal Contract is prepared and executed, this bid, together with your written acceptance thereof and your notification of award shall constitute a binding Contract between us and we shall not be entitled to any modification or any additional rights not conferred in the documents referred to herein above.

I / We understand that you are not bound to accept the lowest bid or any bid you may receive and hereby undertake not to contest the same before any forum.

Dated this ...... day of ......2017-18

•••	•••	•••	•••	•••	•••	•••	•••	•••	•	•••	•	•••	•	•••	•	•••	•	•	•	•••	•	•
(	Si	g	gr	ı	а	t	υ	11	r	e	)											

(in the capacity of)

Duly authorised to sign bid for and on behalf of .....

\* To be submitted with Technical Bid.

## CONFIDENTIALITY AND NON- DISCLOSURE AGREEMENT

This confidential and non-disclosure agreement is executed on \_\_\_\_\_ day of \_\_\_\_\_

\_\_\_\_\_\_(hereinafter referred to as \_\_\_\_\_\_) having its registered office at \_\_\_\_\_\_, which expression, unless the context otherwise requires, shall include its successors and assigns acting through its duly authorized representative.

#### AND

Directorate General of Hydrocarbons (hereinafter referred to as DGH), an organization under Ministry of Petroleum & Natural Gas the Government of India having its registered office at OIDB Bhawan, Tower A, Plot No. 2, Sector – 73, NOIDA-201301, INDIA. , India which expression, unless the context otherwise requires, shall include its successors and assigns acting through its duly authorized representatives;

WHEREAS, DGH and \_\_\_\_\_\_ have entered into a contract for \_\_\_\_\_\_. WHEREAS \_\_\_\_\_\_ will have access to certain proprietary and confidential information, hence the confidentiality agreement is executed on the terms and condition set henceforth.

As used herein "confidential Information" means all plans, drawings, tracings of drawings, specifications, manuals, numerical results, general conclusions, design reports, studies, cost estimates, well data, geological or geophysical data, lease information and all other materials, information and data developed by, or in the possession a party and which is directly or indirectly made available to the other party in any from or which is directly or indirectly made available to the other party during the performance of the services. Accordingly, each party is willing to allow the other party to have access to such information, under the following terms and conditions:

- 1. Each party agrees that it will maintain in confidence and will not disclose to any third party, without the other party's prior written permission, any confidential information that is disclosed to it directly or indirectly. Each party further agrees that it will limit access to Confidential Information to only those employees of their company who actually need to know such Confidential Information for carrying out the above-indicated purpose of this agreement.
- 2. Each party agrees that: (a) it will not use any of their Confidential Information for any purpose other than as necessary to perform its services; and (b) it will promptly return to the other party all documents provided by such party which contain Confidential Information (including all copies thereof). Upon written request, except that each party shall be entitled to retain one copy of such information for archival purposes.
- 3. Each party agrees that it will inform each of its employeed who receives or has access to any Confidential Information of the provisions of this Agreement.

- 4. The foregoing obligations of each party shall not apply to:
  - a) Information which, at the time of disclosure, it in the public domain as evidenced by printed publication or otherwise;
  - b) Information which, after disclosure, becomes part of the public domain by publication or otherwise through no act or failure to act of each party;
  - c) Information which each party can show was in its possession prior to the time of disclosure and was not acquired directly or indirectly from the other party; Or
  - d) Information which is received by each party subsequent to the time of disclosure from a third party who has the right to disclose such information and who did not acquire the same directly or indirectly from each party.

Disclosures made to each party in connection with this Agreement shall not be deemed to be within the foregoing exceptions merely because they are embraced by more general information in the public domain or in the possession of each party.

- 5. All Confidential Information disclosed by a party pursuant to or in connection with this Agreement shall at all times remain the property of that party.
- 6. The foregoing obligations shall expire on the 5<sup>th</sup> anniversary of the effective date of the Agreement.
- 7. This Agreement shall be construed and the rights of the parties shall be determined in accordance with the laws of the State of Texas.

IN VITNESS WHEREOF, the parties hereto have caused this Agreement to be executed in duplicate by their duly authorized representatives, effective as of the \_\_\_\_\_ day of

By:	Witness:
Title:	Title:
Date:	Date:

## DIRECTORATE GENERAL OF HYDROCARBONS

By:	Witness:
Title:	Title:
Date:	Date:

Format for Permanent Establishment and Adm. Office

PERMANENT ESTABLISHMENT DEC (On Bidder's letter hea	
It is certified that we have Permanent Establishment in I	ndia at the following address:
1.         2.         3.         4.         We do not have Permanent Establishment in INDIA. (Strike out whichever is not applicable)	
	Signature & Seal of the Bidder Name Address

## \*Or alternately

Undertaking to furnish GST registration Certificate along-with first invoice with the contract.

## Proforma of Bank Guarantee towards Performance Security.

#### **PERFORMANCE GUARANTEE**

Ref. No.Bank Guarantee No.

Dated.

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

Dear Sirs,

**1.1** In consideration of Directorate General of Hydrocarbons, having its Office at OIDB Bhawan, Tower A, Plot No. 2, Sector – 73, Noida -201 301, 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 Indian Rupees ....... for the faithful performance of the entire CONTRACT.

**1.2** 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 Indian Rs (in figures) \_\_\_\_\_ (Indian 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.

**1.3** 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.

**1.4** 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.

**1.5** 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.

**1.6** This Guarantee shall not be discharged by any change in our constitution, in the constitution of DGH or that of the CONTRACTOR.

**1.7** The Bank confirms that this guarantee has been issued with observance of appropriate laws of the country of issue.

**1.8** The Bank also agrees that this guarantee shall be governed and construed in accordance with Indian Laws and subject to the exclusive jurisdiction of Indian Courts of the place from where the Bank Guarantee has been issued.

**1.9** Notwithstanding anything contained herein above, our liability under this Guarantee is limited to Indian Rs. (in figures) \_\_\_\_\_\_ (Indian 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 ......2017-18 at .....

#### WITNESS NO. 1

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

(Signature) Full name, designation and address (in legible letters) with Bank stamp Attorney as per power of Attorney No......Dt......

WITNESS NO. 2

-----

(Signature)

Full name and official address (in legible letters)

#### **Conflict of Interest**

Performa for undertaking and confirmation for Conflict of Interest while performing work for Tender no MM-12015/8/2017-DGH/C-3288/ENQ-097 for Hiring of Third Party Consultant / Firm for "Evaluation and Validation of the Proposal Development Strategy for J-FIELD for the block KG-DWN-98/3"

This is certified on the basis of best of our knowledge and understanding that we have no conflict of interest and there exist no potential Conflict Interest which can lead to breach of trust. This is also certified that in the event of award of job that study will be carried out in an independent way with utmost care and regard to business ethics and without influence of any factors attributable or identifiable as conflict of interest. We have no further mandatory disclosures/The necessary mandatory disclosures are enclosed with Annexure. (Strike out not applicable)

Dated this ...... day of ......2017-18

(Signature)

(in the capacity of)

Duly authorized to sign bid for and on behalf of .....

