

Sun Petrochemicals Private Limited

(SunPetro)

COMMERCIAL & SUPPLY CHAIN MANAGEMENT

8th, Floor, ATL Corporate Park, Opp. L&T Gate no. 07,
Saki Vihar Road, Powai, Mumbai – 400072, Maharashtra

Tel: (91-22) 4227 4227/66455645

CIN: U24219GJ1995PTC028519

Ref. No.: SunPetro/Bhaskar/45KL Storage Tanks/2023-24/SPPL-155

Date 13.10.2023

Request for Quotation (RFQ / Tender)

Title: Supply of Four (4No.) 45 KL Cylindrical & Flat End Crude Oil Storage Tanks for Bhaskar Field.

Ref: RFQ No.: SunPetro/Bhaskar/45KL Storage Tanks/2023-24/SPPL-155

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 **Design, Fabrication, Supply, Installation and Commissioning of 45 KL Cylindrical & Flat End Crude Oil Storage Tanks - 4 No. along with access ladder & platform with side railing for SunPetro's Oil & Gas fields in Gujarat or any other field operated by SunPetro, 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 envelope. Both envelops are required to be placed in one wax sealed envelope and be sent 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 RFQ

1]	RFQ No.	SunPetro/Bhaskar/45KL Storage Tanks/2023-24/SPPL-155
2]	Title of RFQ	Supply of Four (4 No.) 45 KL Cylindrical & Flat End Crude Oil Storage Tanks for Bhaskar Field
3]	Brief Scope of Supply	Design, Fabrication, Supply, Installation and Commissioning of 45 KL Cylindrical & Flat End Crude Oil Storage Tanks - 4 No. along with: 1) Ladder & platform with side railing 2) Top Manhole 3) Deep latch 4) Thermowell with TG 5) 4" Well fluid Inlet, Oil outlet & Produced water outlet line 6) Sacrificial Anode provision. 2 no & 10 kg each. 7) Top Surface: 3 Coat Surface Coating with top Camouflage.
4]	Tender Fee	NIL
5]	Bid Validity	One Hundred and twenty (120) days
6]	RFQ Closing Date & Time	25.10.2023 at 1500 hrs. IST

7]	Address For Correspondence /Tendering Office	Head –Commercial & SCM Sun Petrochemicals Pvt. Ltd. 8 th Floor, ATL Corporate Park, Opp L&T Gate no. 07, Saki Vihar Road, Powai, Mumbai-400072 E-mail: dheeraj.paroch@sunpetro.com
8]	Delivery Period	Within 1 month from the date of LOI / LOA / PO OR AS PER REQUIREMENT
9]	Terms & Conditions of Contract	As per Annexure-3 of this RFQ Document
10]	Contract Validity	Primary term of this contract will be for a period of 1 (one) year from the date of award with a provision to extend for 1(one) more year on same rate, terms and conditions at discretion of Company for additional Storage tanks supply

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.

1.2. Pricing Strategy

Bidder is to quote strictly as per the 'Price Schedule' (Annexure-2) 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. Company will be under no obligation to provide reasons for accepting or rejecting any Bid.

1.4 Purchase Strategy

Single Order or Multiple Order at 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 receiving your bid complete in all respect on or before due date and time of bid submission.

Regards

**Dheeraj Paroch,
Head-SCM**

ANNEXURE – 1

SCOPE OF SUPPLY (SOS), TECHNICAL SPECIFICATION (TS), RESPONSIBILITY MATRIX (RM) & BID EVALUATION CRITERIA (BEC)

SCOPE OF SUPPLY

Scope of supply for Design, Fabrication, Supply, Installation and Commissioning of **45 KL Cylindrical & Flat End Crude Oil Storage Tanks - 4 No.** along with access ladder & platform with side railing for SunPetro's Oil & Gas fields in Gujarat is as under:

1. Bidder shall follow the detailed Scope of Supply (SOS) for design, fabrication, supply, installation and commissioning of cylindrical & flat end crude oil storage tanks along with access ladder & platform with side railing.
2. The supply of the tanks shall be as per Technical Specification mentioned in this document.
3. Bidder shall consider all the structural works on the tanks in its scope.
4. Bidder shall follow standard painting system for the tanks & structures as per Good International Petroleum Industry Practices (GIPIP) and the same will be shared post award of Contract.
5. Bidder shall submit the detailed drawing & data sheet of tank to SunPetro for taking approval prior to the start of fabrication work.
6. Bidder / Supplier shall bear all costs and expenses including but not limited to:
 - a. Engineering;
 - b. Procurement, fabrication, testing, inspection, insurance, freight and shipping to the Company's site;
 - c. Installation & commissioning;
 - d. Testing or re-testing the whole or any part of the installations;
 - e. Dismantling of the affected goods, reinstallation of repaired or replaced goods and/or parts thereof.
7. Pre-dispatch Inspection by SunPetro: SunPetro intends to inspect at its own cost the tankage package at the Bidder/Supplier's works prior to dispatching the same. Bidder shall give seven (7) days' notice to SunPetro for witnessing the Factory Acceptance Test (FAT).

 The tanks are to be dispatched as per LOI / PO. These shall be inspected & tested in presence of SunPetro's representative. The Supplier shall make necessary modifications/rectification if any suggested by SunPetro's rep at the time of inspection.

 During the pre-dispatch inspection visit of SunPetro's rep, the Supplier shall impart training at their works on servicing and maintenance of the tankage system.
8. At any time prior to supply / execution of the contract or during the course of delivery / completion and thereafter, SunPetro shall have the right to access materials and Bidder / Supplier shall assist in the verification of certificates & inspection.
9. It will be the Bidder's responsibility to correct any deviations from specifications found by inspection prior to mobilization of equipment. This will be at the cost of the Bidder / Supplier.
10. Bidder shall provide all the standard quality control and test certificates of the tank and its assembly preferably witnessed and approved by a Third Party Inspector approved by SunPetro.
11. The Bidder shall submit the final GA Drawing, Data Sheet, Test Certificates, W&M Certificates for tanks & dip sticks (2 No. per tank).
12. Bidder shall complete the total scope of work including supply of tanks, installation & commissioning within **45 days** from the date of acceptance of LOI.
13. SunPetro may further place repeat order for any or all the material / services / equipment at the same rate and Terms & Conditions for the same / other fields which SunPetro may acquire or associate in future.

14. Freight and handling cost of returned goods are on the account of Seller. Mode of transport shall be agreed between Supplier and SunPetro. Supplier shall deliver replacement or repaired Goods on the same delivery terms applicable to the PO(s).
15. Change Orders & Rates: SunPetro shall have the right to make changes, including additions to or deletions from the quantities originally ordered in the specifications. The quoted and finally negotiated rates shall be valid & firm from issue date of LOI up to the completion of the contract.
16. All changes in quantities / specifications will be performed at a mutually agreed delivery schedule in the Contract Period and price of such works shall be finalised / derived in terms and rates elsewhere in the Contract documents. For any additional goods / service, not specified herein, but needed for operations, the Bidder shall be required to provide, on agreed time, these additional goods & services, at agreed cost or actual costs + 5% handling fees.
17. The complete bid along with priced bid shall be duly signed and sealed by the Authorized Representative of the Bidder.

