

Sun Petrochemicals Private Limited

(SunPetro)

COMMERCIAL & SUPPLY CHAIN MANAGEMENT

8th Floor, ATL Corporate Park, Opp. L&T Gate no. 7,
Saki Vihar Road, Chandivali, Powai, Mumbai – 400072

CIN: U24219GJ1995PTC028519

Ref. No : SunPetro/Bhaskar/CP/2023-24/SPPL-144

Date: 07.07.2023

REQUEST FOR QUOTATION / TENDER (RFQ / Tender)

Sub: Provision of Remote Monitoring of Cathodic Protection Voltage of Oil Pipelines at Bhaskar Field in Gujarat

RFQ / Tender No:- SunPetro/Bhaskar/CP/2023-24/SPPL-144

Dear Sir / Madam,

1.0 Sun Petrochemicals Private Limited (hereinafter referred to as **SunPetro / Company**) is pleased to invite you to submit the Bid for the subject RFQ in accordance with the requirements & details as stated in the RFQ Document for **Provision of Remote Monitoring of Cathodic Protection Voltage of Oil Pipelines at Bhaskar Field in Gujarat**, under **TWO ENVELOPE SINGLE STAGE BIDDING SYSTEM** in following two Envelopes:

ENVELOPE-I: Technical & Un-Priced Commercial Bid

ENVELOPE-II: Priced Commercial Bid

Bidders are requested to read the instructions and requirements in this RFQ Document carefully and accordingly to submit the Technical & Un-Priced Commercial Bid in one envelop and Priced Commercial Bid in another envelop as stated above, each in a separate wax sealed envelopes. Both envelopes are required to be placed in one wax sealed envelope and be send to the tendering office address. Bids should be complete in all respects, as per the requirements of the relevant Sections & Annexures

1.1 SALIENT FEATURES OF THE TENDER

1]	RFQ / Tender No.	SunPetro/Bhaskar/CP/2023-24/SPPL-144
2]	Title of Tender	Provision of Remote Monitoring of Cathodic Protection Voltage of Oil Pipelines at Bhaskar Field in Gujarat
3]	Brief Scope of Work	Detailed as per Annexure-A of RFQ / Tender Document.
4]	Bid Validity	One Hundred and twenty (120) days
5]	Bid Bond Validity	One Hundred and fifty (150) days
6]	Last Date & Time for Seeking Clarification by Bidders	7 th day from the date of issue of this RFQ / Tender
7]	Tender Closing / Submission Date & Time	21-July-2023 at 1500 Hrs. IST
8]	Address For Correspondence / Tendering Office / Tender Submission	Office of Head –Commercial & Supply Chain Management (SCM), Sun Petrochemicals Pvt. Ltd. (SunPetro) 8th Floor, ATL Corporate Park, Opp. L&T Gate no. 7, Saki Vihar Road, Chandivali, Powai, Mumbai – 400072 e-mail: nihit.jain@sunpetro.com
9]	Validity of Contract period	1 year with option to further extend for a period of 1 more Year as per discretion of SunPetro
10]	General Conditions of the Contract	As per Annexure-C of this tender Document

11]	Alternate Option for Submission of Bid Documents	<p>ENVELOPE-I: "Technical & Un-Priced Commercial Bid" to be submitted on following e-mail address, on or before RFQ closing date and time: Nihit.Jain@sunpetro.com</p> <p>2) ENVELOPE-II: Priced Commercial Bid to be submitted as follows:</p> <p>Priced Commercial Bid:</p> <ul style="list-style-type: none"> Price Commercial Bid in pdf / zip format with a "Pass Code / Password" to be submitted on following e-mail address at Nihit.Jain@sunpetro.com on or before RFQ closing date and time. <p>The passcode/password to be sent only upon written request from SunPetro at email address Nihit.Jain@sunpetro.com failing which bid will not be considered for opening & further process.</p>
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NOTE:

Receiving the tender from Company does not qualify the bidder automatically for their bid consideration. The bidder has to comply with RFQ terms & conditions including BEC described in the RFQ / Tender.

1.2. Pricing Strategy

Bidder is to quote strictly as per the 'Price Schedule' (Annexure-B) of this RFQ document.

1.3 Evaluation Strategy

Evaluation of Bids for awarding will be based on the most advantageous offer to SunPetro reflecting a combination of technical acceptance, qualification, and Cost. However, Company reserves the right to reject or accept, in whole or in part, any Bid; waive formalities in the bidding processor to negotiate Contract terms with any individual bidder when such is deemed fit by Company to be in their best interest. The company will be under no obligation to provide reasons for accepting or rejecting any Bid.

1.4 Award Strategy

Single Order or Multiple Order will rest with SunPetro's discretion.

1.5 Bidders to note that Non-compliance with the RFQ instructions, except as permitted in the Bid and/or late arrival of Bid shall result in Bid not being considered.

1.6 Only bids submitted by bidders who have been issued RFQ by the Company shall be considered whereas unsolicited bid shall not be considered.

1.7 Acknowledgement of RFQ

Bidder(s) receiving this RFQ are required to confirm in writing whether they intend to bid or not within two days from electronic issue of this document, stating the reasons if declining to bid in this instance. Bidders not conforming to this requirement risk being barred from future inquiries.

Further details are available in the RFQ Document for the compliance. We look forward to receive your bid complete in all respect on or before due date and time of bid submission.

Regards,

Nihit Jain
Head- SCM & Commercial

SCOPE OF WORK

Proof of Concept for the Remote Monitoring of Cathodic Protection Voltage of Oil pipelines

1. Background

1.1. Oil and Gas pipelines in India

Oil and Gas pipelines are the main medium of transportation of Oil and Gas from the point of origin to the Oil refineries and Gas processing installations. To understand the magnitude of Oil and gas pipeline network, it may be appreciated that IOCL alone operates nearly 2650Km long crude pipeline from Jamnagar to refineries in Gujarat, UP and Haryana. Likewise, there exists nearly 17000Km network of gas pipelines while laying of another 15500Km pipeline is being envisaged.

1.2. Pipeline fabrication

Due to the long length of the pipelines, these are often operated at high pressures, ranging from 200-1200psi. Depending upon the required capacity, and the pipelines may have diameters ranging from 2-24 inches. Pipe sections of special carbon-steel are fabricated in steel rolling mills and inspected to assure they meet government and industry design and safety standards. Generally, sections are between 40 and 80 feet in length and are designed specifically for their intended location in the pipeline. A variety of soil conditions and geographic or population characteristics of the route will dictate different design requirements for pipe size, strength, wall thickness, and coating material.

The pipeline is preferably laid in trenches and/or in elevated runs according to the constraints of the terrain. Sections of pipes are laid and welded on-site and undergo stringent weld-inspection routines.

1.3. Pipeline protection

Lining pipelines and blowout pits is essential in the oil and mining industries in order to secure the investment and to operate with minimal downtime for maintenance. Lining pipelines helps prevent corrosion to the system. Any breach to this highly pressurized system would occur at blowout pits along the way. Blowout pits are used as secondary containment for pipelines and must be lined with a corrosion and chemical-resistant material such as reinforced polyethylene (RPE). Liquid pipelines transport crude oil or natural gas liquids from the production fields to the refineries, where they are processed and turned into gasoline and petroleum products. Preventing corrosion of these pipelines and preparing for secondary containment in the event of an oil spill or blowout is both mandatory and essential for protecting the health of humans and the environment. Pipelines are highly pressurized systems due to the distance the liquids must travel. The pressure keeps the oil or natural gas moving through the pipeline in order to reach the final destination without experience hazardous blowouts or oil spills.

1.4. Cathodic protection of Pipelines

Cathodic protection (CP) is a very important technique for the mitigation of corrosion on buried or immersed structures such as pipelines. There are two methods for applying CP, namely,

- Sacrificial anode CP system and
- Impressed CP system.

CP can be achieved by using buried or immersed sacrificial anodes connected electrically to a structure/pipeline, which causes the corrosion potential to be lowered. The major difference between a sacrificial anode and impressed current CP system that will determine the type of system chosen is the difference in the driving voltage attainable, and therefore, the current output. The function of a protective coating is to reduce the area of metal exposed to the electrolyte, which enables the current density required for CP to be greatly reduced. All sacrificial anode and impressed current CP systems are electrical circuits and **so electrical measurements should be made to evaluate their activity.**

Oil and Gas pipelines are usually protected by Sacrificial anode technique during the pipeline laying phase and through the impressed current method during the lifetime of the pipeline.

1.5. Principle of Impressed Current Cathodic Protection

The principle of ICCP is to create an electrical potential difference between the metal structure to be protected (the cathode) and an inert anode. The potential difference should be negative enough to prevent the electrochemical reaction that causes corrosion. The current that flows from the metal structure to the anode provides a protective layer of electrons that prevents the reaction from occurring. The effectiveness of the ICCP system depends on the current density, which is the amount of current per unit area of the metal surface.

The injected current should be just enough to overcome the original corrosion current and result in an impressed protection current, which flows in the complete circuit. The correct value of protection current can be determined by reference electrodes. Reference electrodes are typically made of either zinc or silver and may be used as the signal source to automatically regulate the value of protection current.

2. **Measurement of Cathodic Protection voltage**

2.1. Potential measurement

Cathodic protection systems must be tested to assess system function and troubleshoot inadequate performance. Potential measurement, based on the theory of measuring an unknown potential by relating it to a known reference electrode, is the principal test procedure used. A measurement is taken by connecting the high resistance voltmeter negative lead to the reference electrode (half cell), and connecting the positive lead to the metal being tested. The reference electrode must contact the electrolyte that is in contact with the metal being tested. In soil and freshwater, a copper/copper sulfate reference electrode should be used; in saltwater, a silver/silver chloride reference electrode must be used. To prevent erroneous readings, the voltmeter used must have a minimum of 10 Mega ohms input resistance under normal conditions; under rocky or very dry conditions, it should have up to 200 Mega ohms input resistance.

2.2 Overall description of the POC

The existing 69Km long pipeline from the Bhaskar Oilfield has 72 monitoring points. Cables from the monitoring point on the pipeline and the reference Cu/CuSO₄ cell have been terminated in an enclosure which is mounted on a pole in the vicinity of the pipeline. Manual Cathodic Protection Potential (CPP) measurements are made periodically with the help of a digital multimeter by physically accessing the CPP terminals inside the measurement enclosures.

It is envisaged to develop a measurement system to remotely monitor the CPP at the existing measurement points in the pipeline. For this purpose, it is envisaged to install a voltage measurement unit which shall have the capability of measuring negative potentials from 0 - 2000mV with an the desired accuracy. These boxes shall further use a GPRS modem to periodically transmit location-wise, time-stamped voltage data to a base location. The unit at the base location shall collect the voltage data and publish the same on a website in suitable formatted manner.