## **MODEL CONTRACT AND GENERAL CONTRACT CONDITIONS**

## (To be signed with the successful bidder)

This CONTRACT is made and entered into on this .....day of ...Two thousand and .... by and between Directorate General of Hydrocarbons having its office at OIDB Bhawan, Tower A, Plot No. 2, Sector – 73, Noida -201 301, India (hereinafter referred to as DGH which expression unless repugnant to the context or meaning hereof shall include its successors, administrators, executors and assignees) on the one part and M/s ......, a company registered under the companies Act with its Registered office at ....... referred to as the "CONTRACTOR" (which expression unless repugnant to the context or meaning hereof shall include its successors, administrators, executors and permitted assignees) on the other part.

Whereas DGH is desirous of ...... (description of services) for carrying out DGH's operations conforming to specifications as set forth in the Scope of Work at **Annexure-IV** of this agreement.

And Whereas the CONTRACTOR represents that it has the necessary experience for carrying out DGH's operations as referred to herein and has submitted a bid for providing the required services against DGH's Tender No...... all in accordance with the terms and conditions set forth herein and any other reasonable requirements of the DGH from time to time.

And Whereas DGH's has accepted the bid of the CONTRACTOR and has placed Fax order / Letter of Intent /Notification Of Award vide its letter .......... dated.... On the CONTRACTOR.

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

#### **1.0 DEFINITIONS:**

Unless inconsistent with or otherwise indicated by the context, the following terms stipulated in this CONTRACT shall have the meaning as defined hereunder.

## 1.1 CONTRACT

Shall mean a written CONTRACT signed between DGH and the CONTRACTOR (the successful bidder) including subsequent amendments to the CONTRACT in writing thereto.

#### 1.2 **DGH:**

DGH or Directorate General of Hydrocarbons., India means an organization including its successors, under the Ministry of Petroleum & Natural Gas, Government of India.

#### 1.3 **SITE**

Shall mean the place in which the services are to be carried out or places approved by the DGH for the purposes of the CONTRACT together with any other places designated in the CONTRACT as forming part of the site.

#### 1.4 **DGH'S SITE REPRESENTATIVE**

Shall mean the person or the persons appointed by DGH from time to time to act on its behalf at the site for overall co-ordination, supervision and project management at site.

#### 1.5 **CONTRACTOR:**

Shall mean any person/ persons/ firm/ company etc. whose bid has been accepted by DGH and to whom work has been awarded under this contract and shall include its authorized representatives, successors and permitted assignees.

## 1.6 **SUB-CONTRACT:**

Shall mean order/ contract placed by the CONTRACTOR for any portion of the CONTRACT or work sublet with necessary written consent of DGH on third party. Such sub-letting shall not relieve the CONTRACTOR from any of its obligation, duty or responsibility under the CONTRACT.

#### 1.7 **SUB-CONTRACTOR:**

Shall mean any person or persons or firm or their legal representatives, successors, assignees to whom part of CONTRACT has been sublet by the CONTRACTOR after necessary written consent of DGH.

## 1.8 **CONTRACTOR'S REPRESENTATIVE**

Shall mean such person/or persons duly appointed representative at the site and base as the CONTRACTOR may designate in writing to the DGH as having authority to act for the CONTRACTOR in matters affecting the work and to provide the requisite services.

#### 1.9 **CONTRACT PRICE**

Shall mean the sum accepted or the sum calculated in accordance with the rates accepted by DGH and amendments thereof, and shall include all fees, registration and other charges paid to statutory authorities without any liability on DGH for any of these charges. The prices will remain firm during currency of the CONTRACT unless specifically agreed to in writing by DGH. 1.10 **DAY** 

Shall mean a calendar day of twenty-four (24) consecutive hours beginning at 0000 hours with reference to local time at the site.

## 1.11 EQUIPMENT/MATERIALS/GOODS:

Shall mean and include any equipment, machinery, instruments, stores, goods which CONTRACTOR is required to provide to the DGH for/under the CONTRACT and amendments thereto.

## 1.12 WORKS / OPERATIONS:

Shall mean all work to be performed by the CONTRACTOR as specified in the Scope of Work under this CONTRACT.

#### 1.13 **GUARANTEE:**

Shall mean the period and other conditions governing the warranty/guarantee of the works as provided in the CONTRACT.

#### 1.14 **MOBILISATION:**

Shall mean rendering the necessary equipment fully manned and equipped as per requirements of the CONTRACT and ready to begin work at designated site. The date and time of DGH's acceptance will be treated as the date and time of mobilisation.

#### 1.15 **DEMOBILISATION:**

Shall mean the removal of all things forming part of the mobilization from the site designated by DGH. The date and time of DGH's acceptance shall be treated as the date and time of demobilization.

#### 1.16 **DRAWINGS**:

Shall mean and include all Engineering sketches, general arrangements/ layout drawings, sectional plans, all elevations, etc. related to the CONTRACT together with modification and revision thereto.

#### 1.17 **SPECIFICATIONS:**

Shall mean and include detailed description, statements to technical data, performance characteristics, and standards (Indian as well as International) as applicable and as specified in the CONTRACT.

#### 1.18 **INSPECTORS:**

Shall mean any person or outside Agency nominated by DGH to inspect equipment, materials and services, if any, in the CONTRACT stage wise as well as final as per the terms of the CONTRACT.

#### 1.19 **TESTS**:

Shall mean such process or processes to be carried out by the CONTRACTOR as are prescribed in the CONTRACT considered necessary by DGH or their representative in CONTRACT to ascertain quality, workmanship, performance and efficiency of equipment or services thereof.

#### 1.20 **FACILITY:**

Shall mean all property of the DGH owned or hired by DGH.

## 1.21 THIRD PARTY

Shall mean any group, person or persons who may be engaged in activity associated with the work specified but who shall remain at an arm's length from the work and who shall not have a direct responsibility or authority under the terms of this CONTRACT.

#### 1.22 APPROVAL:

Shall mean and include the written consent duly signed by DGH or their representative in respect of all documents, drawings or other particulars in relation to the CONTRACT

#### 1.23 SINGULAR/ PLURAL WORDS:

Save where the context otherwise requires, words imparting singular number shall include the plural and vice versa and words imparting neutral gender shall include masculine or feminine gender and vice versa.

#### 1.24 **GROSS NEGLIGENCE**

Shall mean 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. Notwithstanding the foregoing, Gross negligence shall not include any action taken in good faith for the safeguard of life or property,

#### 1.25 WILLFUL MISCONDUCT

Shall mean 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.

## 2.0 SCOPE OF WORK / CONTRACT:

Scope of the CONTRACT shall be as defined in the CONTRACT, specifications at **Annexure-IV**. 35

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

2.3 **EFFECTIVE DATE OF CONTRACT** : The contract shall become effective as of the date, DGH notifies the successful bidder, in writing through Letter of Awards (LOA) that it has been awarded the contract. This date of issue of LOA shall be treated as the Effective Date of Contract.

2.4 **MOBILISATION TIME** : The mobilization of equipment, personnel, should be completed by Contractor within the stipulated period under the contract. Mobilization shall be deemed to be completed when Contractor's equipment and manpower are placed at the designated location in readiness to commence work as envisaged under the Contract duly certified by the DGH's authorized representative.

2.5 **DATE OF COMMENCEMENT OF CONTRACT:** The date on which the mobilization is completed in all respects is treated as **date of commencement of Contract**.

2.6 **DURATION OF CONTRACT**: The contract shall be for the period as indicated in the **Scope of Work**, with an option to extend the contract period for another **1(one) year** at the discretion of DGH at the mutually agreed rates, terms and condition, but with a rate not higher than the originally quoted rate.