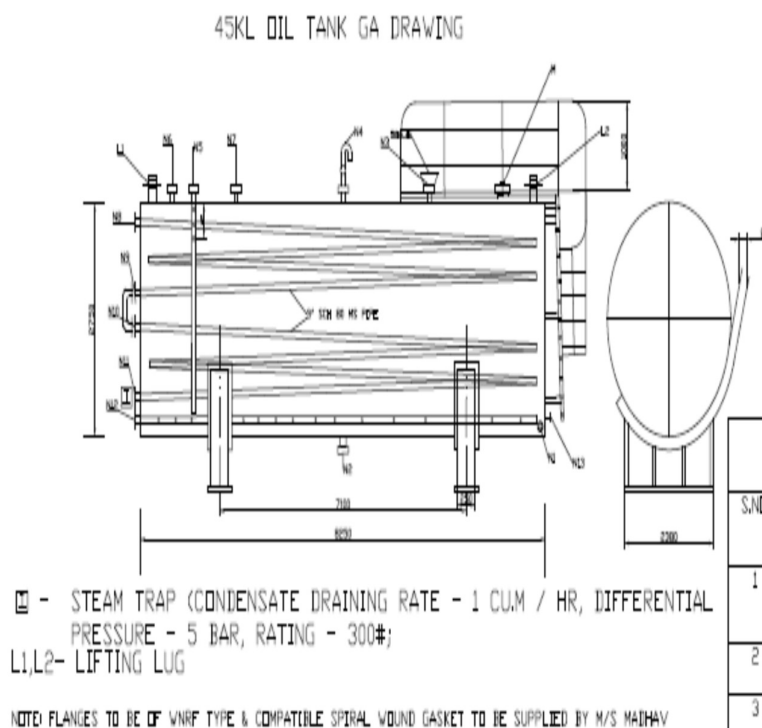
TECHNICAL SPECIFICATION

1. Bidder shall consider design, fabrication, supply, installation & commissioning of cylindrical & flat end crude oil storage tanks along with access ladder & platform with side railing.
2. The tanks are to be installed within dyke area or at well site. Proposed nominal capacity of each tank is 45 KL. Bidder shall consider material of construction of tank as IS 2062 Gr B and shall follow IS 10987 for design, fabrication, testing & installation of horizontal cylindrical steel storage tanks.
3. Supply and installation of cylindrical & flat end MS (IS 2062) Storage Tank of capacity 45 KL shall be as per design **duly approved by SunPetro**. Typical inside diameter – 2.75 meter & length – 8.25
4. Material with shell plate thickness of 6 mm & end plate thickness of 8 mm & Support pad 10 mm shall be considered by Bidder.
5. **Bidder shall consider each tank including but not limited to heating (by thermic fluid/hot water) coil (for these three tanks each having 4 No. M-shaped Coil, 3" x Sch 80), dip hatch, vent pipe with flame arrestor & sand jetting nozzle.**
6. Tank filling line shall be having perforation of 5 mm holes in top 1 foot long portion for release of gas.
7. A small platform to be provided (1 m height with side railing from 3-sides) on top of tank to facilitate taking of dip reading with monkey ladder with cage for reaching the top of tank. Tank top shall have extended platform all around with handrail. Toe guards are to be provided in the steps & platform.

The ladder, platform & all other structures shall be bolted with tank so that these could be easily dismantled if required.
8. Two (2) Nos. of thermo wells to be provided on surface of each tank for installation of temperature gauges.
9. Supplier shall provide material test certificate of plates, non-destructive test certificates for welding and hydro-test certificates of tanks before supply for getting the approval of SunPetro.
10. Supplier shall get the tanks and dip sticks (2 Nos per tank) calibrated and certified by Weights & Measures (from State Government's Legal Metrology Deptt.).
11. Tank shall have sand jetting provision with drain point in the middle. Sand jetting holes are to be at the sides & bottom, not at top.
12. Supplier shall provide a 4 inch , 150# nozzle with hatch on tank top for pressure relief and 6 inch, 150# nozzle for gas flow measurement on tank top.
13. Supplier shall provide 4 inch# 150 drain/out let nozzle and one additional nozzle (size 4: # 150) at 1 m height from tank bottom drain/outlet nozzle .
14. Tank outside colour shall be camouflaged with green & brown shades and suitable as per oil industry. However standard painting system as per oil & gas industry shall be shared post award of contract and Contractor shall follow the same after obtaining SunPetro's approval.
15. Cone / Funnel with 500 mm top diameter to be provided at the nozzle on tank top for taking dip.
16. 2 No. dip stick per tank shall be provided by Supplier for level measurement.
17. 2 no Sacrificial Anodes each 10 kg. Flange: 4"
18. Surface Coating: 3 Coat System. Topcoat Camouflage. Support top Coat: Coal tar Epoxy.