2.3 Requirements for the POC

The proof of concept requires,

1. Installing equipment to measure the Cathodic Protection Potential (CPP) at three of the existing easily accessible measurement points.
2. The installed equipment should have the capability of measuring 0.0 to -2.000V (0.0 to minus 2000,0 millivolts) with a resolution of 1mV at the measurement accuracy of $\pm 2.0\text{mV}$. The voltage measurement unit should have an input impedance greater than 10Mega-ohms. The CPP measurement equipment should be able to withstand input voltage spikes up to 200V without getting damaged.
3. The equipment should be housed in a water-resistant enclosure (IP54 rating desired). The equipment should preferably be installed in the existing pole-mounted steel enclosures which are currently used for making manual CPP measurements. The size and other details of these enclosures can be made available if required.
4. The equipment should have the feature to automatically transmit the location-wise, time-stamped measured-CPP data to a centrally located unit (base station).
5. For the purpose of the POC, the transmission of data shall be made every 5 minutes. To save power-consumption, the measurement system can have the feature of sleep and automatic wake-up between consecutive measurements.
6. The remotely located measurement equipment as well as the transmission equipment (GSM or GPRS modem) shall be battery powered. The power usage budgeting should ensure that the remote unit should be able to measure and transmit CPP data at intervals of 5minutes for a period of at-least 2 months without changing the batteries.
7. The data transmission method should be based on either GSM or GPRS technologies.
8. The centrally located unit (base location) shall collect the voltage data and publish the same on a website in a suitably formatted manner.
9. The website should permit the download of timestamped data in a manner similar to the one provided by data-tables.

3. **Inclusions**

1. Selection and procurement of the voltage measurement and data communication- modem devices.
2. Installation of the voltage measurement and communication-modem device along with the required batteries in the existing CPP measurement boxes. The batteries must provide uninterrupted measurement and transmission of measured CPP data for a period of at-least 2 months
3. Providing online collection of CPP data for a period of six months. This shall include charges for the procurement of SIM, monthly communication charges, and replacement of batteries as required.
4. Hosting charges for the website and domain (if any) for the duration of the POC.
5. Pro-active monitoring of published data and troubleshooting issues as and when required.

4. **Future work**

If the POC is found satisfactory, follow-up work may include.

1. Development of a low-power integrated measurement-transmission device.
2. Installation of the above device at several (or all) of the existing measurement locations.
3. Creation of a web-based dashboard to access real-time as well as historical CPP data from one or more locations.
4. Creation of an AI tool to analyse CPP data to predict/detect failure/breaches in the pipeline.
5. Extending the scope of measurement to more engineering variables such as temperature, strain, sound etc.

RESPONSIBILITY MATRIX

Design and development of equipment for measuring and transmission of Cathodic Protection Potential and capturing timestamped data on a website.

Sl. No	Description	SunPetro	Contractor	Remarks, agreeable or not (Y/N)
1.	Design of equipment to measure the Cathodic Protection Potential as per Scope as per Scope of work	x	√	
2.	Design of equipment to transmit the data collected by the Cathodic Protection Potential equipment as per Scope as per Scope of work	x	√	
3.	Development of prototype for equipment to measure and transmit the Cathodic Protection Potential data	x	√	
4.	Installing equipment to measure and transmit the Cathodic Protection Potential at three of the existing measurement points	x	√	
5.	Design and development of centrally located unit (base location) to collect the voltage data	x	√	
6.	Publishing the collect the voltage data on a website	x	√	
7.	Trouble shooting and delivery of product proving success of POC	x	√	
8.	Provide three easily assessable measuring points for installation of Cathodic Protection Potential measurement and transmission equipment	√	x	
9.	Providing boarding, lodging and local travel facility at Bhaskar site during final installation of equipment.	√	x	

BID EVALUATION CRITERIA

1. Bid should be complete in all respect covering the entire scope of work and should conform to the technical specifications indicated in the bid documents, duly supported with technical catalogues / literatures wherever required. Incomplete and non-conforming bid to the specifications will be rejected outright.
2. Bidder should have experience in similar work for 2 years.
3. The bidder should have yearly turnover of more than INR 30 Lakhs during any of the last 3 financial years (2019-20, 2020-21, 2021-22). Bidder to submit the audited financial statements towards documentary evidence of turnover details.
4. Bidder should confirm acceptance to RFQ terms and conditions in totality.

PRICE SCHEDULE

SI. NO.	DESCRIPTION OF ITEMS	UOM	Est. Qty	Unit Rate (INR)	Amount (INR)
1.0	Making & Installation of 1) remote CP voltage measurement hardware and 2) communication modem including 3) batteries to last for at least 2-month of un-interrupted operation. Installation is to be done inside the existing steel enclosures (Size: 130 mmx 400mmx 350mm)	Nos	3		
2.0	Central server with a suitable modem to collect and store the transmitted data from the remote CP measurement points described in line item 1.0 This facility may be provided on cloud in which case, the charges for 6months of cloud usage should be bundled in this line item.	L.S.	1		
3.0	Web interface to access and view collected CP voltage data formatted 'measurement-location' wise.	L.S.	1		
4.0	Service charges to monitor and maintain the functioning of remote measurement points, wire-less communication facility as well as the web interface described in line-item 3.0. This should include -if required- site visit as well as free-replacement of batteries in case batteries do not comply to the 2-month un-interrupted operation requirement.	L.S.	1		
	Total Amount (INR)				

Notes:

- Rates shall be valid for 1 year with option to further extend for a period of 1 more year as per discretion of SunPetro.
- Rates are incl. of all taxes, duties, levies etc. except GST which shall be payable extra as applicable.
- Rates are incl. of all expenses whatsoever and no other payment shall be made apart from the rates quoted above.
- Quantities are indicative and are mentioned for evaluation purpose only. Payment shall be made as per actual. This will be a Rate Contract.
- The bifurcation of notional value of material and services shall be utilized for actual payments and for the EC for obtaining concessional GST, if applicable.
- Payment shall be made for actual supply of material and services (Item wise & actual quantity) governed by each line item under each sub-group.
- Work Location** : Sun Petrochemicals Pvt Ltd., L-1, Bhaskar Field, Village : Pandad, Tal-Khambhat, Dist-Anand, Anand – 388625.
- Guarantee & Warrantee**: Eighteen (18) months from date of supply or Twelve (12) months from date of commissioning whichever is earlier.
- Payment Schedule** : Payment shall be made within 30 days after receiving the invoice along with relevant supporting documents with undisputed certified invoices.

ANNEXURE-C

GENERAL CONDITIONS OF THE CONTRACT (GCC)

3.1 DEFINITIONS AND INTERPRETATION

The following definitions and interpretation shall apply and shall have the meanings assigned to them in this work order/contract except where the context otherwise requires:

- 3.1.1 “Affiliate” of a Party means any Person, whether directly or indirectly, controlling, controlled by, or under common control with, such Party or Person, as applicable. For the purposes of this definition, the term "control" means (i) direct or indirect ownership of more than fifty percent (50%) of the equity (or such lesser percentage which is the maximum allowed to be owned by a foreign corporation in a particular jurisdiction) having the power to vote on or direct the affairs of such Party or Person, as applicable, or (ii) the power to direct decisions of such Party or Person, as applicable, including the power to direct management and policies of such Party or Person, as applicable, whether by reason of ownership, by contract or otherwise. "Agreement" or "Contract" or "Contract Document" shall mean the instructions to the bidders mentioned in the tender document, the preamble, these contract definitions, General Contract Conditions, Special Contract Conditions, Schedule of Rates, Responsibility Matrix etc., Specifications, Scope of work, all the exhibits, annexures appendices, schedules etc. hereto along with any amendments agreed and issued subsequently.
- 3.1.2 “Applicable law” shall mean any Indian law, regulation, bylaws, rule, directive, ordinance, judicial or quasi-judicial decree, order or notification enacted, issued or modified by any Government Agency in India.
- 3.1.3 “Approved and Approval” shall mean approved or approval in writing by the Company.
- 3.1.4 “Contract Administrator” shall mean the contract administrator so appointed by SunPetro.
- 3.1.5 “Contract /order Price” shall mean the lump sum prices and/or rates of payment specified in Price Schedule in Annexure-B and as may be indicated in the Price schedule, which SunPetro shall compensate, Contractor for the actual work executed and certified by SunPetro’s Representative subject to any additions/deletions thereto which may be made through the application of relevant provisions of the Contract.
- 3.1.6 “Contract Area” shall mean various Exploration & Production Blocks and Fields as awarded to the Operator by Government of India and/or any other Block awarded to Company from time to time and as identified as "Contract Area" or where company has participatory interest.
- 3.1.7 “Certificate of Release and Final Payment” is the certificate issued by to SunPetro as per the terms of Clauses mentioned herewith.
- 3.1.8 “Contractor” shall mean M/s. _____ and includes, its consortium partners, sub-contractors and vendors and the officers, directors, commissioners, employees, servants, representatives and agents of any of them as applicable.
- 3.1.9 “Contractor Administrator” shall mean the contract administrator so appointed by the Contractor and informed to SunPetro.
- 3.1.10 “Contractor’s Equipment” shall mean all the equipment(s), material, units etc. along with auxiliary, plant, machines, spares, facilities, miscellaneous materials /services and consumables etc., provided by the Contractor or its Sub-contractors in connection with the Scope of Work specified in *Annexure-A*.
- 3.1.11 “Contractor’s Personnel” shall mean each individual and / or the collective group of Contractor’s employees, Contractor’s subcontractors, and their respective employees, subcontractors, licensees, invitees, agents and representatives, who are provided and/or utilized by Contractor for the performance of the Work.
- 3.1.12 “Commissioning Date” shall mean the date when the Contractor’s equipment / services are Installed, tested, commissioned and ready to commence operations on the designated site for working as intimated by SunPetro to Contractor.

- 3.1.13 "Completion Date" shall mean the time and date when the work is completed by the Contractor as per the Scope of Work.
- 3.1.14 "Company" means the Company or Operator which is a party to this Contract, and any other party for whom Company is acting in executing this Contract, including but not limited to, other members of the consortium owning an interest in the Block, their or their officers, directors, agents and employees.
- 3.1.15 "Company's Equipment" shall mean all equipment, appliances, tools, parts and supplies provided by Company and / or its associates.
- 3.1.16 "Company Group" shall mean the Company, its affiliates their contractors, subcontractors and equipment vendors of any tier, its Co-ventures, their personnel, officers, directors, employees and agents but excluding Contractor Group;
- 3.1.17 "Contract", "Agreement" or "Contract Document" shall mean the instructions to the bidders mentioned in the tender/RFQ document, the preamble, these contract definitions, General Contract Conditions, Special Contract Conditions, Schedule of Rates, Responsibility Matrix etc., Specifications, Scope of work, all the exhibits, annexures appendices, schedules etc. hereto along with any amendments agreed and issued subsequently.
- 3.1.18 "Daily Operation Report" shall mean the daily report submitted by the Contractor to SunPetro as per the requirements of contract.
- 3.1.19 "Days" shall indicate consecutive calendar days, it being understood that all dates and time periods referred to in the Contract are expressed in terms of the Gregorian calendar. "Day" means a calendar day of twenty hours as referred to local time at the Site.
- 3.1.20 "Demobilization" shall mean the actual demobilization of contractor's equipment and contractor's personnel including disassembly, removal, and site cleanup & restoration of all facilities assembled on site, repair of access roads to the full satisfaction of the Company, if applicable. SunPetro, will issue the de-mobilization letter for the services as and when requirement ends.
- 3.1.21 Deleted.
- 3.1.22 "Effective Date" shall be the date of issue of NOA(Notification of Award) /LOI(letter of Intent) / LOA(Letter of Award) / Work Order or as specified by Company.
- 3.1.23 "Exhibits" are those documents attached hereto and form an integral part of this Contract for all purposes and consisting of all the exhibits and annexures.
- 3.1.24 "GIPIP" shall mean specific guidelines in conformance with the Good international practices/norms and applicable standards / legislations and prevalent regulatory regime as specified by the Government of India.
- 3.1.25 "Good Oilfield Practices" means good international petroleum industry practices with such degree of diligence and prudence reasonably and ordinarily exercised by experienced parties engaged in a similar activity under similar circumstances and conditions.
- 3.1.26 "Government" shall mean Government of India or Government of State, or any political subdivision or administrative agency thereof, as the case may be, and/or their respective representatives having jurisdiction over the Work performed under this Contract.
- 3.1.27 "Gross negligence" shall mean (i) the intentional failure to perform a manifest duty, in reckless disregard of or wanton indifference to the consequences to the life, health, safety or property of others; or (ii) any act or failure to act which, in addition to constituting negligence, was in reckless disregard of or wanton indifference to the consequences to the life, health, safety or property of others.
- 3.1.28 Interpretation
- a. Reference to "Section", " Para " "Clause" "Article" and "Provision" shall have the same meaning.
 - b. The headings and sub-titles in these Conditions of Contract are included solely for convenience and shall not be deemed to be part thereof and shall not affect the meaning or operation of the Contract.