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

4.1 Perform the work described in the Scope of Work / Terms of Reference (**Annexure IV**) in most competent manner both technically & systematically and also in economic and cost effective manner.

4.2 Except as otherwise provided in the Terms of Reference and the special Conditions of the contract provide all manpower as required to perform the work.

4.3 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. Successful completion shall be deemed to be submission of final report as per the scope of work.

4.4 Contractor shall be deemed to have satisfied himself before submitting his 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.

4.5 Contractor shall give or provide all necessary supervision during the performance of the services and as long thereafter within the warranty period as DGH may consider necessary for the proper fulfilling of Contractor's obligations under the contract.

**5.0 GENERAL OBLIGATIONS OF DGH**: DGH shall, in accordance with and subject to the terms and conditions of this contract:

5.1 Pay Contractor in accordance with terms and conditions of the contract.

5.2 Allow Contractor and his personnel access, subject to normal security and safety procedures, to all areas as required for orderly performance of the work.

5.3 Perform all other obligations required of DGH by the terms of the contract.

## 6.0 PERSONNEL TO BE DEPLOYED BY CONTRACTOR

6.1 Contractor warrants that they will provide competent, qualified and sufficiently experienced personnel to perform the work correctly and efficiently and shall ensure that such personnel observe applicable DGH and statutory safety requirement. Upon DGH's written request, Contractor, entirely at their own expense, shall remove immediately, from assignment to the work, any personnel of the Contractor determined by the DGH to be unsuitable and shall promptly replace such personnel with personnel acceptable to the DGH without affecting DGH's work. The replacement key personnel must have the requisite qualification and experience as per Scope of Work / Terms of Reference (**Annexure -IV**) and shall submit their credentials along with their recent photographs to DGH for approval of DGH.

6.0 The Contractor shall be solely responsible throughout the period of this contract for providing all requirements of their personnel including but not limited to their transportation to & fro Noida / field site, en-route/local boarding, lodging, medical attention etc. DGH shall have no liability or responsibility in this regard.

6.1 Contractor's key personnel shall be fluent in English language (both writing and speaking).

## 7.0 WARRANTY AND REMEDY OF DEFECTS

7.1 Contractor warrants that they shall perform the work in a first class, workmanlike, and professional manner and in accordance with the highest degree of quality, efficiency and current state of the art technology/oil field practices and in conformity with all specifications, standards and drawings set forth or referred to in the Scope of Work / Terms of Reference and with instructions and guidance which DGH may, from time to time, furnish to the Contractor.

7.2 Should DGH discover at any time during the tenure of the Contract or within 3(three) months after completion of the operations that the Work does not conform to the foregoing warranty, Contractor shall after receipt of notice from DGH, 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, DGH, at its option may have such remedial Work performed by others and charge the cost thereof to Contractor 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.

## 8.0 NOTICES AND ADDRESSES:

For the purposes of this CONTRACT, the addresses of the parties will be as follows and all correspondence and notices in relations to the present CONTRACT sent to the parties at the addresses mentioned below shall be deemed to be sufficient service of notice on the parties. All such notices as will as reports, invoices and other relevant material shall be addressed to the parties as per the address given below:

8.1 Directorate general of Hydrocarbons

(a) For CONTRACT related communication:

H O D (MM) Directorate General of Hydrocarbons, OIDB Bhawan, Tower A, Plot No. 2, Sector – 73, Noida -201 301, India. Fax : +91 120 2472049

For reports and payments:

(b) Co-Ordinator FDP
Directorate General of Hydrocarbons,
OIDB Bhawan, Tower A, Plot No. 2, Sector – 73, Noida -201 301, India.
Fax: +91 120 2472049

#### 8.2 CONTRACTOR'S REGISTERED OFFICE AND ADDRESS

..... Fax:.....

## 9.0 DUTIES AND POWER /AUTHORITY :

- 9.1 The duties and authorities of the DGH's site representative are to act on behalf of the DGH for:
- i. Overall supervision, co-ordination and Project Management at site
- ii. Proper utilization of equipment and services.
- iii. Monitoring of performance and progress
- iv. Commenting/ countersigning on reports made by the CONTRACTOR's representative at site in respect of works, receipts, consumption etc. after satisfying himself with the facts of the respective cases.
- v. He shall have the authority, but not obligation at all times and any time to inspect/test/examine/ verify any equipment machinery, instruments, tools, materials, personnel, procedures and reports etc. directly or indirectly pertaining to the execution of the work. However this shall not construe to imply an acceptance by the inspector. Hence, the overall responsibility of quality of work shall rest solely with the CONTRACTOR.
- vi. Each and every document emerging from site in support of any claim by the contractor has to have the countersignature/ comments of the DGH's representative/engineer without which no claim will be entertained by the DGH.
- 9.2 CONTRACTOR's representative:
- i. The CONTRACTOR's representative shall have all the powers requisite for the performance of the works.
- ii. He shall liaise with DGH's representative for the proper co-ordination and timely completion of the works and on any matter pertaining to the works.
- iii. He will extend full co-operation to DGH's representative/inspector in the manner required by them for supervision/inspection/observation of equipment, material, procedures, performance, reports and records pertaining to works.
- iv. To have complete charge of CONTRACTOR's personnel engaged in the performance of the work and to ensure compliance of rules and regulations and safety practice.

#### **10.0 CONTRACT DOCUMENT :**

10.1 Governing language:

The governing language for the CONTRACT shall be English. All CONTRACT documents and all correspondence and communication to be given and all other documentation to be prepared and supplied under the CONTRACT shall be written in English and the CONTRACT shall be construed and interpreted in accordance with English language.

10.2 Entire Agreement :

The CONTRACT constitutes the entire agreement between the DGH and the CONTRACTOR with respect to the subject matter of the CONTRACT and supersedes all communication, negotiations  $\frac{38}{38}$ 

and agreement (whether written or oral) of the parties with respect thereto made prior to the date of this agreement. The right of either party to require strict performances will not be affected by any previous waiver or course of dealing. Neither this Agreement nor any modification will be binding on a party unless signed by an authorised representative of CONTRACTOR and DGH.

## 10.3 Modification in CONTRACT:

All modifications leading to changes in the CONTRACT with respect to technical and/or commercial aspects, including terms of delivery, shall be considered valid only when accepted in writing by DGH by issuing amendment to the CONTRACT. DGH shall not be bound by any printed conditions, provisions in the CONTRACTOR's BID, forms of acknowledgement of CONTRACT, invoice, packing list and other documents which purport to impose any condition at variance with or supplement to CONTRACT.

#### 10.4Assignment:

The CONTRACTOR shall not, save with the previous consent in writing of the DGH, sublet/SUB-CONTRACT, transfer or assign the CONTRACT or any part thereof in any manner whatsoever. However, such consent shall not relieve the CONTRACTOR from any obligation, duty or responsibility under the CONTRACT and CONTRACTOR shall be fully responsible for the services hereunder and for the execution and performance of the CONTRACT.

10.5 Waivers and amendments :

Waivers: - It is fully understood and agreed that none of the terms and conditions of this CONTRACT shall be deemed waived by either party unless such waiver is executed in writing only by the duly authorised agents or representative of both the parties. The failure of either party to execute any right shall not act as a waiver of such right by such party.