19. Tank calibration by Weights & Measure.
20. Tank Test Certificate.
21. Letter Writing on tank side Plate: Tank Detail
22. Supply: Calibrated Deep Rod 2 no. MOC: SS . Manhole Gasket: 2 no
23. Initially tanks are to be placed on civil foundation at ground level. However Bidder shall consider all the provisions to place these tanks on overhead elevated structures without any further cutting & welding in future.
24. Bidder shall submit the detailed drawing of elevated structural platform for 4 Nos. of tanks including bill of materials for approval before execution of fabrication.
25. Bidder to visit Bhaskar facility to check existing tanks and to submit drawings accordingly.
26. Bidder shall also submit the civil foundation drawing of dyke area for 4 Nos. of tanks. The construction of the dyke is not in Bidder's scope.

Typical General Arrangement Drawing for Reference



M	MANHOLE	500MM	150#	1
N13	STANDARD SOCKET TYPE FITTING FOR TEMPERATURE GAUGE	0.5 INCH	150#	1
N12	SAND JET CONNECTION	3 INCH	150#	1
N8,N9,N10,N11	STEAM CONNECTION	3 INCH	300#	4
N7	PVRV CONNECTION	3 INCH	150#	1
N6	NOZZLE FOR RADAR	2 INCH	150#	1
N5	INLET	4 INCH	150#	1
N4	VENT CONNECTION WITH FLAME ARRESTOR	4 INCH	150#	1
N3	DIP CONNECTION	4 INCH	150#	1
N2	DRAIN	8 INCH	150#	1
N1	OUTLET CONNECTION	4 INCH	150#	1
ITEM NO	DESCRIPTION	SIZE	CLASS	QTY

NAME PLATE TO BE PASTED ON EACH TANK

S.NO.	ITEM	DESCRIPTION
1	CLIENT	SUN PETROCHEMICALS PVT. LTD.
2	SUPPLIER	MADHAV ENGG. WORKS
3	DESCRIPTION	CRUDE OIL STORAGE TANK
4	CAPACITY	45 KL
5	DIAMETER	2750 MM
6	LENGTH	8250 MM
7	SHELL THICKNESS	6 MM
8	END PLATE THICKNESS	8 MM
9	HYDRO TEST PRESSURE	-
10	LAST TESTED ON	-
11	MATERIAL OF CONSTRUCTION	IS 2062

RESPOSIBILLITY MATRIX

S. No.	Item Description	Scope	
		Contractor	SunPetro
1	Design, fabrication, supply and installation of 45 KL horizontal cylindrical tanks and per SOW.	√	
2	Technical specification		√
3	Quality control and test certificates witnessed and approved by a reputed Third Party Inspector (TPI)	√	
4	Weights & Measures (State Government's Legal Metrology Deptt.) Certificates for tank calibration & dip sticks (2 Nos per tank)	√	
5	Civil foundation		√
6	GA drawing, Data Sheet and Equipment Test Certificates	√	
7	Preparation of work plan	√	√
8	Supply of tool/equipment required for execution of job	√	
9	Any other related work/item required for completion of job but not specifically mentioned	√	
10	Safety equipment according to technical specifications and statutory requirements	√	
11	Food and Accommodation for Contractor's personnel	√	
12	After sales services	√	
13	Loading, unloading and transportation of tanks from shop yard to SunPetro facility including lifting equipment	√	√
14	All taxes, duties and levies applicable for work performed in India and in the home country	√	

Bid Evaluation Criteria

1. Bidder shall submit the past track record for fabrication of crude oil storage tanks supplied to private or public sector Oil & Gas companies.
2. Average annual turnover of Bidder shall be minimum INR 50 Lakhs for the last three financial years.

ANNEXURE-2

BILL OF QUANTITY (BOQ) / PRICE SCHEDULE (PS)

Bidder shall quote as per the following format. Contract shall be awarded to the technically acceptable bidder for the complete package:

S. No.	Description	UOM	Qty	Rate (INR)
Area : Tank Farm				
1	Supply and Installation of cylindrical & flat end MS (IS 2062) Storage Tank (as per IS 10987) of capacity 45 KL as per design duly approved by SunPetro (typical inside diameter - 2.75 meter, length – 8.25 meter with shell plate thickness 6 mm & End plate thickness 8 mm) including but not limited to steam / thermic fluid coil (3 Nos. M-shaped, 3" x Sch 80), dip hatch, vent pipe with flame arrestor & sand jetting nozzle and completed with cleat welded for insulation including dip stick and calibration chart (certified by Chartered Engineer). A small platform to be provided (1 m height side railing from 3-sides) on top of tank to facilitate taking of dip reading with monkey ladder for reaching the top of tank.	No	4	
2	Transportation of tank from Supplier's workshop to SunPetro's site considering Bhaskar field and unloading the tank at SunPetro's designated site	Lump sum	4	
Total Amount in INR, GST extra				