- c. Words imparting the singular meaning only also include the plural and vice versa except where the context otherwise requires.
 - d. Any reference to statute, statutory provision or statutory instrument shall include any re-enactment or amendment thereof for the time being in force.
 - e. Reference to Applicable Laws shall also include amendments and extensions thereto.
- 3.1.29 “Letter of Intent / Letter of Award / Notification of Award /Work Order” or “LOI / LOA / NOA/ WO” shall mean the letter of Intent or Letter of Award or Work Order issued to the Contractor by Company.
- 3.1.30 Deleted
- 3.1.31 “Mobilization / Delivery” shall mean the actual mobilization / delivery of the Contractor’s equipment which are fit for operational requirements, along with auxiliary equipment and contractor’s personnel during contract period and shall include any demurrage incurred during the period up to and including the date the Work begins at the Work Site of this Project except if such delay or demurrage has occurred due to acts or omissions of the Operator. SunPetro, will issue the mobilization letter for the services as and when requirement comes.
- 3.1.32 “Operator” shall mean Sun Petrochemicals Private Limited (SunPetro) / Company
- 3.1.33 “PSC” shall mean the production-sharing contract entered into between the Government of India and SunPetro consortium as its consortium.
- 3.1.34 “Project” shall mean the work and other related activities as may be indicated in the LOI/ Contract as per the Scope of Work.
- 3.1.35 Deleted
- 3.1.36 “Services” shall mean the services to be provided by the Contractor under the Contract as more particularly described in Scope of Work, to this Contract and shall include such other services as may from time to time be agreed in writing between the Contractor and SunPetro.
- 3.1.37 “SunPetro “ / “SPPL” shall mean Sun Petrochemicals Private Limited .
- 3.1.38 “SunPetro’s Representative” or “Company Representative” shall mean the person or persons expressly designated in writing by Company, who shall be Company’s representative and shall be empowered to act, monitor and direct the performance of the Work required under this Contract on behalf of Company.
- 3.1.39 “SunPetro Supply Item” shall mean a supply item, which is expressly identified in the Contract as being for supply by SunPetro or its contractors.
- 3.1.40 “Sub-Contractors” shall mean those persons or companies engaged by the Contractor in connection with the Services / contracts approved by SunPetro.
- 3.1.41 “SunPetro Designated Base” shall mean well site as informed by Company. However, the contractor shall store/warehouse its equipment and materials at its own costs & risks.
- 3.1.42 “Performance Bank Guarantee” shall mean the unconditional, irrevocable bank guarantee required to be submitted by the Contractor to the Company in accordance with the terms of the contract and in the form of which bank guarantee is set forth in *attachment#1* hereof.
- 3.1.43 “Rates” or “Rate” shall mean the applicable rates of compensation to be paid to Contractor for work hereunder as set forth in the Price Schedule.
- 3.1.44 “Termination Date” shall mean the time of day and date when the Term defined in contract hereof expires or when this Contract is terminated by Company, in accordance with its terms, whichever occurs later.
- 3.1.45 Deleted.
- 3.1.46 Deleted.
- 3.1.47 Deleted.
- 3.1.48 Deleted.

- 3.1.49 "Willful Misconduct" means Intentional disregard of Good Oilfield Practice 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.
- 3.1.50 "Work" shall mean the Work provided by Contractor which includes providing but not limited to tools & tackles, auxiliary equipment, spares, consumables, supplying the necessary equipment, materials, personnel and technical support etc. necessary for the performance of Services on the Work Site / Work Location or base in accordance with the scope of the work defined in the Contract.
- 3.1.51 "Work Site / Work Location" shall mean the land, water and other places on, under, in or through which the Works are to be carried out and any other lands, waters or places approved by the Company for the purposes of the Contract together with any other places designated in the Contract as forming part of the Site.
- 3.1.52 "Third Party" shall mean a person / entity which is not included in Company Group or Contractor Group.
- 3.2 **Contract Period & Validity:**
- 3.2.1 The Contract shall be valid for a period of 1 year with provision of extension of contract for further period of 1 more year at same rates, terms and condition at discretion of Company.
- 3.2.2 **Commencement Date and Completion Date:**
- Commencement date: Effective Date of Contract
 - Completion date of contract: Expiry / Termination Date of Contract
- 3.3 **Materials, Supplies, Equipment, Services and Personnel**
Any item supply / services requested by Company during contract period to complete the work shall be provided by Contractor.
- 3.3.1 **Additional Services, Materials, Supplies and Equipment**
If it is not a part of contract, Company will pay based on agreed cost or actual cost plus 5% handling / service charges. The proof of item prices shall be submitted in original by the contractor to the Company.
- 3.3.2 The Company has full right to delete any item (s) / service(s) from the contract. The pay will only affect for the quantities of item(s) / Service(s) as certified by the company's representative.
- 3.4 **INSPECTION OF MATERIALS**
- 3.4.1 **Inspection of Company Equipment**
Contractor shall have right to inspect and get satisfied on the company equipment, company will provide the full access to the contractor.
- 3.4.2 **Inspection of Contractor Equipment**
Company shall have the right at any time to inspect and reject for valid cause any items of equipment furnished by the Contractor for performance of the Services and Contractor shall replace, at no additional cost to Company, such items so rejected with items free from defects or if Company agrees, repair such items at Contractor's cost.
- 3.5 **COMPANY'S WORK COMPLETION PROGRAMME**
- 3.5.1 **Work Programme**
The Work / Completion Programme shall be specified by the Company for each work / services/ supplies.
- 3.5.2 Contractor to Comply with Company's Work / Completion / Supply Programme. Contractor shall use all reasonable care and attention to ensure all aspects of the requirements set forth in Company's Work / Completion / supply programme which are to be provided by Contractor are complied with and to ensure that Company's other contractors are afforded all reasonable facilities to similarly comply as appropriate. Contractor shall carry out checks on any of the requirements of the Work / Completion / supply programme, as directed by Company and record and report the results of such checks to Company.
- 3.5.3 Work shall be completed as desired by SunPetro as per volume of job.

3.6 PERFORMANCE OF THE WORK/SERVICES/SUPPLIES

3.6.1 Conduct of Services /supplies

The Services shall be performed by Contractor in accordance with Best international petroleum industry practices. The Contractor shall be responsible for all interface issues, related to providing multiple services under the umbrella of Integrated Services as required as per scope of work / services / supplies.

3.6.2 All correspondence from either party to the other party shall be addressed to its Contract Administrator, unless provided otherwise in the Contract.

3.6.3 Discipline

3.6.3.1 Contractor shall maintain at all times strict discipline and good order among its employees and subcontractors and shall abide by and conform to all reasonable rules and regulations promulgated by Company governing the scope of work/supplies.

3.6.3.2 Contractor shall, and shall ensure that its employees and subcontractors are qualified, experienced & trained and shall, comply with the all Conditions set forth in scope of work /supplies. Contractor agrees to all provisions set forth in this tender and further agrees that failure to comply with the requirements of scope of work/supplies shall constitute grounds for termination of this Contract.

3.6.3.3 Company have the right to ask contractor to change / replace its personnel for misbehaving / indiscipline during contract period. Contractor will replace person, within 5 working days without affecting the work progress.

3.6.4 Legal Requirements

Contractor shall apply for and obtain all necessary certifications, permits, licenses and authorizations for personnel, equipment and technology required in India, including any authorizations or licenses from any governmental body for use of Contractor's Personnel or technology in the Services or the export of such technology to India.

Provident Fund Act:

No dues of Payment of PF Contribution from the Employer & Employees in respect of Contractor working for Onshore Block under Contract along with monthly Returns and remittance particulars of Challans and Statement of workmen.

ESI Act:

No dues of Payment of ESI Contribution from the Employer & Employees in respect of Contractor working for Onshore Block under Contract along with their Half-yearly Returns and remittance particulars of Challans and Statement of workmen.

As per the Labour enactments:

Regular compliance to Minimum Wage Act, No Dues to the Employees who have resigned or whose services are terminated, engaged by the contractors regarding payment of Wages, service compensation, Bonus, Gratuity, Un-availed Leave salary, Notice pay & etc.

Labour Welfare Cess:

All prices are inclusive of all taxes including Labor welfare cess. The service tax shall be extra at actual. Each bidder has to provide the proof of deposit of Labor welfare cess to SUNPETRO duly signed by CA of the firm.

The Contractor shall indemnify the Company in case of his failure in meeting the statutory requirements as mentioned above. Submission of the above documents shall not relieve the Contractor of any liability to comply with the Applicable Laws.

3.7 **TERMINATION BY COMPANY**

3.7.1 Unless otherwise provided, the Contract shall terminate upon expiry of the Term of the Contract. The Contractor shall be paid for the Work successfully completed and certified by Company Representative along with demobilization charges, if any.

A. Termination for Non- Mobilization or Non-commencement of Work

If the Contractor fails to timely mobilize the Materials or Equipment required to perform the work or having mobilized, fails to timely commence the work in accordance with the terms of the Contract, it would amount to material breach under the Contract and in such event, the Company shall have right to terminate the Contract immediately upon expiry of such specified time, unless otherwise provided or agreed by the Company.

Consequences of Termination:

Upon termination of Contract by Company under this sub-clause, the Contractor shall not be entitled to any payment whatsoever. The Contractor shall immediately refund any sum which the Company might have paid to the Contractor under this Contract. Unless, otherwise provided in the Contract, the Contractor shall compensate the Company for all losses, expenses etc. which the Company shall sustain on account of such breach by the Contractor.

B. Termination for events specified below:

Occurrence of any of events as specified below shall be construed as Event of Default. The Company shall inform the Contractor of the same by issuing a notice of default (hereinafter referred to as "Notice of Default"). If the Contractor, upon receipt of such notice, fails to remedy such default with Seven (7) days, then the Company shall have the right to terminate this contract forthwith. Event of default shall occur if the Contractor:

- a) Makes a general assignment for the benefit of its creditors; or
- b) Refuses or fails to supply enough properly skilled workmen or proper equipment, or materials or services to accomplish the Work in accordance with the original work schedule and the contract; or
- c) Fails to make prompt payment to Sub-contractors or materials, equipment or labour; or
- d) Is in breach of Applicable Law; or
- e) Otherwise breaches the provisions of the contract or part thereof; or
- f) Suspends or abandons activities in the Work site; or Is wound up (not being a member's winding up for the purpose of reconstruction or amalgamation only) or if any deed or action substantially equivalent to any of the foregoing deeds or actions either in Indian law or applicable law shall occur; or
- g) Fails to provide uninterrupted services/perform work.