Amendments: - It is agreed that CONTRACTOR shall carry out work in accordance with the completion program to be furnished by the DGH which may be amended from time to time by reasonable modifications as DGH deems fit.

## **11.0 REMUNERATION AND TERMS OF PAYMENT**

11.1 DGH shall pay to CONTRACTOR for the services, to be provided by the CONTRACTOR as per the Scope of Work **(Annexure-IV)**, as per the Price Format at **Annexure-V**. The rates payable, shall be firm during the entire CONTRACT period, including extension period, if any.

11.2 All Bills along with relevant supporting documents shall be submitted in duplicate to the addressee at **8.1 (b)** above.

11.3 Clear (undisputed) invoices with original supporting documents duly countersigned by DGH's representative/ engineer wherever applicable will be submitted at the end of satisfactory completion of Works / Services / Project by the CONTRACTOR to DGH and payment shall be made within 30 (thirty) calendar days from the date of receipt of invoice at the above office (Unless otherwise specified in the Special Conditions of the Contract)

The original invoice should also accompany the following documents/ details:

1) Along with invoice:

Following documents / details should be invariably furnished alongwith the first invoice:

a) Copy of valid registration certificate under the GST Law.

b) Particulars required for making payments through 'Electronic Payment Mechanism', in accordance with the clause on 'MODE OF PAYMENT' appearing in Annexure-I (i.e. 'Instructions to bidders') of bid document.

c) Mobile No. (Optional).d) e-mail ID.

2) Payment towards Indian Agent Commission (IAC):

a) Invoice of IAC (stamped pre-receipted bill)

b) Particulars required for making payments through 'Electronic Payment Mechanism', in accordance with the clause on 'MODE OF PAYMENT' appearing in **Annexure-I** (i.e. 'Instructions to bidders') of bid document.

c) Copy of payment advice (if applicable) against which IAC is claimed.

d) e-mail ID.

e)

11.4 Particulars required before releasing payments to (foreign CONTRACTOR (non-resident as per Income Tax Act, 1961):

The particulars as per clause **12.1 of Annexure-I** are invariably required before releasing payments to foreign CONTRACTOR, in accordance with the requirements for making remittances to non-residents as per Income Tax Act, 1961 (as amended from time to time).

In addition to the said particulars submitted alongwith the bid, the CONTRACTOR should also provide any other information as may be required for determining the taxability of the amount to be remitted to the non-resident. Further, the CONTRACTOR shall be liable to intimate the subsequent changes (if any) to the information submitted against any of the said particulars, alongwith full details.

11.5 In the event of any dispute in a portion or whole of any invoice, DGH shall make payment of undisputed portion and shall promptly notify the CONTRACTOR's representative in writing for the remaining portion in CONTRACT to mutually resolve the

dispute and if resolved in part or full, payment shall be made to the CONTRACTOR within 30 days of such settlement.

# 11.6 **DGH's right to question the amounts claimed**

Payment of any invoice shall not prejudice the right of the DGH to question the allowability under this Contract of any amounts claimed therein, provided DGH, within one year beyond the expiry of each CONTRACT year, delivers to CONTRACTOR, written notice identifying any item or items which it questions and specifying the reasons thereof. Should DGH so notify CONTRACTOR, such adjustment shall be made as the parties shall agree. These provisions shall be reciprocal for similar rights to the CONTRACTOR.

The CONTRACTOR shall provide on demand a complete and correct set of records pertaining to all costs for which it claims reimbursement from DGH and as to any payment provided for hereunder, which is to be made on the basis of CONTRACTOR's costs.

# 11.7 Payment of commission / fee / remuneration of Indian agent / consultant / representative / retainer / associate of foreign principal.

The commission/ fee/ remuneration of the Indian agent/ consultant/ representative/ retainer/associate will be paid within 15 days of the payment of first invoice made to the CONTRACTOR provided installation/commissioning of equipment by such agent/ consultant/ representative/ retainer/ associate is not involved. In such cases, the amount of commission/fee/remuneration will be deducted by DGH from payment of invoice of the CONTRACTOR and paid to the Indian agent/consultant/ representative/ retainer/ associate in non-convertible Indian rupees at the closing market rate of exchange declared by SBI on the day prior to price bid/revised price bid (if any) opening.

Where, as a condition of CONTRACT, the equipment is to be installed/ commissioned satisfactorily by Indian agent/ consultant/ associate/ representative/ retainer/, the payment of commission/fee/remuneration shall be made within 30 days of satisfactory installation/commissioning and issue of a certificate to the effect by the authorised officer of  $\frac{40}{40}$ 

DGH. The payment of Indian agent/ consultant/representative/ retainer/associate will be subject to the condition that he sends stamped pre-receipted bill for the commission/fee/remuneration.

The closing market rate of exchange declared by SBI on the day prior to the price bid/revised price bid (if any) opening will be taken into consideration for working out the commission/fee/remuneration of Indian agent/ consultant/ representative/ retainer/ associate.

# **12.0 CLAIMS, TAXES & DUTIES, FEES AND ACCOUNTIING**

# 12.1 A Claims

CONTRACTOR agrees to pay all claims, taxes and fees for equipment, labour, materials, services and supplies to be furnished by it hereunder and agrees to allow no lien or charge resulting from such claims to be fixed upon any property of DGH. DGH may, at its option, pay and discharge any liens or overdue charges for CONTRACTOR's equipment, labour, materials, services and supplies under this CONTRACT and may thereupon deduct the amount or amounts so paid from any sum due, or thereafter become due, to CONTRACTOR hereunder.

## 12.2 **B. Notice of claims**

CONTRACTOR or DGH, as the case may be, shall promptly give the other, notice in writing of any claim made or proceeding commenced for which that party is entitled to indemnification under the CONTRACT. Each party shall confer with the other concerning the defense of any such claims or proceeding, shall permit the other to be represented by counsel in defense thereof, and shall not effect settlement of or compromise any such claim or proceeding without the other's written consent.

## 12.3 **Taxes**

CONTRACTOR, unless specified otherwise in the CONTRACT, shall bear all tax liabilities, duties, Govt. levies etc. including GST, Customs Duty, Corporate and Personnel Taxes levied or imposed on the CONTRACTOR on account of payments received by it from the DGH for the work done under this CONTRACT. It shall be the responsibility of the CONTRACTOR to submit to the concerned Indian authorities, the returns and all other concerned documents required for this purpose and to comply in all respects with the requirements of the laws in this regard, in time.

12.4 Customs duty: - The CONTRACTOR shall bear all Customs Duty for import of equipments/spares/consumables and any other material required as per CONTRACT. DGH will not have any liability in this regard.

## 12.5 Personnel taxes

The CONTRACTOR shall bear all personnel taxes levied or imposed on its personnel, SUB-CONTRACTOR's personnel, vendors, consultants etc. on account of payment received under this CONTRACT. Tax shall be deducted at source as per Indian Tax Laws.

## 12.6 Corporate taxes

The CONTRACTOR shall bear all Corporate taxes, levied or imposed on the CONTRACTOR on account of payments received by it from the DGH for the work done under this CONTRACT.

12.7 If it is so required by the applicable laws in force at the time of payment, DGH shall withhold from the amount due to the CONTRACTOR and pay to the Indian Tax authorities any tax levied or assessed on account of the CONTRACTOR's operations pursuant to this CONTRACT.