Note:

- 1) The above quoted prices shall be inclusive of all charges, including delivery upto SunPetro's site at Bhaskar, taxes, duties as applicable. GST as applicable shall be extra.
- 2) The above prices shall be inclusive of all considering delivery, installation, commissioning & testing at designated site of Sun Petro.
- 3) Sunpetro shall provide Essentiality Certificate, if applicable as per terms & condition for Concessional custom duty / IGST/GST.
- 4) Place of Delivery: Sun Petrochemicals Pvt Ltd, Block CB-ONN-2003-1, CPF, Pandad-Tamsa Road, Village Pandad, Taluka Khambhat, Dist – Anand, Gujarat – 388625 (Approx. 18km from Khambhat).Address to be confirmed prior to dispatch.
- 5) Delivery Period – Within 1 Month from the date of LOI / LOA / PO or as per requirement.
- 6) Guarantee & Warrantee: Eighteen (18) months from date of supply or Twelve (12) months from date of commissioning whichever is earlier.
- 7) Inspection - SunPetro shall reserve the right to inspect the material & quality of works by bidder. Bidder shall incorporate the changes to be proposed by SunPetro.
- 8) SunPetro reserves the right to split the award for supply to one bidder or multiple bidders or increase / decrease the quantity as per requirement.
- 9) Payment Schedule:
Payment shall be made within 30 days after supply and commissioning.

ANNEXURE-3

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 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.
- 3.1.2 "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.
- 3.1.3 "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.
- 3.1.4 "Approved and Approval" shall mean approved or approval in writing by the Company.
- 3.1.5 "Contract Administrator" shall mean the contract administrator so appointed by SunPetro.
- 3.1.6 "Contract Price" shall mean the lump sum prices and/or rates of payment specified in Price Schedule in Annexure-2 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.
- 3.1.7 "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.
- 3.1.8 "Certificate of Release and Final Payment" is the certificate issued by SunPetro as per the terms of Clauses mentioned herewith.
- 3.1.9 "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.
- 3.1.10 "Contractor Administrator" shall mean the contract administrator so appointed by the Contractor and informed to SunPetro.
- 3.1.11 "Contractor's Equipment" shall mean all the equipment(s), 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-1*.
- 3.1.12 "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.

- 3.1.13 "Commencement Date" shall mean the date when the Contractor's equipment / services are tested, rigged up and ready to commence operations on the designated site for working as intimated by SunPetro to Contractor.
- 3.1.14 "Completion Date" shall mean the time and date when the work is completed by the Contractor as per the Scope of Work.
- 3.1.15 "Commissioning" means commissioning of the facilities or any part thereof by the Contractor as specified in the Scope of Work / tender document. Commissioning shall be certified by the Company/Consultant and TPIA as applicable.
- 3.1.16 "Consultant" means consultant deployed by Company for project management and action as Company's engineer.
- 3.1.17 "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.
- 3.1.18 "Company's Equipment" shall mean all equipment, appliances, tools, parts and supplies provided by Company and / or its associates.
- 3.1.19 "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;
- 3.1.20 "Contract", "Agreement" or "Contract Document" (as per par 3.1.2 above)
- 3.1.21 "Daily Operation Report" shall mean the daily report submitted by the Contractor to SunPetro as per the requirements of contract.
- 3.1.22 "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.
- 3.1.23 "Defect Liability Period" means the period of validity of the warranties and guarantees given by the Contractor commencing at Operational Acceptance of the facilities or a part thereof by the Company, during which the Contractor would be responsible for defects with respect to the facilities (or the relevant part thereof) as per the term of the Contract.
- 3.1.24 "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 to the full satisfaction of the Company. SunPetro, will issue the de-mobilization letter for the services as and when requirement ends.
- 3.1.25 Deleted
- 3.1.26 "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.
- 3.1.27 "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.
- 3.1.28 "Facilities" means the Equipment, Skid, Installation and Construction Services and related equipment and other associated works, to be carried out by the Contractor under the Contract for completion of the entire scope of work and the Contract documents, which are to be designed, engineered, procured, developed, constructed, tested, pre-commissioned, commissioned and handed over at the site to and for the Company in accordance with the terms and conditions of this Contract.
- 3.1.29 "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.
- 3.1.30 "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.