Consequences of Termination:

Upon termination of Contract by Company under this sub-clause B, the Contractor shall be entitled to payment for the work successfully completed and certified by the Company Representative till the date of Termination. Further, the Company shall be entitled to take possession of the Work and finish the Work at the risk and cost of the Contractor by whatever method Company deems just and expedient. Unless otherwise provided in the Contract, the Contractor shall compensate the Company for all losses, expenses etc. and additional expenses which the Company shall sustain, to get the work executed, on account of such breach by the Contractor.

C. Termination in the event of Force Majeure

In the event that a condition of Force Majeure exists at the Site for a period of fifteen (15) consecutive days, Company shall have the right to terminate this Contract by giving two (2) days advance notice to Contractor.

Consequences of Termination:

Upon termination of Contract by Company under this sub-clause, the Contractor shall be entitled to payment for the work successfully completed and certified by the Company Representative till the date of Termination and demob charges, if applicable as per Contract. No Party shall be

obligated to pay the other Party for losses (including consequential losses), expenses, damages etc. sustained on account of event of Force Majeure.

D. Termination for Convenience

Company shall have a right to terminate the Contract in whole or in part, at any time with fifteen (15) days prior written notice thereof to the Contractor. Upon any such termination the Contractor irrevocably agrees to waive any and all claims for damages, compensations, including loss of anticipated profits, on account thereof, and as the sole right and remedy of the Contractor, Company shall pay the Contractor in accordance with Price Schedule mentioned in the Contract for the work / services performed by the Contractor till the date of such termination.

E. Termination for non-performance or non-satisfactory performance

The Contractor shall perform the work in accordance with GIPIIP and the terms and conditions of the Contract. If the Contractor does not perform the Work or any part thereof or its performance is non-satisfactory, then Company shall issue a notice ("**Remedy Notice**") to the Contractor to remedy such non-performance or non-satisfactory performance. Upon receipt of such Remedy Notice, the Contractor shall remedy such default within Seven (7) days. The Company may ask the Contractor to re-perform any of such services, at sole risk and cost of Contractor. In the event, the Contractor fails to remedy such default within the specified period or the performance of the Contractor is non-satisfactory repeatedly; the Company shall have a right to terminate the Contract immediately without any further notice.

Consequences of Termination:

Upon termination of Contract by Company under this sub-clause, the Contractor shall be entitled to payment for the work successfully completed and certified by the Company Representative till the date of Termination. Further, the Company shall be entitled to take possession of the Work and finish the Work at the risk and cost of the Contractor by whatever method Company deems just and expedient. Unless otherwise provided in the Contract, the Contractor shall compensate the Company for all losses, expenses etc. the additional expenses which the Company shall sustain on account of such breach by the Contractor.

- 3.7.2 Upon receipt of Notice of Termination, the Contractor shall, unless a notice directs otherwise:
- a) Immediately discontinue the work from that date and to the extent specified in the notice;
 - b) Place no further orders or agreements for materials, equipment, services or facilities except as may be necessary for the completion of such portion of the work which is directed to be continued;
 - c) Do only such work as may be necessary to preserve and protect Work already in progress and protect materials, facilities and equipment on the work site or in transit thereto.

3.7.3 Payment upon Termination to be confirmed

If the unpaid balance of the Contract Price exceeds the cost incurred by the Company on finishing the work as provided in the Contract, such excess shall be paid to Contractor upon completion of the Work. If the unpaid balance of the Contract Price is lower than the cost incurred by the Company on finishing the work as provided in the Contract, the Contractor shall promptly pay the difference to the Company upon receipt from the Company of the certificate certifying the amount of such difference. Obligations arising under this article shall survive the termination of the contract.

3.7.4 De-hiring:

- 3.7.5 Company may, at its option, de-hire the services of the Contractor due to interruption in the work / unit programme, by giving three (3) days written notice to the Contractor and during this period no charges for equipment and personnel etc. shall be payable by Company. However, contractor will take immediate action to demobilize the personnel, machines and other equipment immediately. SunPetro may call the Contractor along with the whole setup by issuing fifteen days' notice to mobilize again.

3.8 HEALTH, SAFETY & ENVIRONMENT (HSE)

General

Contractor warrants that it shall perform all such services in a Good and Workmanlike Manner and as per the guidelines issued by DGH and OISD from time to time. Contractor warrants to Company that Contractor's Personnel who are skilled, experienced and competent in their

respective positions, and who are fit for duty shall perform all Services. Contractor undertakes to ensure that its personnel comply with Company's regulations regarding health, safety and training which are in force at such time and at such place.

Before the commencement of work, Contractor is required to submit the Safety Management Plan including details of Risk Management related to nature of job. To ensure the safe operations at site, Contractor is required to submit the written safe procedures related to work and comply with DGMS / OMR-2017 and OISD requirements including amendments / modifications issued by DGMS from time to time.

Contractor to provide Health, Safety & Welfare Policy Manual which should be aligned with Company's HSE Policy. Contractor to comply with HSE standards as applicable to Oil & Gas Industry in addition to all the relevant HSE standards required for performance of work as per Scope of work.

3.8.1 **Safety**

3.8.1.1 In performing the Services hereunder, Contractor and its officers, directors and employees and any subcontractors and their officers, directors and employees shall comply with the provisions of and/or meet the Health, Safety and Environment Best Industry standards and requirements set forth in:

- a) the safety management system (hereinafter referred to as "the Safety Management System") established by Contractor;
- b) Onshore safety, health, training and protective clothing requirements; and
- c) All applicable laws, rules and regulations of India.
- d) Proper safety kits liveries and uniform for all employees / subcontractors working at site.

3.8.1.2 Prior to commencement of operations, Contractor shall ensure that all Contractor's personnel and the personnel of its subcontractors are familiar with the provisions of **Contractor's Safety Management System**.

3.8.1.3 Contractor is responsible for the supervision, monitoring and compliance of and with the requirements and shall take prompt and appropriate action to correct any unsafe work practices by its personnel and those of its subcontractors.

3.8.1.4 Company shall, at its complete discretion, monitor and audit Contractor and its subcontractors in respect of compliance with the requirements of this Clause. Contractor shall co-operate fully with, and rectify any deficiencies in compliance pointed out by the Company.

3.8.1.5 If during performance of the Services, Company's Representative is of the opinion that the Contractor is not conducting the Services in compliance with the Safety Case and/or Safety Management System or is conducting the work in such a way as to endanger the safety of Contractor's Personnel or Company's personnel, Company Equipment or any of Company's other contractors' plant, equipment or materials, then Company's Representative shall notify Contractor of the breach of safety involved and suspend operations, and the related provisions of the contract shall apply as if the operations had been suspended due to breakdown of equipment.

3.8.1.6 Incompetent person shall be at RISK to carry out critical operation. Hence all contractor personnel need to be competent & trained to carry out assigned job. Training need for all contractor's Employee shall be identified & accordingly shall be trained by the contractor.

3.8.1.7 Required PPE to be identified & sufficient stock shall be maintained at all time. Also the Contractor's Employee shall be trained for uses of PPE.

3.8.1.8 Contractor shall provide certificates for but not limited to Lifting Equipment like Crane, Slings, D-Shackles, Chain pulley Blocks. Lifting Equipment shall be color coded & numbered.

3.8.1.9 Contractor shall provide Test certificate for Cylinder, High pressure Hoses, & Electrical appliances or as specified in the contract.

- 3.8.1.10 Contractor has to develop ERP jointly with Company & shall ensure awareness Training imparted to all concerned personnel. Mock drill (Table top) for critical scenario need to be conducted before Work over operation. Records to be maintained.
- 3.8.1.11 Contractor shall ensure PTW developed by Company and shall be followed.
- 3.8.1.12 Contractor shall maintain following Records:
1. Employee detail
 2. Pre medical check-up record
 3. Competency Record
 4. Training & awareness Record
 5. PPE record
 6. Accident / Incident Record
 7. Mock drill Record
 8. Audit Observation & compliance record.
 9. Accident / Near miss Report.
- 1.8.1.13 In case an item or activity is not covered by any HSE standard, or if the standard is considered to be inadequate, Contractor shall immediately notify the Company of such absence or inadequacy of defined standards. Company & Contractor shall then jointly develop & agree on additional standards to cover the item or activity and reduce the associated risk to as low as reasonably practical (ALARP) before the item or the activity is included or continued in the performance of the Work.
- 3.8.2 Environment**
- 3.8.2.1 Contractor hereby acknowledges Company's commitment to conduct its operations in a manner that not only complies with all relevant environmental protection and pollution control legislation of India but also that, such operations do not cause environmental damage or pollution. In recognition of the aforementioned commitment, Contractor shall perform the Services in an environmentally acceptable and safe manner consistent with GIIP and shall ensure that its performance of the Services is properly monitored
- 3.8.2.2 Contractor shall prepare Aspect & Impact document related to their Job scope and shall submit to Company.
- 3.8.2.3 Valid Pollution under control Certificate for Engine above 150 KVA
- 3.8.2.4 Contractor shall have Waste Management Plan for their scope of work.
- 3.8.2.5 Hazardous Waste shall be sorted out & disposed as per the Pollution Control Board norm as applicable.
- 3.8.2.6 Contractor shall display MSDS for Chemicals, Reaction Matrix for Chemicals and High noise area.
- 3.8.2.7 Eye wash station shall be provided at suitable place.
- 3.8.2.8 Working area is to be illuminated as per Lux standard.
- In particular, the Contractor shall:-
- a) employ generally accepted industry standards, including, as required, advanced techniques, practices and methods of operation then available for prevention of environmental damage;
 - b) take necessary and adequate steps to prevent environmental damage and, where some adverse impact on the environment is unavoidable, to minimise such damage and the consequential effects thereof on people and property; and
 - c) adhere to the guidelines, limitations or restrictions, if any, imposed by the Environmental Clearance referred to in this clause as applicable on the date of this Contract and as such Environmental Clearance may be revised, expanded or replaced.
- 3.8.2.9 Without limiting the generality of the provisions of this Clause hereof, Contractor shall comply with, and ensure that its employees, agents and subcontractors comply with, all applicable environmental protection and pollution control laws, regulations, rules and ordinances of all relevant state, central and local Government of India.

3.8.2.10 If during Contractor's performance of the Services, Company is of the opinion that Contractor is either not conducting the Services in compliance with any one or more of the provisions of Clause, all applicable environmental protection laws, rules and regulations imposed by state, central or local governments and all environmental guidelines and procedures furnished by Company to Contractor from time to time, or is conducting the Services in such a way as to endanger the environment or as to risk being in breach of any laws, rules or regulations of any such bodies, then Company shall notify Contractor of the breach involved and suspend all operations whereupon the provisions of clauses mentioned herewith in the contract apply as if the Well Operations had been suspended due to equipment breakdown.