12.8 It is noted that CONTRACT u/s 195 (2) of the Income Tax Act, 1961 for the purpose of deduction of tax at source will be obtained by DGH from the concerned Income Tax authorities in India. In view of the Central Board of Direct Taxes(CBDT)'s notification no 9579 dated 5.8.94 the foreign CONTRACTOR is responsible for filing the returns of their income as well as their SUB-

CONTRACTOR'S / assignee's including that of their partner in the Joint Venture CONTRACTS (whether Indian or otherwise) and get their assessment completed with the concerned Income Tax authorities in India.

12.9 The employees of such foreign companies/concern/Joint Ventures, their SUB-CONTRACTOR and assignees are also required to file their return of income with the concerned Income Tax authorities in India.

12.10 For the lapse, if any on the part of the CONTRACTOR and consequential penal action taken by the Tax department, the DGH shall not take any responsibility whether financial or otherwise.

## **13.0 PERFORMANCE**

The CONTRACTOR shall undertake to perform all services under this CONTRACT with allreasonable skill, diligence and care in accordance with sound industry practice to the satisfaction of the DGH and accept full responsibility for the satisfactory quality of such services as performed by them. Any defect, deficiencies noticed in the CONTRACTOR's service will be promptly remedied by the CONTRACTOR within 7 days upon the receipt of written notice from the DGH to improve their performance failing which the DGH may terminate the CONTRACT by giving the CONTRACTOR **14 (fourteen)** days written notice.

## **14.0 PERFORMANCE BOND**

14.1 The Contractor has furnished to DGH a Bank Guarantee No. \_\_\_\_\_\_ dated\_\_\_\_\_\_ issued by \_\_\_\_\_\_ for \_\_\_\_\_ (being **10 %** of estimated Contract Price for 1st year) valid till \_\_\_\_\_\_ towards performance under this CONTRACT. In the event of any extension of the Contract period, Bank Guarantee should be extended by the period equivalent to the extended period of the contract. The bank guarantee will be discharged by DGH not later than 30 days following its expiry.

14.2 In the event CONTRACTOR fails to honour any of the commitments entered into under this agreement and /or in respect of any amount due from the CONTRACTOR to the DGH, the DGH shall have unconditional option under the guarantee to invoke the above bank guarantee and claim the amount from the bank. The bank shall be obliged to pay the amount to the DGH on demand.

## **15.0 IMPORT AND IMPORT CLEARANCE**

All imports and clearance under this CONTRACT shall be done by the CONTRACTOR and DGH will not provide any assistance in this regard.

## **16.0 DISCIPLINE**

CONTRACTOR shall carry out operations hereunder with due diligence and in a safe and workman like manner according to good international oilfield practice. CONTRACTOR shall maintain strict discipline and good CONTRACT among its employees and its SUB-CONTRACTOR's employees and shall abide by and conform to all rules and regulations promulgated by the DGH governing the operations. Should DGH feel that the conduct of any of CONTRACTOR/SUB-CONTRACTOR's employees is detrimental to DGH's interest, the DGH shall have the unqualified right to request for the removal of such employee either for incompetence, unreliability, misbehavior, security reasons etc. while on or off the job. The CONTRACTOR shall comply with any such request to remove such personnel at CONTRACTOR's expense unconditionally. The CONTRACTOR will be allowed a maximum of 7 (seven) working days to replace the person by competent qualified person at CONTRACTOR's cost.

## **17.0 SAFETY AND LABOUR LAWS**

CONTRACTOR shall comply with the provision of all laws including Labour Laws, rules, regulations and notifications issued thereunder from time to time. All safety and labour laws enforced by statutory agencies and by DGH shall be applicable in the performance of this CONTRACT and CONTRACTOR shall abide by these laws.

CONTRACTOR shall take all measures necessary or proper to protect the personnel, work and facilities and shall observe all reasonable safety rules and instructions. DGH's employee also shall comply with safety procedures/policy.

The CONTRACTOR shall report as soon as possible any evidence which may indicate or is likely to lead to an abnormal or dangerous situation and shall take all necessary emergency control steps to avoid such abnormal situations.

17.1 Verification of character and antecedents of Contractual Manpower

In all contracts involving deployment of Contractor's manpower within DGH's premises like plants, offices, installations, rigs, stock yards etc., the Contractor shall submit the following documents to DGH prior to start of work:

(i) Undertaking from the Contractor that the character and antecedents of the person(s) proposed to be deployed by them is/are impeccable.

(ii) Undertaking from the Contractor that they have scrutinized the previous working of the person(s) proposed to be deployed by them and there is nothing adverse as regards his/her character and antecedent.

(iii) Along with the above mentioned undertakings, the Contractor will provide certified photocopies of Police verification certificates in respect of persons proposed to be deployed by them, for inspection by the authorized representative of DGH. The Contractor has to obtain Police verification report (signed by an officer equivalent to DSP rank of higher) from the area where the person(s) to be deployed has/have been residing since the last five years. In case the person concerned has not resided at a place for five years at a stretch, Police verification reports should be obtained from that area where the person(s) has/ have stayed earlier during the last five years.

## **18.0 SECRECY**

CONTRACTOR shall during the tenure of the CONTRACT and at anytime thereafter maintain in the strictest confidence all information relating to the work and shall not, unless so authorised in writing by DGH, divulge or grant access to any information about the work or its results and shall prevent anyone becoming acquainted with either through CONTRACTOR or its personnel or authorised SUB-Contractors or agents. CONTRACTOR shall not avail of the information obtained in the course of work hereunder in any manner, whatsoever, nor shall CONTRACTOR divulge any information about the location of the work area of part thereof. CONTRACTOR shall not also destroy any report, note and technical data relating to the work and not required by the DGH. The obligation is continuing one and shall survive after the completion/ termination of this agreement.

#### **19.0 STATUTORY REQUIREMENTS**

During the tenure of this CONTRACT nothing shall be done by the CONTRACTOR in contravention of any law, act and/or rules/regulations, there under or any amendment thereof governing inter alia customs stowaways, foreign exchange etc.

#### **20.0 INSURANCE**

A) CONTRACTOR shall, at his own expense, arrange appropriate insurance to cover all risks assumed by the CONTRACTOR under this CONTRACT in respect of its personnel deputed under this CONTRACT as well as CONTRACTOR's equipment, tools and any other belongings of the CONTRACTOR or their personnel during the entire period of their engagement in connection with this CONTRACT. DGH will have no liability on this account.

B) Waiver of subrogation: All insurance policies of the CONTRACTOR with respect to the operations conducted hereunder as set forth in **clause 17** hereof, shall be endorsed by the underwriter in accordance with the following policy wording:-

" The insurers hereby waive their rights of subrogation against any individual, DGH, affiliates or assignees for whom or with whom the assured may be operating to the extent of the Contractual indemnities undertaken by the CONTRACTOR".

C) Certificate of Insurance: Before commencing performance of the CONTRACT, CONTRACTOR shall upon request furnish DGH with certificates of insurance indicating (1) kinds and amounts of insurance as required herein (2) insurance corporation or companies carrying the aforesaid coverage (3) effective and expiry dates of policies (4) that DGH shall be given thirty (30) days written advance notice of any material change in the policy (5) waiver of subrogation endorsement has been attached to all policies and (6) the territorial limits of all policies. If any of the above policy expire or/ are cancelled during the term of this CONTRACT and CONTRACTOR fails for any reason to renew such policies, then DGH may replace same and charge the cost thereof to CONTRACTOR. Should there be lapse in any insurance required to be carried out by CONTRACTOR hereunder for any reason, losses resulting therefrom shall be to the sole account of the CONTRACTOR. Such insurance shall be effected within Insurance Company incorporated and registered in India.