- 3.1.31 “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.
- 3.1.32 “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.
- 3.1.33 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.
- 3.1.34 Deleted.
- 3.1.35 “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.
- 3.1.36 Deleted
- 3.1.37 “Mobilization” shall mean the actual mobilization 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.
- 3.1.38 “Operational Acceptance” means the acceptance by the Company of the facilities (or any part of the facilities where the Contract provides for acceptance of the facilities in parts), which certifies the Contractor’s fulfilment of the Contract in respect of Functional Guarantees of the facilities (or the relevant part thereof) in accordance with the technical specifications, related provisions in GCC and related provisions in the SCC.
- 3.1.39 “Operator” shall mean Sun Petrochemicals Private Limited (SunPetro) / Company
- 3.1.40 “PSC” shall mean the production-sharing contract entered into between the Government of India and SUNPETRO consortium as its consortium.
- 3.1.41 “Project” shall mean the work and other related activities as may be indicated in the LOI/ Contract as per the Scope of Work.
- 3.1.42 “Provisional Completion/Acceptance” shall mean the certificate so issued by the Company / Owner, subject to the fulfillment of the terms described under the SOW/tender document.
- 3.1.43 “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.
- 3.1.44 “Sun Petro “ / “SPPL” shall mean Sun Petrochemicals Private Limited .
- 3.1.45 “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.

- 3.1.46 "SunPetro Supply Item" shall mean a supply item, which is expressly identified in the Contract as being for supply by SUNPETRO or its contractors.
- 3.1.47 "Sub-Contractors" shall mean those persons or companies engaged by the Contractor in connection with the Services / contracts approved by SunPetro.
- 3.1.48 "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.
- 3.1.49 "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.
- 3.1.50 "Rates" or "Rate" shall mean the applicable rates of compensation to be paid to Contractor for material & personnel hereunder as set forth in the Price Schedule.
- 3.1.51 "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.
- 3.1.52 Deleted
- 3.1.53 Deleted
- 3.1.54 Deleted
- 3.1.55 Deleted
- 3.1.56 "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.
- 3.1.57 "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.
- 3.1.58 "Work Site / Work Location" shall mean the lands and waters 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.
- 3.1.59 "Third Party" shall mean a person / entity which is not included in Company Group or Contractor Group.

3.2 DURATION OF CONTRACT:

- 3.2.1 Primary term of this contract will be for a period of 1 (one) year from the date of award with a provision to extend for 1(one) more year on same rate, terms and conditions at discretion of Company for additional supply of tanks.
- 3.2.2 **Commencement Date, Completion Date and Termination Date for rate applicability:**
 - Commencement date : Date of Mobilization
 - Completion date of contract : Expiry Date of Contract
 - Termination Date : Expiry / Termination of the 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. All supplied shall be new & unused & shall not be more than one-year-old from the date of manufacture. Documentary proof shall be provided for the same. Any substandard material received/delivered at site shall be rejected outright.

3.5 COMPANY'S WORK /COMPLETION PROGRAMME

3.5.1 Work Programme:

The completion schedule for Design, Fabrication, Supply, Installation and Commissioning of 45 KL Cylindrical & Flat End Crude Oil Storage Tanks - 4 No. along with access ladder & platform with side railing for Bhaskar Field. Bidder shall submit detailed schedule of activities in Project Management Planning & Monitoring software for review.

- 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 Not Applicable.

- 3.5.4 Work shall be completed as directed by SunPetro.