3.8.3 Contractor has to submit Monthly Compliance Reports to the company on all aspects as listed above or as decided by the company.

3.9 SETTLEMENT OF DISPUTE/ ARBITRATION

3.9.1 The Company and the contractor undertake that all disputes, differences or questions at any time between the parties as to the construction to this Contract or as to any matter or thing arising out of it or in any way connected therewith ("Disputes") shall be resolved between the parties in good faith by having the discussion between the Project Manager / Contract Manager level and if required may be taken up to the Company -Head level to resolve the issues / disputes in the interest of the work and at least three attempts shall be made by the both the parties in this direction.

3.9.2 In the event the disputes arising out of / connected with this Contract, which cannot be amicably to be resolved by Arbitration. The arbitration shall be conducted in accordance with the provisions of the Arbitration and Conciliation Act, 1996, (including any statutory modifications or re-enactments thereof) and rules there under excluding any laws, opinions, or regulations that would require application of the laws of any other jurisdiction). The Arbitral Tribunal shall consist of three arbitrators. The Party raising the Dispute shall give a Notice to that effect to the other party and shall nominate the first Arbitrator in such Notice. The other Party shall respond to such Notice within 30 days of receipt thereof and nominate the Second Arbitrator. The two arbitrators so nominated shall appoint the third arbitrator within 30 days of appointment of the Second arbitrator. The Third Arbitrator so appointed shall be the Presiding Arbitrator. The arbitrators to be appointed shall be retired Judges of any of the High Courts or Supreme Court of India. Unless otherwise agreed in writing, the arbitration shall be held at Mumbai, India.

3.9.3 It is also a term of the Contract that the Contractor shall not stop the Work under this Contract and the Work shall continue as expected regardless of whether the arbitration proceeding have commenced or not. Notwithstanding any disagreement, dispute, protest, request for or pendency of arbitration or court proceedings relating directly or indirectly to the Work, at all times, Contractor shall proceed with the Work in accordance with the determinations, instructions and clarifications of Company in accordance with the terms and conditions of this Contract. If the Contractor fails to proceed with the Work, he shall be considered to be in default and shall be held liable for direct, indirect and consequential costs and expenses arising from such default. During the period Contractor is proceeding with the Work, he shall be paid the undisputed portion of his claims which are due under the Contract.

3.9.4 The right to arbitrate disputes and claims under this Contract shall survive the termination or invalidity of this Contract or any term hereof.

3.9.5 Any award rendered by the arbitrators shall be final and binding upon the parties. Any judgment upon such award may be entered in any court having jurisdiction or application may be made to such court for a judicial confirmation of such award and judgment or order of enforcement, as the case may be.

3.10 ENTIRE AGREEMENT/ WAIVERS

3.10.1 This Contract sets forth the entire Contract between Company and Contractor which shall supersede all previous communication/ agreements either oral or written. No terms, conditions, understandings or agreements purporting to modify or vary the terms of the Contract (whether written or oral) of the parties made prior to the date of this Contract shall apply except where

Company and Contractor have expressly varied the same in writing under the terms of this Contract.

- 3.10.2 None of the provisions of this Contract shall be considered waived by Company unless Company gives such waiver in writing. No such waiver shall be of any past or future default, breach or modification of any terms, provisions or conditions of this Contract unless expressly set forth in such waiver.
- 3.10.3 None of the following shall release Contractor from any of the warranties or obligations of this Contract or be deemed a waiver of any right or remedies as to any prior or subsequent default in accordance with the Contract:
- i) Failure by Company to insist upon strict performance of any terms or conditions of this Contract,
 - ii) Failure or delay to exercise any rights or remedies provided herein or by law,
 - iii) Failure to properly notify Contractor in the event of breach, except for any breach which according to provisions of Contract has to be notified,
 - iv) Acceptance of or payment for any Service or review of any design, or
 - v) Warranty on the Equipment if sold to Company by the Contractor will continue upto the expiry of the warranty period even if the Contract is expired or terminated.

3.11 **LIQUIDATED DAMAGES**

3.11.1 **Liquidated damage**

If Contractor for any reason other than Force Majeure, fails to timely mobilize / deliver all the material, equipment (fit for purpose) and/or personnel with requisite experience at designated location/well site as per the time schedule mentioned in the Contract or the extended date or fails to timely commence, continue or perform the services or continue uninterrupted Work in accordance with the terms of this Contract or the extended date or if Contractor repudiates the Contract before completion of the Works in accordance with the Contract, or any if above reason resulting to delayed delivery of work completion, the Company may without prejudice to any other right or remedy available to the Company, shall have a right to seek payment from the Contractor as ascertained and agreed liquidated damages, and not by way of penalty, One percent (1%) for each week of late completion of work / delayed delivery of work up to a maximum of Ten percent (10%) of total estimated / annualized contract value.

The payment of liquidated damages pursuant to this section shall not affect the rights of Company as per Contract or Applicable laws including the following rights:

- a. Terminate the Contractor or a portion or part of the Work thereof at any time during the term of the Contract and / or,
- b. Recover damages resulting from Contractor's breach of any of the provisions hereof from any kind of dues and / or,
- c. Get the Work done by any other contractor at the risk and cost of the Contractor and/or,
- d. Invoke bank guarantee or any other security provided by the Contractor and/or,

By way of abundant caution, it is clarified that in addition to recovering liquidated damages, Company may exercise any one or more of its rights mentioned above as per the Contract and the Applicable Law.

- 3.11.2 The Parties agree that the liquidated damages indicated hereinabove are genuine pre-estimate of the minimum loss/ damage which COMPANY can suffer on account of delay / breach on the part of the Contractor and the said amount shall be payable without any requirement of proof of the actual loss or damage caused by such delay / breach.
- 3.11.3 Where Company is required to wait for any reason for a Contractor Equipment and/or personnel which is not made available on the site as per the schedule, in addition to liquidated damages payable by the Contractor, the Contractor shall also pay as pre-agreed damages an amount equivalent to daily operating rate for hired equipment, till time such equipment is made available to Company.

- 3.11.4 By way of abundant caution it is clarified that during this period of delay, Contractor will not be eligible for any payment, whatsoever.
- 3.12 **NOTICES**
All notices and other communications provided for in this Contract shall be in writing and shall be delivered at the addresses for notices given in the Contract. A party may notify the other from time to time of changes in the address for notices. E -mails and facsimile transmissions shall be held to have been received at the time of transmission report.
- 3.13 **APPLICABLE LAW**
All questions, disputes or differences arising under, out of or in connection with this Contract and the relationship of the parties hereunder shall be governed by and interpreted in accordance with the laws of India (both procedural and substantive) and parties hereby agree to submit to the jurisdiction of the Courts in Mumbai / Mumbai, India.
- 3.14 **ACTS AND REGULATIONS, GUIDELINES**
THE MINES ACT, 1952 along with the OIL MINES REGULATIONS, 1984 and all their amendments issued including requirements of Good International Petroleum Industry Practice (GIPIP) for all services are to be followed till validity of contract.
- 3.15 **CONFIDENTIALITY**
- 3.15.1 "Confidential Information" shall be deemed to include all information including but not limited to any technical, commercial and financial information, improvement, inventions, know how, innovation, technology, trade secrets, professional secrets, copyrights and any other intellectual property, discoveries, ideas, concepts, papers, software in various stages of development, techniques, models, data, source code, object code, documentation, manuals, flow charts, research, process, procedures, functions, customer names and other information related to customers, price lists and pricing policies. However, the Parties hereto acknowledge that Confidential Information shall not include any information that:-
- a) is now or subsequently becomes publicly known or available without breach of this Contract;
 - b) was previously in the possession of the Receiving Party without any obligation of confidentiality and which was not acquired from, provided, given, sold or otherwise disclosed (directly or indirectly) by the Disclosing Party not through this Contract.
 - c) is required to be disclosed under any Applicable Law (subject however to the party who is required to disclose the information as such is providing reasonable notice of the same to the other party, prior to making any such disclosure).
- 3.15.2 The Contractor shall hold the information confidential and shall not divulge or disclose the information, or make the information available to any person or entity, other than its representatives and ensure that only such authorized Representatives who are expressly authorized by it to and whose duties require them to possess the Confidential Information shall have access to the Confidential Information on a need-to-know basis. In case of any breach of these terms or any act or omission by any of its authorized Representatives, then damages alone may not be an adequate remedy and that the remedies of injunction and specific performance or any other equitable relief may imposed.
- 3.16 **ASSIGNMENT AND SUBCONTRACTING**
- 3.16.1 Company shall be entitled to freely assign its rights, obligations and duties under this Contract to its Affiliate or other Participant or JV, for any Blocks by giving written notice. Company shall be entitled to assign by novation its rights and obligations under this Contract to any third party with prior written consent of the Contractor, which shall not be unreasonably withheld.
- 3.16.2 Contractor shall not sublet or subcontract in part or in whole the Services to any third party without prior written consent of Company. If the Contractor sub contracts part of the Contract to a sub-contractor, Contractor shall ensure that sub order's reflect the requirements under this Contract and the Contractor shall furnish to the Company within one month from the dated of signing of the Agreement, a signed copy of the complete Agreement. Further in case of any change in the Contract with the Sub Contractors, the same shall be notified to the Company with in a period of one (1) month.

- 3.16.3 However, no such approval for sub-contracting shall relieve Contractor from any obligation or liability under the Contract and Contractor shall be fully responsible for acts and omissions of any sub-contractor or supplier and its employees and agents as though they were the acts and omissions of Contractor or its employees or agents. Also in no case sub-Contractors shall pass on any claim/ liability to Company.

3.17 **INVOICING AND PAYMENT**

- 3.17.1 Invoices shall be itemized with a full break down of the Service performed /supplies made and shall be complete with all back-up details, documentation, information, receipts, packing list, ocean bills of lading, certificate of origin, etc. and shall set forth the facts relating to all activities and transactions handled for Company's account and shall be verified and signed by an authorized signatory designated by the Contractor to show the basis for Contractor's application of the Contract payments and the resultant value of the invoice.

- 3.17.2 Contractor shall invoice to Company for payments hereunder on Completion of Services. Unless and otherwise mentioned anywhere else in this Contract, Company shall make payment, of the correct/ undisputed / Certified invoice supported with job sheet / field ticket / any other relevant document, which is jointly signed by Engineer In-charge / Company representative along with the Contractor representative, within Thirty (30) working days period after receipt of invoice unless the Company disputes the invoice or a part thereof. Prices negotiated and finalized shall be firm and binding for the agreed Contract period. No interest shall be payable on delayed payments by the Company. Exchange Rate used for payment will be the average of SBI Selling and Buying rate prevailing one day prior to the date of release of payment.

The invoice should be submitted to Company only after having submitted the following documents at Mumbai, if applicable. The Contractor shall indemnify the Company at all times for the damages caused or losses incurred by the company due to non-compliance with the existing laws and regulations by the Contractor.

- 3.17.3 The settlement of any invoices shall not be deemed acceptance of the Services or any part thereof and shall not prejudice the right of Company to question the propriety of any such charge at any time thereafter. A written response to Company's claim for omission corrections or errors in charges and credits for Company's account shall be made by Contractor as soon as practicable and in no event later than sixty (60) days from the date of such claims.