D) Deductible:- That portion of any loss not covered by insurance provided for in this article solely by reason of deductible provision in such insurance policies shall be to the account of the CONTRACTOR.

E) CONTRACTOR shall require all of its SUB-Contractors to provide such of the foregoing insurance cover as the CONTRACTOR is obligated to provide under this CONTRACT.

## **21.0 INDEMNITY AGREEMENT**

## **21.1 INDEMNITY BY CONTRACTOR**

Unless otherwise specified elsewhere in this CONTRACT, CONTRACTOR shall indemnify and keep indemnified DGH, its CONTRACTORs (other than the CONTRACTOR) and/or sub-CONTRACTORs and its/their employees from all actions, proceedings, suits, claims, demands, liabilities, damages, losses, costs, charges, expenses(including without limitation, wreck or debris, removal costs, where wreck or debris removal is ordered by a competent authority) judgments and fines arising out of or in the course of or caused by the execution of work under the CONTRACT or other obligations hereunder directly or indirectly associated herewith and or arising from :

a) personal injury, illness or death of :

(i) any of CONTRACTOR's or subCONTRACTOR's personnel (even if caused by or contributed to by the negligence or fault of DGH); and

(ii) subject to clause **21.2 (a) (i)** any other person to the extent the injury, illness or death is caused by the negligence or fault of the CONTRACTOR or CONTRACTOR's personnel or sub CONTRACTORs or sub CONTRACTOR's personnel and

b) loss or damage to :

(i) any property owned, hired or supplied by CONTRACTOR or CONTRACTOR's personnel or subCONTRACTORs or subCONTRACTOR's personnel including Constructional Plant (even if caused by, or contributed to by, the negligence or fault of DGH); or

(ii) subject to clause **21.2 (b) (i)** any other property to the extent the loss or damage is caused by the negligence or fault of the CONTRACTOR or CONTRACTOR's personnel or sub CONTRACTORs or sub CONTRACTOR's personnel.

# 21.2 Indemnity by DGH

Unless otherwise specified elsewhere in this CONTRACT, DGH shall indemnify and keep indemnified CONTRACTOR (which expression in this clause includes, unless the context otherwise requires. SubCONTRACTORs of any tier and their employees) from all actions, proceedings, suits, claims, demands, liabilities, damages, losses, costs, charges, expenses and fines arising from :

a) personal injury, illness or death of

(i) any employee of the DGH (even if caused by or contributed to by the negligence or fault of CONTRACTOR);

(ii) subject to clause **21.1 (a) (i**) any other person to the extent that the injury, illness or death is caused by the negligence or fault of DGH ; and

b) any loss or damage to :

(i) any property owned, hired or supplied by DGH (even if caused by or contributed to by the negligence or fault of CONTRACTOR); except to the extent that such property is in the care or custody of CONTRACTOR in connection with the work under the CONTRACT.

(ii) Subject to clause **21.1 (b) (i)** any loss or damage to any other property to the extent the loss or damage is caused by the negligence or fault of DGH.

## **22.0 TERMINATION**

## 22.1 Termination on expiry of the CONTRACT

This Agreement shall be deemed to have been automatically terminated on the expiry of the CONTRACT period unless the DGH has exercised its option to extend this CONTRACT in accordance with the provisions, if any, of this CONTRACT.

## 22.2 Termination on account of force majeure

Either party shall have the right to terminate this CONTRACT on account of Force Majeure, as set forth in **clause 26**.

## 22.3 Termination on account of insolvency

In the event the CONTRACTOR or its collaborator at any time during the term of this Agreement becomes insolvent or makes a voluntary assignment of its assets for the benefit of creditors or is adjudged bankrupt, then the DGH shall, by a notice in Writing have the right to terminate this CONTRACT and all the CONTRACTOR's rights and privileges hereunder, shall stand terminated forthwith.

## 22.4 Termination for unsatisfactory performance

If the DGH considers that the performance of the CONTRACTOR is unsatisfactory or, not up to the expected standard, the DGH shall notify the CONTRACTOR in writing and specify in detail the cause of such dissatisfaction. The DGH shall have the option to terminate this Agreement by giving **14 days** notice in writing to the CONTRACTOR, if, CONTRACTOR fails to comply with the requisitions contained in the said written notice issued by the DGH.

## 22.5 Termination for delay in mobilisation

Successful bidder shall be required to mobilise complete equipment along with crew and collection of data for commencement of services at the specified site within the time period stipulated in the Forwarding Letter of this Bid Document. If the CONTRACTOR (successful bidder) fails to mobilise as above, DGH shall have, without prejudice to any other clause of the CONTRACT, the right to terminate the contract.

**22.6** 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 successive days, DGH at its option may terminate this Contract in its entirely without any further right or obligation on the part of the DGH except for the payment of money then due. No notice shall be served by the DGH under the condition stated above.

**22.7** Notwithstanding any provisions herein to the contrary, the Contract may be terminated at any time by the DGH on giving 30 (thirty) days written notice to the Contractor due to any other reason not covered under the above **clause from 22.1** to **22.6** and in the event of such termination the DGH shall not be liable to pay any cost or damage to the Contractor except for payment for services as per the Contract upto the date of termination.

**22.8** In the event of termination of contract, DGH 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 demobilise their personnel & materials.

## 22.9 Consequences of termination

22.9.1 Upon termination of the Contract, Contractor shall return to DGH all of DGH's items, which are at the time in Contractor's possession.

22.9.2 In all cases of termination herein set forth, the obligation of the DGH to pay shall be limited to the period up to the date of termination. Notwithstanding the termination of this Agreement, the parties shall continue to be bound by the provisions of this Agreement that reasonably require some action or forbearance after such termination.

22.9.3 In case of termination of Contract herein set forth, except under **22.1**, **22.2** and **22.7**, following actions shall be taken against the Contractor ;

(i) DGH shall conduct an inquiry against the Contractor and consequent to the conclusion of the inquiry, if it is found that the fault is on the part of the contractor, then they shall be put on holiday [i.e. neither any tender enquiry will be issued to such a Contractor by DGH against any type of tender nor their offer will be considered by DGH against any ongoing tender(s) where contract between DGH and that particular Contractor (as a bidder) has not been concluded] for a period of two years from the date the order for putting the contractor on holiday is issued. However, the action taken by DGH for putting that contractor on holiday shall not have any effect on other contract(s), if any with that contractor which shall continue till expiry of their term(s).

**(ii)** Pending completion of the enquiry process for putting the Contractor on holiday, DGH shall neither issue any tender enquiry to the defaulting Contractor nor shall consider their offer in any ongoing tender.

## **23.0 SEVERABILITY**

Should any provision of this agreement be found to be invalid, illegal or otherwise not enforceable by any court of law, such finding shall not affect the remaining provisions hereto and they shall remain binding on the parties hereto.

#### **24.0 WITHHOLDING**

24.1 DGH may at its absolute discretion withhold or nullify its obligations to pay the whole or any part of the amount due to the Contractor on account of subsequently discovered evidence of loss/ damages caused to the DGH by the contractor on account of:

24.1.1 Non-completion of contracted work to the absolute satisfaction of the DGH or its duly appointed representative/agent.