- 3.17.4 Contractor shall support all invoices with any data and/or information reasonably requested by Company. Contractor agrees to retain all applicable documentation and records for a period of not less than Four (4) years from the end of the calendar year in which this Contract terminates. Company or any party nominated by Company shall be entitled to audit and examine all documents and/or records necessary to verify the correctness of charges contained in any invoice. The payment of an invoice shall not preclude Company's right to audit any charge during said three-year period. Any discrepancies found in such audit shall be paid or reimbursed forthwith. Company shall have the right to reproduce any such documents which have been inspected.

Invoices shall be endorsed with the Contract number and title and shall be submitted in tri-plicate with one original and two Copies (clearly marked "Original" or "Copy") after completion of job one copy shall be submit at site and another one copy shall be forward to:

Head –Commercial & Supply Chain Management.
Sun Petrochemicals Private Limited
8th Floor, ATL Corporate Park, Opp. L&T Gate no. 7,
Saki Vihar Road, Chandivali, Powai, Mumbai – 400072
Kind Attn: Mr Nihit Jain

- 3.17.5 All payments to the Contractor under this Contract shall be made in the currency quoted by them or Indian Rupees to the Indian Bidders or United States Dollars to the Foreign Bidders. The currency of price schedule shall not be allowed to be changed during the term of the Contract.

- 3.17.6 The Contractor shall not claim any charges under any head during the period the equipment or tools are damaged, damaged beyond repair, un-operational, or declared dangerous for operation and cannot be operated / used for the said services. No payment shall be made for either the Standby rate, Stack Rate or under any other head till the tools / equipment are redressed, replaced or declared safe for operation & fit for purpose. No payment for either standby rate or operational rate shall be made for the personnel associated with the operation of the said tools/equipment.

3.17.7 **Audit**

The Company and its authorized representatives shall have access to, and the right to audit and obtain copies of any of Contractor's and its subcontractors' or agents' documents of whatsoever nature (except the confidential information of pricing formulate of the Contractor) relating to or in connection with the performance of the Work, including books, vouchers, receipts, invoices, correspondence, government correspondence, contracts, representations before statutory authorities, tribunals, courts and any other records. The Contractor will preserve and will cause its subcontractors and agents to preserve all such records for a period of four (4) years from the end of the calendar year in which this Contract terminates and will, upon written request, make them available to Company and its representatives. The Contractor shall provide photocopies of any documents within a reasonable period whenever demanded by the Company, Audits referred in this Clause will be made during Contractor's normal working hours. Any payment made by the Company shall not imply acceptance of liability on the part of the Company. Company shall have the right to notify Contractor of any matters arising in an audit which may necessitate making an adjustment; and such adjustment, whether by reimbursement to Company or otherwise, shall then promptly be made. Company shall also have the right to obtain assistance and statements from any of Contractor's Personnel to the extent it deems necessary, and Contractor and its subcontractors shall make such personnel available at their assigned locations if still under employment with Contractor or its subcontractors.

3.18 **TAXES AND DUTIES**

3.18.1 **Taxes:**

All rates and the Contract Price shall be inclusive of all taxes & duties and such other payments as may be payable under any Applicable Laws (except goods and service tax). Except as stated, Contractor shall bear all income, corporate, property, taxes, work contract taxes and all other taxes, duties, levies, surcharges, imports and similar taxes and duties duly levied or imposed on Contractor on account of the payments received by Contractor from Company for the Services as may be payable under the Applicable Laws and any amendments thereto. Service tax if applicable shall be charged over and above the quoted prices and shall be paid by Company along with the invoice on submission of proof.

Company shall withhold from the payments to Contractor such amounts as determined by the prevailing taxation laws in respect of Contractor's Services. Company shall deposit these tax withholdings at source with the Indian revenue authorities and provide Contractor all appropriate tax receipts and forms evidencing the deposit of these tax withholdings. Contractor shall be responsible for filing returns of income to Indian revenue authorities for payments made by the Company pursuant to this Contract in accordance with the prevailing taxation laws.

3.18.2 **Personnel Taxes**

All employment taxes and contributions imposed by any law, regulations or by trade unions with respect to or measured by the compensation, wages, salaries or other compensation paid to employees of the Contractor, including without limitation, taxes and contribution or unemployment compensation insurance, medical and health insurance, welfare funds, pensions and annuities and disability insurance shall be paid by Contractor. In the event that Contractor fails to do so and Company is liable to any interest or any penalty arising out of such personnel taxes, Company shall have the right to recover all such amounts from Contractor.

3.18.3 **Custom Duty, Entry taxes, etc.**

Equipment, materials and supplies imported for use solely and exclusively on matters (inter alia) related to petroleum operations. Company and Contractor agree to cooperate and to use all reasonable endeavors to obtain any exemption to which Company and/or Contractor is entitled

in accordance with Essentiality Certificate (EC) and such notifications applicable to Oil & Gas / Petroleum Operations. Contractor expressly agrees to furnish necessary documentation, bonds or undertakings to Government authorities and / or to Company, which may be required for availing such concessional exemption. It is expressly understood that Contractor shall be required to re-export any of its Equipment (unless consumed during performance of Services) and left-over chemicals / additives imported under this Contract to enable Company to avail exemption of custom duties. Contractor undertakes to re-export Equipment at the earliest but not later than within fifteen (15) days of completion or termination of Services and shall be solely responsible for all customs formalities for importation and exportation of Contractors Equipment and materials at the port of entry or the port of exportation as the case may be.

- 3.18.4 Contractor shall protect, indemnify and hold harmless Company, its Co-ventures, their directors, officers, and employees from any and all claims or liability for incorrect or under valuation of tax payable on income excess profits, customs duties, royalty or other taxes assessed or levied by any government agency including any tax assessed or levied on account of property or equipment of contractor, wages salaries or other benefits paid to Contractors employees or employees of sub-contractors, on Company its Co-ventures, their directors, officers and employees' including from any and all claims or on account of any payment made to or earned by contractor.

3.18.5 **Change in Law**

- 3.18.5.1 In the event of any change or amendment of any Act or law, Rules or Regulations of Government of India or Public Body, which becomes effective after the effective date of this Contract and which results in increased / decrease cost of the works under the Contract though increased / decreased liability of taxes, (other than personnel and Corporate taxes), duties, the Contractor shall be indemnified for any such increased cost by the Company subject to the production of documentation proof provided the rates and all applicable taxes along with the tax rate, were clearly indicated at the time of Bid submission by contractor.

- 3.18.5.2 Similarly, if any change or amendment of any Act or Law, Rules or Regulations of any Govt. or public body becomes effective after the date of this Contract and which results in any decrease in the cost of the project 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 Company.

- 3.18.5.3 Company shall not bear any liability in respect of (i) Personnel taxes on the employees of Contractor and the employees of all its sub-Contractors etc. (ii) Corporate taxes in respect of the Contractor and its sub-Contractors." (iii) Any taxes for which the Contractor or any or all of his sub-contractors are directly assessable i.e. Corporate taxes and Fringe benefit tax in respect of Contractors and all of their sub-contractors, agents etc.

3.19 **INSURANCE**

- 3.19.1 For its risks and liabilities assumed hereunder, the Contractor shall, at its own expense procure and maintain as a minimum, the insurances set out in this Clause and ensure that they are in full force and effect throughout the life of the Contract. All such insurances (including insurances provided by Sub-Contractors) other than Employers Liability Insurance / Workmen's Compensation to the extent of the liabilities assumed by the Contractor under the Contract,

- 3.19.2 The provisions of this Clause shall in no way limit the liability of the Contractor under the Contract. All such insurances shall be placed with reputable and substantial insurers acceptable to the Company.
Contractors Insurances shall be primary to, and receive no contribution from Company insurances. If the Contractors neglects, fails, or refuses to obtain or maintain insurances required to be effected, or fails to provide certification etc., the COMPANY has the right to procure and maintain policies at Contractors risks and 5% more expense.

- 3.19.3 The Contractor shall be responsible for and shall save, indemnify, defend and hold harmless SunPetro , Joint Venture partners of SunPetro, the Government of India, their respective officers, directors employees, agents and other persons with whom Company may be

associated (the COMPANY) from and against all claims, losses, damages, costs (including legal costs) expenses and liabilities in respect of:

- a. loss of or damage to property of the Contractor whether owned, hired, leased or otherwise provided by the Contractor arising from or relating to the performance of the Contract,
- b. personal injury including death or disease to any person employed by the Contractor arising from or relating to the performance of the Contract.

- 3.19.4 Prior to commencement of services / delivery / work hereunder or within 7 days of signing of Contract, whichever is later, Contractor shall deliver to Company the following certificate(s)
- a) evidencing the issuance of insurance containing the coverage required herein and
 - b) providing that insurance shall not be cancelled or materially change without thirty (30) days prior written notice to the Company. Commencement or performance of services/work without delivering the certificates of insurance shall not constitute a waiver of contractor's obligation to provide the required coverage.

- 3.19.5 The insurance shall cover for the following:

1. All consequences of occupational accidents or illness Employer's Liability Insurance, in such amounts as may be required by the laws of India or any other country or political subdivision thereof applicable to any employee engaged in performance of the work; as per regulations, extended to cover benefits provided under maritime law, if applicable. Contractor has the obligation to comply with Indian Social Security laws and regulations.
2. Commercial or comprehensive General Liability Insurance, including coverage for contractual Liability to cover liability under this contract and cross liability Sudden and Accidental pollution, in the amount equal to the contract value combined single limit each occurrence with an aggregate limit of contract value for bodily injury and property damage provided that there will not be any excess/deductibles in the policy to be taken by the contractor. The coverage should provide insurance for any incident or series of incidents covering the operations of the Contractor in the performance of the Contract. If Contractor's Liability Insurance is written on a "claims made" form it must provide for (i) a retroactive date prior to, or coincident with, the commencement of service under this contract and (ii) a minimum extended claims reporting period of one (1) year. This policy shall include Company and its directors, officers, employees and agents as additional insured.
3. Comprehensive Automobile Liability Insurance, covering owned, non-owned and hired motor vehicles, with a limit of liability as per regulations/ laws including passenger liability.
4. Personal Accident and Medical Insurance for each of Contractor's Personnel valid for the area(s) in which Work is to be performed and for any travel for any period(s) during which Work is being performed. This insurance should include cover for all hospital and medical costs, and all costs for repatriation.
5. Contractor shall carry or cause to be carried insurance covering all Contractor's Equipment against loss or damage at all times including during transportation to/from the site and at the site. However, Contractor reserves the right to self insure its own assets.
6. The Contractor will be required to have insurance coverage for "Oil Industries Endorsement" in its insurance policy.

General Conditions for Insurance

- A. Contractor hereby waives its right of subrogation against the additional insured and shall cause its insurers to waive their rights of subrogation against the additional insured.
- B. No form of contractor liability self-insurance, including but not limited to insuring with a parent, subsidiary, or affiliate organisation, is acceptable or allowable under the terms of this contract, unless agreed to by Company prior to commencement of services hereunder.
- C. Contractor assumes full responsibility for the insurance or self-insurance over his personnel, assets, machinery and equipment, including third party to be used in the performance of this contract. Therefore, except as otherwise provided herein, any damage or injury suffered due to a

total or partial loss to such assets, machinery and equipment will be at Contractor's expense. Contractor must insure for full replacement value of any and all equipment used in performing the Work.

- D. All exclusions and indemnities given under this Contract shall apply irrespective of cause and notwithstanding the negligence, breach of duty (whether statutory or otherwise) or other failure of any nature of the indemnified party or any other entity or party and shall apply irrespective of any claim in tort, under contract or otherwise at law.

3.20 **CONTRACTOR'S OBLIGATIONS AND WARRANTIES**

- 3.20.1 The general allocation of responsibilities between Company and Contractor are set out in responsibility matrix and other clauses mentioned in this documents and the Exhibits.
- 3.20.2 Contractor represents that it is engaged in such specialized operations and represents that it has adequate resources and personnel in accordance with Good international Petroleum Industry Practices and shall perform the Work strictly in accordance with this Contract and shall comply with and adhere strictly to Company's instructions and directives on any matter concerning the Work. Contractor warrants that it is aware of all the Well Locations environment, zoning and other regulations legal description prescribed in this Contract.
- 3.20.3 At all times Contractor shall respond promptly and shall accurately furnish to Company information about the Work as requested.
- 3.20.4 Contractor shall take full responsibility for the protection and security of materials and equipment while such materials and equipment are temporarily stored in Contractor's facility awaiting for transportation or otherwise in Contractors custody.
- 3.20.5 Contractor shall advise Company immediately in writing of any labour dispute or anticipated labour dispute, which may be expected to affect the performance of the Work.
- 3.20.6 Contractor shall use all reasonable care to ensure that the equipment is delivered and maintained in a fit condition for the intended Work and shall at its cost and expense man operate replace supply, repair and maintain the equipment.
- 3.20.7 **Contractor Personnel**
Contractor shall use all reasonable care to provide, at Contractors sole risk and cost, competent, skilled personnel to perform Work and shall take responsibility for their actions. Contractor shall ensure that the necessary personnel are available at the Work Site / Location when required by SunPetro for commencement of the Work and shall continuously be available during the duration of the Contract. Contractor shall be solely responsible throughout the period of this Contract for providing all the requirements of its personnel, including but not limited to, accommodation, transportation, meals, medical attention, vacations and time-off allowance, travel and any other benefits due to such employees under any law or otherwise. SunPetro shall have no responsibilities or liability whatsoever in this regard.
- 3.20.8 SUNPETRO shall be entitled, without prejudice to any other rights or remedies available to SunPetro under this Contract or otherwise in law to object to and require Contractor to remove from the Work any person who in the reasonable opinion of SunPetro is incompetent, misconduct's himself, is negligent in the proper performance of his duties or is otherwise considered to be undesirable. In such an event, Contractor shall forthwith remove such person from the Work, and such person shall not be again employed upon the Work without the written permission of Company. Contractor shall forthwith replace within 5 working days, at Contractor's sole expense, any such discharged person with a suitable qualified and experienced person satisfactory to Company without affecting the work.
- 3.20.9 **Permits and Instructions**
Contractor shall obtain all requisite permits and approvals under Applicable Law for the performance of the Scope of Work / supplies. In the event of Contractor receiving instructions from Company to stop Work/supplies operations, Contractor shall comply with the same with immediate effect.

3.21 **FORCE MAJEURE**

3.21.1 “Force Majeure” shall mean any act which is insurmountable and outside the reasonable control of the parties. Events of Force Majeure shall include, but shall not be limited to, acts of God, lightning, earthquake, flood, fire, explosion, major storm (hurricane, typhoon, cyclone, etc.) or tidal wave, act of war (declared or undeclared) or public enemy, riots (otherwise than amongst Contractor’s personnel), strike (excluding strikes, lockouts or other industrial disputes or action solely among employees of Contractor or its subcontractors), act or omission of sovereign states or those purporting to represent sovereign states, blockade, embargo, quarantine, public disorder, sabotage or any other events beyond the control of the parties or either of them., Strikes shall only be considered as Force Majeure if they are officially declared/ accepted strikes. However, Force Majeure shall not include occurrences as follows:

3.21.1.1 Late delivery of materials caused by congestion at supplier’s plant or elsewhere, an oversold condition of the market, inefficiencies, or similar occurrences

3.21.1.2 Late performance by Contractor and/or a sub-contractor caused by unavailability of equipment, supervisors or labor, inefficiencies or similar occurrences;

3.21.1.3 Mechanical breakdown of any item of Contractor’s or its Sub-contractor’s equipment, plant or machinery; or

3.21.1.4 Delays due to ordinary storm, inclement weather, seasonal rains or monsoon; or

3.21.1.5 Non-conformance by Sub-contractors;

3.21.1.6 Financial distress of Contractor or any Sub-contractor

3.21.1.7 Failure to carry out work as per the work order in accordance with the instructions of the Company. Any accident, non-performance or unsatisfactory performance or on account of any reason within the control of the Contractor shall be contractor’s responsibility.

1.21.1.8 Neither Party hereto shall be liable to the other, for the payment of money, for failure to perform any obligations hereunder when performance is hindered or prevented by Force Majeure. The affected party shall inform the other party immediately in writing (within 24 hours) of its inability to meet its obligations hereunder, specifying the cause of Force Majeure, and shall do all that is reasonably within its power to remove the Force Majeure conditions. Such party shall advise the other party when such Force Majeure ceases (within 24 hours of ceasing of Force Majeure) and shall resume performance of its obligations hereunder as soon as reasonably possible thereafter. No payment will be due to the Contractor between the commencement of Force Majeure and commencement of Normal operations by the affected party.

3.21.2 The affected party shall make every reasonable effort to. Should any act or acts of Force Majeure cause the suspension or artificial suspension of operations there under for all or part of the Work for a continuous period of more than seven (7) days, the parties shall meet and determine the appropriate measures to be taken. In the event that a condition of Force Majeure exists at the Site for a period of at least fifteen (15) consecutive days, Company shall have the right to terminate this Contract by giving two (2) days advance notice to Contractor.

3.22 **WARRANTIES AND REMEDIES**

3.22.1 Contractor represents that it is engaged in such specialized operations and represents that it has adequate resources, service capability and personnel in accordance with GIPIP and shall perform the Work strictly in accordance with this Contract and shall comply with and adhere strictly to Company’s instructions and directives on any matter concerning the Work. Contractor agrees to comply with, and shall ensure that its Personnel comply with, all Applicable laws, International /Indian codes, rules, regulations and specifications applicable to the Equipment and Services. Contractor warrants that all items rented to Company under this Contract shall meet specifications as set forth in the contract and shall be in good working condition throughout the Contract period (ordinary wear and tear excepted). All Equipment, materials, machinery and goods procured and supplied by Contractor under this contract, including, without limitation, service related materials (collectively items) shall be of good quality and workmanship, safe and

free from defects in workmanship. Time is of the essence of the Contract and Contractor shall perform all Services in conformity with the time schedule, specifications and the obligations contained herein, unless the delay is due to Force Majeure or reasons wholly within Company's control. Any failure by Contractor to timely deliver the goods / materials work at the point of delivery and / or perform the services in timely manner shall attract the provisions of Clause indicated in Liquidated Damages.

- 3.22.2 The Service warranty applies to all services performed by Contractor as part of the Work. Contractor warrants that it shall perform all such services in a Good and Workman like Manner. Contractor may be required at Company's sole option (unless stated otherwise elsewhere in the Contract) to supervise the installation, running in or pulling out of the Equipment to enable it to be fully operational within the time specified in the Contract. Contractor warrants to Company that Contractor's Personnel who are skilled, experienced and competent in their respective positions, and who are fit for duty shall perform all Services. Contractor undertakes to ensure that its personnel comply with Company's regulations regarding health, safety and training which are in force at such time and at such place.
- 3.22.3 In the performance of the Services, if the Contractor fails to comply with the warranties and undertakings set forth, the Contractor shall as directed by the Company prior to demobilization, at Contractor's cost and without prejudice to any other right or remedy of Company under this Contract, re-perform the Services or correct such failure or furnish an alternative acceptable to Company in order to comply fully with the requirements of the Contract. Defects shall not be deemed waived by Company's failure to notify Contractor upon receipt of Services or by payment of invoice.
- 3.22.4 Contractor shall use all reasonable care to provide, at Contractor's sole risk and cost, competent, experienced, skilled personnel to perform Work and shall take responsibility for their actions. Contractor shall ensure that the necessary personnel are available at the Work Site / Location when required by Company for commencement of the Work and shall continuously be available during the term of the Contract. Contractor shall be solely responsible throughout the period of this Contract for providing all the requirements of its personnel, including but not limited to, accommodation, transportation, meals, medical attention, necessary permits / licenses as per rules / laws, vacations and time-off allowance, travel and any other benefits due to such employees under any law or otherwise. Company shall have no responsibilities or liability whatsoever in this regard. Company shall provide boarding and lodging to the Contractor's personnel while at the work.
- 3.22.5 Day-rates or compensation of whatsoever nature shall not apply to time when the Contractor's Equipment/tool is unable to perform to the satisfaction of the Company in accordance with the Contract for any reason.
- 3.22.6 If Contractor shall fail in its obligations under this Contract and does not remedy such default after having received prior written notice thereof, Company may on its own initiative arrange for alternative means of performance of Services. Any direct and reasonable costs or expenses incurred by Company thereby, shall, together with an additional five per cent (5%) of such costs and expenses, be payable by Contractor and may be deducted and set off against any monies owed to Contractor by Company pursuant to the Contract. Should any time be lost during any such alternative arrangements in the performance of the Services, the Equipment and Personnel shall be at zero Rates for the lost time for that particular tool/ service in default and no Rates of whatsoever nature shall be payable for the duration of such default. The above shall be without prejudice to any other rights available to the Company under the Contract or as per Applicable Laws
- 3.22.7 Contractor shall take all measures necessary and / or proper to protect personnel, Work Site and facilities as well as observe all safety rules and regulations of Company, given to Contractor in writing provided such rules do not conflict with those of any Governmental Agency having jurisdiction over operations conducted hereunder. No smoking or open flames shall be permitted on the drilling unit and nearby except in areas marked by Contractor and approved in writing by Company. Contractor shall use all reasonable means to prevent and control fires and blowouts,

as well as protect the hole, the reservoir or any other underground formation from loss or damage.

- 3.22.8 Contractor shall have no authority to make any statements, representations or commitments of any kind or to take any action which shall be binding upon Company, except as provided for herein or otherwise authorized in writing by Company.
- 3.22.9 Contractor shall notify Company promptly, but no later than twenty four (24) hours, upon discovery of any instance where Contractor has not complied with the requirements of this Clause.
- 3.22.10 The Company reserves the right to purchase / replace specific tools / equipment at any time during the Contract and include them in the Contract.

3.23 **LIENS**

Contractor shall immediately pay and discharge any lien, claim or encumbrance, of any nature, (or shall provide security for payment thereof) attributable to Contractor. Contractor shall indemnify and hold Company harmless from and shall keep Company's equipment and property free and clear of all liens, claims, assessments, fines and levies incurred, created, caused or committed by Contractor. If Contractor fails to pay and discharge any such lien, claim or encumbrance, then Company may do so and charge Contractor for all costs, with an additional five per cent (5%) of such costs and expenses, be payable by Contractor and may be deducted and set off against any monies owed to Contractor by Company pursuant to the Contract. Company shall have the right to retain out of any payment to be made to, or to be reimbursed to, Contractor, an amount sufficient to indemnify it completely against any such lien, claim, assessment, fine or levy exercised or made and all associated costs.