24.1.2 Contractor's un-cleared debt arising out of execution of the Contract.

24.1.3 Defective work not remedied by the Contractor.

24.1.4 Unsettled claims by any of the sub-contractor/s appointed by the Contractor or by any other third party claiming through the contractor or on the basis of any reasonable evidence indicating probable filing of such claims against the Contractor.

24.1.5 Any failure by the Contractor to fully reimburse the DGH in terms of the indemnification provisions of the Contract. Where, during the process of the work, the Contractor allows any indebtedness to accrue for which DGH may be held to be primarily or contingently liable or ultimately responsible for its discharge and where the Contractor fails to pay and discharge such indebtedness, within five days of being called upon to do so, then DGH may during the period for which indebtedness shall remain unpaid, be entitled to with-hold a sum equal to the amount of such unpaid indebtedness. When all the above grounds for withholding payments are removed, the payments shall thereafter be made for amounts so withheld.

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

- (i) Garnishee 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 DGH in the event of Contractor's failure to adhere to such Laws.
- (iv) Any payment due from Contractor in respect of any unauthorized imports.

## **25.0 CHANGE IN LAW**

25.1 In the event of introduction of any new legislation or any change or amendment or enforcement of any Act or Law, rules or regulations of Government of India or State Government(s) or Public Body which becomes effective after the date of submission of Price Bid or revised price bid, if any, for this CONTRACT and which results in increased cost of the works under the CONTRACT through increased liability of taxes, (other than personnel and Corporate taxes), duties, the CONTRACTOR shall be indemnified for any such increased cost by the DGH subject to the production of documentary proof to the satisfaction of the DGH to the extent which directly is attributable to such introduction of new legislation or change or amendment as mentioned above and adjudication by the competent authority & the courts wherever levy of such taxes / duties are disputed by DGH.

25.2 Similarly, in the event of introduction of new legislation or any change or amendment or enforcement of any Act or Law, rules or regulations of Government of India or State Government(s) or Public Body which becomes effective after the date of submission of Price Bid or revised price bid, if any, for this CONTRACT and which results in any decrease in the cost of the works through reduced liability of taxes, (other than personnel and Corporate taxes) duties, the CONTRACTOR shall pass on the benefits of such reduced cost, taxes or duties to the DGH, to the extent which is directly attributable to such introduction of new legislation or change or amendment as mentioned above.

25.3 All duties, taxes (except where otherwise expressly provided in the Contract) as may be levied / imposed in consequences of execution of the Works/Services or in relation thereto or in

connection therewith as per the Acts, Laws, Rules, Regulations in force on the date of submission of Price Bid or revised price bid, if any, for this CONTRACT shall be to CONTRACTOR's account. Any increase / decrease in such duties, taxes after the date of submission of price bid or revised price bid, if any, but within the contractual completion / mobilization date as stipulated in the CONTRACT will be to the account of DGH.

25.4 Any increase in the duties and taxes after the contractual completion / mobilization date during the extended period will be to the contractor's account, where delay in completion /mobilization period is attributable to the CONTRACTOR. However, any decrease of duties and taxes after the contractual completion / mobilization date will be to DGH's account.

25.5 The Contract Price and other prices given in the Price Format are based on the applicable tariff as indicated by the CONTRACTOR in the Price Format. In case this information subsequently proves to be wrong, incorrect or misleading, DGH will have no liability to reimburse/pay to the CONTRACTOR the excess duties, taxes, fees, if any finally levied / imposed by the concerned authorities. However, in such an event, DGH will have the right to recover the difference in case the rate of duty/tax finally assessed is on the lower side.

25.6 Notwithstanding the provision contained in clause **25.1 to 25.4** above, the DGH shall not bear any liability in respect of :

(i) Personal taxes on the personnel deployed by CONTRACTOR, his sub-contractor / sub-sub contractors and Agents etc.

(ii) Corporate taxes and Fringe benefit tax in respect of contractor and all of their subcontractors, agents etc.

#### 26.0 FORCE MAJEURE

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 shall be suspended for the period during which such cause lasts.

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 phenomenon or calamities, earth quakes, typhoons, fires, wars declared or undeclared, hostilities, invasions, blockades, riots, strikes, insurrection and civil disturbances but shall not include unavailability of funds.

Upon the 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, the beginning of the cause amounting to Force Majeure as also the ending of the said cause by giving notice to the other party within 72 hours of the beginning and the ending of the cause respectively. If deliveries are suspended by Force Majeure conditions lasting for more than 2 (two) months, DGH shall have the option of canceling this CONTRACT in whole or part at its discretion without any liability at its part.

The Party asserting the claim of Force Majeure shall have the burden of proving that the circumstances constitute valid grounds of Force Majeure and that such party has exercised reasonable diligence and efforts to remedy the cause of any alleged Force Majeure.

Time for performance of the relative obligation suspended by Force Majeure shall then stand extended by the period for which such cause lasts.

## **27.0 EMPLOYMENT BY FIRMS TO OFFICIALS OF DGH**

Firms/companies who have or had business relations with DGH are advised not to employ serving DGH employees without prior permission. It is also advised not to employ ex-personnel of DGH within the initial two years period after their retirement/resignation/severance from the service without specific permission of DGH. The DGH may decide not to deal with such firm(s) who fail to comply with the above advice.

## **28.0 PREFERENCE TO LOCAL COMPANIES**

CONTRACTOR agrees to give priority and preference to locally owned companies, when hiring Sub CONTRACTOR, SUBJECT TO price, quality and delivery being equivalent.

## 29.0 JURISDICTION AND APPLICABLE LAW

This Agreement including all matters connected with this Agreement, shall be governed by the laws of India (both substantive and procedural) for the time being in force and shall be subject to exclusive jurisdiction of the Indian Courts (the place where the CONTRACT is signed in India). Foreign companies, operating in India or entering into Joint ventures in India, shall have to obey the law of the Land and there shall be no compromise or excuse for the ignorance of the Indian legal system in any way. Foreign companies, operating in India or entering into joint ventures in India, shall have to obey the law of the land and there shall be no compromise or excuse for the ignorance of the Indian legal System in any way.

## **30.0 SETTLEMENT OF DISPUTES AND ARBITRATION**

30.1 Except as otherwise provided elsewhere in the contract, if any dispute or difference arises between the parties hereto or the respective representatives or assignees at any time in connection with operation, interpretation or out of CONTRACT or breach thereof shall be decided in accordance with Indian Arbitration and Conciliation Act, 1996 by an Arbitral Tribunal consisting of three arbitrators. Each party shall appoint one arbitrator and the Arbitrators so appointed shall appoint third arbitrator, who shall act as the presiding arbitrator.

30.2 In case a party fails to appoint an arbitrator within 30 days from the receipt of request to do so by the other party or the two arbitrators so appointed fail to agree on the appointment of the third arbitrator within 30 days of the appointment of second Arbitrator, the Chief Justice of Supreme Court/High Court as the case may be or any other person or institution designated by him within whose jurisdiction the subject CONTRACT has been made, shall appoint the arbitrator/presiding arbitrator upon request of any of the parties.

30.3 If any of the arbitrators so appointed dies, resigns, incapacitated or withdraws for any reasons 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 the parties agree for the same and otherwise he shall proceed de-novo.

30.4 It is agreed between the parties that the party invoking arbitration shall specify all disputes to be referred to arbitration at the time of invocation of arbitration and not thereafter.

30.5 It is also agreed between the parties that neither party to the arbitration shall be entitled to the interest on the amount of award.

30.6 The Arbitral tribunal shall give a reasoned award and the same shall be final, conclusive and binding on the parties.

30.7 The venue of the arbitration shall be New Delhi, India and shall be conducted in English language. The Courts in Delhi will have the jurisdiction to deal with such arbitration award if required.

30.8 The fees of the arbitrators shall be borne by the respective parties nominating them and the fee of the presiding arbitrator, cost and other expenses incidental to the arbitration proceedings shall be borne equally by the parties. Subject to aforesaid, the provisions of Indian Arbitration and Conciliation Act, 1996 and any statutory modification or re-enactment in lieu thereof shall apply to the arbitration proceedings under this clause.

## **31.0 CONTINUANCE OF THE CONTRACT**

Notwithstanding the fact that settlement of dispute(s) (if any) under arbitration may be pending, the parties hereto shall continue to be governed by and perform the work in accordance with the provisions under this CONTRACT.

## **32.0 INTERPRETATION**

The titles and headings of the sections in this CONTRACT are inserted for convenient reference only and shall not be construed and limiting or extending the meaning of any provisions of this CONTRACT.

## **33.0 PATENT INDEMNITY**

33.1 The CONTRACTOR shall, subject to the DGH's compliance with Sub-Clause below, indemnify and hold harmless the DGH and its employees and officers from and against any and all suits, actions or administrative proceedings, claims, demands, losses, damages, costs, and expenses of any nature, including attorney's fees and expenses, which the DGH may suffer as a result of any infringement or alleged infringement of any patent, utility model, registered design, trademark, copyright, or other intellectual property right registered or otherwise existing at the date of the Contract by reason of:

a) the installation of the Items by the CONTRACTOR or the use of the Items in the country where the Site is located; and

b) the sale in any country of the products produced by the Items.

Such indemnity shall not cover any use of the Items or any part thereof other than for the purpose indicated by or to be reasonably inferred from the Contract, neither any infringement resulting from the use of the Items or any part thereof, or any products produced thereby in association or combination with any other equipment, plant, or materials not supplied by the CONTRACTOR, pursuant to the Contract.

33.2 If any proceedings are brought or any claim is made against the DGH arising out of the matters referred to in GCC above Sub-Clause, the DGH shall promptly give the CONTRACTOR a notice thereof, and the CONTRACTOR may at its own expense and in the DGH's name conduct such proceedings or claim and any negotiations for the settlement of any such proceedings or claim.

33.3 If the CONTRACTOR fails to notify the DGH within twenty-eight (28) days after receipt of such notice that it intends to conduct any such proceedings or claim, then the DGH shall be free to conduct the same on its own behalf.

33.4 The DGH shall, at the CONTRACTOR's request, afford all available assistance to the CONTRACTOR in conducting such proceedings or claim, and shall be reimbursed by the CONTRACTOR for all reasonable expenses incurred in so doing.

33.5 The DGH shall indemnify and hold harmless the CONTRACTOR and its employees, officers, and Subcontractors from and against any and all suits, actions or administrative proceedings, claims, demands, losses, damages, costs, and expenses of any nature, including attorney's fees and expenses, which the CONTRACTOR may suffer as a result of any infringement or alleged infringement of any patent, utility model, registered design, trademark, copyright, or other intellectual property right registered or otherwise existing at the date of the Contract arising out of or in connection with any design, data, drawing, specification, or other documents or materials provided or designed by or on behalf of the DGH.

# **34.0 INDEPENDENT CONTRACTOR STATUS:**

The CONTRACTOR shall act as an independent contractor performing the CONTRACT. The Contract does not create any agency, partnership, joint ventures or joint relationship between the parties.

Subject to all compliance with the CONTRACT, the CONTRACTOR shall be solely responsible for the manner in which works are performed. All employees, representatives or sub-CONTRACTORs engaged by the CONTRACTOR in performing the CONTRACT shall be under the complete control of the CONTRACTOR and shall not be deemed to be employees of the DGH and nothing contained in the CONTRACT or in any sub-CONTRACT awarded by the CONTRACTOR shall be construed to create any contractual relationship between any such employees or representative or Sub-CONTRACTOR and the DGH. CONTRACTOR shall be responsible for the acts, defaults or negligence of the CONTRACTOR, his agencies, servant or workmen.

# **35.0 EXPORT/RE-EXPORT CONTROL RESTRICTIONS:**

In case there are certain export / re-export control restrictions imposed by parent country of the Contractor(s) w.r.t. the items (i.e. goods, equipment, services, or technology) offered by them to DGH regarding their end use or the end user or regarding their usage in certain other countries, then the Contractor can intimate about same while quoting in the DGH's tender(s). Such intimation by the Contractor about the items (i.e. goods, equipment, services, or technology) being covered under export control regulations will not lead to rejection of the offer(s) in DGH's tenders. Further, in case of award of Contract on such bidder(s), it should be stipulated therein that the items (i.e. goods, equipment, services, or technology) being procured against this CONTRACT would be used by DGH for exploration and exploitation of hydrocarbons in India only. However, if for any reasons whatsoever the end use or end user of these items are required to be changed or if these goods are to be taken for use in countries out side India, then DGH would request the Contractor to obtain consent from the concerned authority in their country.

# **36.0 LIMITATION OF LIABILITY**

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

a) Neither the Contractor nor DGH 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, provided however that this exclusion shall not apply to any obligation of the Contractor to pay Liquidated Damages to the DGH and

b) Notwithstanding any other provisions incorporated elsewhere in the contract, the aggregate liability of the Contractor in respect of this contract, whether under the Contract, in tort or otherwise, shall not exceed 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 DGH with respect to Intellectual Property Rights.

c) DGH 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.

#### **37.0 SECRECY OF CONTRACT DOCUMENTS**

37.1 Contractor without the prior written consent of the DGH, shall not disclose the contents of the contract, or any provision thereof or any specification, data, maps, or other information furnished by or on behalf of DGH in connection therewith to any person or third party other than a person employed by the Bidder. Disclosure to any such employed person shall be made in confidence and shall extend only so far as may be necessary.

37.2 Contractor shall not without DGH's prior written consent make use of contract document or any information enumerated above except for bid preparation and contract execution.

37.3 CONFIDENTIALITY AGREEMENT: Bidder undertakes to sign a separate non-disclosure agreement with DGH (as per format enclosed in tender document) Data given by DGH will not be used for interpretation or preparation of report(s) for the third party. The bidder or their personnel shall not, either during the term or after expiration of contract, disclose any proprietary or confidential information relating to services and data base without written consent of DGH.

37.4 The Contractor (consulting firm) will not use the subject study for any other use (viz., promotional, further consultation etc.) during the process of completion and subsequent period during which it is being referred by GoI/DGH for ensuring confidentiality

In witness whereof, the parties hereto have executed this Agreement as of the day and year first above written.

Signed, Sealed and Delivered,For and on behalf ofFor and on behalf of ContractorDirectorate General of Hydrocarbons(DGH)M/s. \_\_\_\_\_

Name:	Name:
Status:	Status:
In presence of	In presence of
1.	1.
2.	2.