3.24 **INDEMNITY AND LIABILITIES**

3.24.1 **Indemnity**

Indemnity by Supplier/Contractor: Supplier/Contractor shall, save as is otherwise herein specifically provided, indemnify and hold harmless Company along with its Co-Venturers and their owned, controlled, affiliated and subsidiary companies and the stockholders, directors, agents, employees and representatives of each from any and all claims, liabilities, costs, damages and expenses of every kind and nature with respect to sickness, injury or death of any Supplier/Contractor's Personnel arising directly or indirectly during or as a result of the performance of this order from any cause whatsoever, including but not limited to the negligence of Company.

Indemnity by Company: Company shall, save as is otherwise herein specifically provided, indemnify and hold Supplier/Contractor harmless from any and all claims, liabilities, costs, damages and expenses of every kind and nature with respect to sickness, injury or death of any employee, agent or invitee of Company or its other Supplier/Contractors or subcontractors and to damage or destruction of Company's Equipment and any other property of Company or its other Supplier/Contractors and subcontractors and their respective employees agents or invitees arising directly or indirectly during and as a result of the performance of this order from any cause whatsoever, including but not limited to the negligence of Supplier/Contractor.

Patent Indemnity: Supplier/Contractor shall indemnify and hold harmless Company, its successors and assigns and agents from and against any and all claims, losses, damages, liability, suits and demands arising from actual or alleged infringements of any patent or patent right, copy right or similar protection in connection with the Supply/work, except where such claims arise out of Supply/work and material furnished in accordance with drawings and specifications provided by Company.

3.24.2 **Deleted**

3.24.3 **Limitation of Liability**

The total liability of the contractor shall be limited to 100% of the contractor value if no fault by contractor. In case intentional damages, it would be 200% of the contract value. The Company shall indemnify and hold harmless the Contractor against all claims and liabilities in excess of the

above limits, provided that aforesaid cap for limitation of liability shall not apply and the Contractor shall continue to remain responsible for all liabilities which arise on account of:

- Breach of Applicable Laws by the Contractor Group.
- Liability for payment or non-payment of taxes and other statutory duties/ fees of any nature.
- Liability for breach of Intellectual Property Rights of any person.
- Breach of Confidentiality obligations.

3.24.4 **Consequential Damage**

Notwithstanding anything else contained herein to the contrary and subject to clause, neither party shall be liable to the other for indirect and consequential damage resulting from, or arising out of this Contract including but not limited to, loss of profit, loss of revenue, anticipated profits, loss of business opportunity or business interruption, suffered by such Party or its Group and each Party shall defend, indemnify and hold the other party harmless in respect thereof.

3.24.5 **Certain Restrictions on Indemnities:**

Unless otherwise expressly admitted elsewhere herein the Contract, no indemnity or hold harmless provision of this Contract shall apply in favour of a Party who shall have caused loss or damage through Gross Negligence or Wilful Misconduct.

3.25 **PERFORMANCE BANK GUARANTEE**

Within fifteen (15) days of the issue of Letter of Intent/ award, the Contractor shall present to the Company a Performance Bond / Bank Guarantee (As per format in accordance to **Attachment-1**) in the form of an irrevocable, unconditional, payable on first demand by Company, divisible bank bond issued by an approved bank as per Attachment-2. Failure to comply with this condition will constitute grounds for termination of the award / Contract.

The Performance Bank Guarantee shall be of 10% of the estimated contract value and shall be valid and be retained for Ninety (90) Days after the warranty period of the Contract except where claims are outstanding there under or where previously drawn by the Company but not later than Thirty (30) days after the final settlement of such claims or Ninety (90) Days whichever is later. If the Contractor does not submit the Performance Bank Guarantee as stipulated above, SunPetro reserves the right to cancel the award of LOI / LOA.

Company shall not be liable to pay any Bank Charges, Commissions or Interest on the amount of Performance Bank Guarantee. The performance bond provided by the Contractor is intended to operate as security for amounts (including damages where applicable) which becomes payable by the Contractor by virtue of this Contract and are not intended to be used as a penalty. Without prejudice to its other rights under the Contract or at law, Company shall be entitled to forfeit the performance bond, should the Contractor fail to perform the Services in accordance with the provisions of the Contract or fail to comply with the provisions of this Contract. The Performance Bank Guarantee shall remain at the entire disposal of Company as Security for the satisfactory commencement, performance and completion of the Scope of Work under the conditions of the Contract / Contract including recovery of amounts due to the Company from the Contractor arising out of this Contract under whatever head.

Company reserves the right to invoke the performance bank guarantee for any of the following reasons including but without limitation to:

- Failure of contractor to start/commence the work as per LOA/LOI/Contract
- If Contractor fails to perform as per the terms and conditions of the contract.
- If contractor fails to perform as per prescribed scope of work.
- If contractor fails to work in work man like manner.
- If tools, machines, parts for the providing services are not fit for the performance of work.
- For breach of contract.

SunPetro will accept the bank guarantee from all public sector banks in India or any of the banks listed in the **Attachment-2**.

3.26 **SEVERABILITY**

If any portion of this Contract is determined to be illegal, invalid or unenforceable, for any reason, then, insofar as is practical and feasible, the remaining portions of this Contract shall be deemed to be in full force and effect as if such invalid, illegal or unenforceable portions were not contained herein.

3.27 **NON-EXCLUSIVE CONTRACT**

This Contract is non-exclusive, and Company reserves the right to engage other contractors to perform similar or identical work. Contractor shall afford such other contractors adequate opportunity to carry out their agreements and shall accomplish the work in cooperation with those contractors and with Company.

3.28 **EXPORT CONTROLS**

SunPetro confirms that the Equipment or Services to be provided under this Contract (Collectively 'Items') shall only be for use by it in India for the purpose of production of hydrocarbons. However, if for any reason whatsoever the end use or end user of these Items is required to be changed or if these items are to be taken for use in countries outside India to do any work associated with this Contract, then Sunpetro would request the Contractor to obtain consent from the concerned authority in the Supplier's Country. The Supplier shall obtain such consent at its sole risk and costs.

3.29 SPECIAL CONDITION OF THE CONTRACT

3.29.1 The installation & commissioning job is to be performed with all safety precautions including implementing any regulations concerning the scope of work which are mandatory by Government and other statutory agencies.

3.29.2 Contractor to note that the work may be carried out simultaneously along with other agencies working around. Hence, contractor shall exercise utmost care while executing the activities which are being done simultaneously along with other operations.

Damage of equipment, if any, during supply, mobilization, installation, commissioning & demobilization shall be on account of Supplier.

ATTACHMENT -1

PROFORMA OF PERFORMANCE BANK GUARANTEE

TO: Sun Petrochemicals Private Limited, a Company incorporated under Company's Law 1956 and having its office at 8th Floor, ATL Corporate Park, Opp. L&T Gate no. 7, Saki Vihar Road, Chandivali, Powai, Mumbai – 400072 (Hereinafter referred to as **"Company"**).

WHEREAS:

- (1) By a Contract for _____ (here in after referred to as the **"Contract"**) between _____ hereinafter referred to as the **"Contractor "**) of the one part and Company of the other part, the Contractor agrees to perform the Work in accordance with the Contract.
- (2) In response to the request made by Contractor, we (Name of Banker:) _____ (hereinafter referred to as the **"Guarantor"**) hereby irrevocably and unconditionally guarantee in favour of Company, the payment of amounts (without any withholding, deduction or set off) upto. _____ (Rupees _____) being **10% of the estimated / Annualized Contract value**, as guarantee for the obligations of the Contractor to perform the Work in accordance with the Contract. The sum shall become payable by us immediately on first demand by Company without proof or conditions notwithstanding any dispute or protest by the Contractor or any other third party. Multiple demands may be made in respect of our guaranteed obligations.
- (3) We shall not be discharged or released from this Guarantee by any waiver, modification, Contract made between the Contractor and Company with or without our consent or by any alteration in the obligations undertaken by the Contractor or by any forbearance whether as to payment, time performance or otherwise, or by any change in name or constitution of Company or the Contractor.
- (4) This Guarantee is a continuing security and, accordingly, shall remain in operation for three months after the completion / termination of the Contract.

We agree that the Guarantee is given regardless of whether or not the sum outstanding occasioned by the loss, damages costs, expenses or otherwise incurred by Company is recoverable by legal action or arbitration.

The rights under this Guarantee shall be assignable by Company to third parties, if required. This Guarantee shall be governed by and construed in accordance with the laws of India.

The Guarantee herein contained shall not be determined or affected by the liquidation or winding up, dissolution or changes or constitution or insolvency of the said Contractor but shall in all respects and for all purposes be binding and operative until payment of all money due to you in respect of such liabilities is paid.

IN WITNESS where of this Guarantee has been duly executed by GUARANTOR the _____ day of _____ 202__ or and on behalf of (_____).

Name : _____
 Designation : _____
 Banker's Seal : _____
 Address : _____

ATTACHMENT-2

LIST OF APPROVED BANKS

Guarantee issued from following banks will be accepted as PBG/SD/EMD/BID BOND

1. All Nationalised Banks including Public Sector Banks-IDBI Ltd
2. Private Sector Banks- Axis Bank, ICICI Bank and HDFC Bank
3. Commercial Banks:
 - I. Kotak Mahindra Bank
 - II. Yes Bank
 - III. RBL Bank (The Ratnakar Bank Ltd)
 - IV. IndusInd Bank
 - V. Karur Vysya Bank
 - VI. DCB Bank
 - VII. Federal Bank
 - VIII. South Indian Bank
4. Co-operative and Rural Banks:
 - I. The Kalapur commercial co-operative bank Ltd
 - II. Rajkot Nagrik Sahakari Bank Ltd
 - III. The Ahmedabad Mercantile Co-operative Bank Ltd
 - IV. The Mehsana Urban Co-operative Bank Ltd
 - V. Nutan Nagrik Sahakari Bank Ltd
 - VI. Dena Gujarat Gramin Bank
5. Any other Indian Scheduled bank not covered above

ATTACHMENT-3

EXCEPTION / DEVIATION / CONDITIONS PROFORMA

Any and all exceptions/deviations/conditions to the terms and conditions of Tender No.- _____ should be indicated here and submitted along with the Unpriced Techno Commercial Bid without any price impact. Price impact, if any, of the exceptions/deviations shall be duly completed, in this proforma, and attached to the Priced Commercial Bid only. If the bidder does not intend to take any exception / deviation then he shall mark "No Exceptions Taken" in this proforma. If the proforma is left blank or if this sheet is not attached to the bid, then it will be presumed that bidder has not taken any exception/deviation/condition to the terms and conditions of the TENDER DOCUMENT. Company shall not take cognisance of any exception/deviation/condition (if any) indicated elsewhere except in this proforma.

Tender No. -

Technical Part (attach to Unpriced Techno Commercial Bid)

Section No, Page No. and Clause No.	Description of exception/ deviation/ condition	Reason(s) for exception/ deviation/ condition	Whether there is a Cost impact? ** (Yes / No)	Effect on Commencement Date

** Please do not indicate the price impact, if any, here.

Tender No.-

Commercial Part (attach to Priced Commercial Bid)

Currency : _____

END OF RFQ / TENDER DOCUMENT