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 Goods and 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) Commences a voluntary proceeding, or an involuntary proceeding is commenced against the Contractor seeking liquidation, reorganization or other relief with respect to the Contract or its debts under any bankruptcy, insolvency or other similar laws now or hereafter in effect, or seeking the appointment of a trustee, receiver, liquidator, custodian

- or other similar official of the Contractor for a substantial part of its property, or if the Contractor shall consent to any such relief or to the appointment of or taking possession by any such official in any such proceeding commenced by or against a Contractor; or
- b) Makes a general assignment for the benefit of its creditors; or
 - c) 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
 - d) Fails to make prompt payment to Sub-contractors or materials, equipment or labour; or
 - e) Is in breach of Applicable Law; or
 - f) Otherwise breaches the provisions of the contract or part thereof; or
 - g) 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
 - h) 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 of work

The Contractor shall perform the work in accordance with Good Oilfield Practices / GIPIP 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

During bid evaluation stage, Contractor shall also be evaluated on HSE. HSE evaluation shall be based on Contractor's response to the bid. Company may also conduct pre hire HSE audit of Contractor to assess their HSE capability.

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

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 Equipment, Materials including 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 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.
- 3.8.1.13 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 GIPIP 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 resolved, shall be finally settled by the way of arbitration 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. The parties shall equally bear the cost of arbitration.

- 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. Notwithstanding anything contained herein, 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.
- 3.9.6 English language shall be used in the arbitral proceedings. Unless otherwise agreed in writing, each party shall equally bear the cost of arbitration.

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 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 (GIPI) 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 as per Clause 3.2. (General Instructions) i.e. One (1) year and one (1) year extension 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") once in each month and shall be forward

Head –Commercial & Supply Chain Management.
8th Floor, ATL Corporate Park,
Opp. L&T Gate no. 07,
Saki Vihar Road, Powai,
Mumbai – 400072, India.

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.

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 concessional Taxes & duties and such other payments as may be payable under any Applicable Laws (except GST). Except as stated, Contractor shall bear all income, corporate, property, GST, 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. GST 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.

The rates do not include custom duty, export duties or other statutory charges on the import and re-export of Equipment. Contractor acknowledges that the Government of India have issued various notifications (and subsequent clarifications / circulars) relating to the exemption of custom duties in relation to machinery, plant, 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 and such notifications. 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 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 Contractor's 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 Contractor's 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 operations in accordance with the instructions of the Company on account of any accident, breakdown or non-performance or unsatisfactory performance on account of any reason within the control of the Contractor.

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 GIPI 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 by Contractor:

Contractor shall be responsible at all times, including time in storage, in transit, on the rig or at Company's well location and shall indemnify and keep the Company Group indemnified and harmless from all actions, proceedings, suits, claims, demands, liabilities, damages, losses, costs, charges, expenses or other obligations hereunder directly or indirectly associated herewith, judgments and fines arising out of or in the course of execution of work under the Contract or performance of obligations by the Contractor thereunder including but not limited to:

- a) personal injury, illness or death of:
 - i) any of Contractor's Group's personnel (except if directly caused by the Gross Negligence or Willful Misconduct of Company Group).
- b) loss or damage to:
 - i) any property owned, hired or supplied by Contractor Group (except if directly caused by the Gross Negligence or Willful Misconduct of Company Group).

3.24.2 Indemnity by Company:

Company shall indemnify and keep the Contractor Group indemnified and harmless from all actions, proceedings, suits, claims, demands, liabilities, damages, losses, costs, charges, expenses and fines arising from:

- i) personal injury, illness or death of any Company Group's personnel (except if directly caused by the Gross Negligence or Willful Misconduct of Contractor Group);
- ii) Any loss or damage to any property owned, hired or supplied by Company Group (except if directly caused by the Gross Negligence or Willful Misconduct of Contractor Group).

3.24.3 Third Parties:

A. Contractor shall defend, indemnify and hold Company Group harmless from and against any and all claims in respect of:

- i. the personal injury, illness or death of a Third Party; and/or
- ii. the loss of or damage to any facilities, tools, equipment and/or personal belongings of a Third Party; arising in connection with the CONTRACT to the extent caused by the negligence and/or breach of duty (statutory or otherwise) of Contractor Group.

B. Company shall defend, indemnify and hold Contractor Group harmless from and against any and all claims in respect of:

- i. the personal injury, illness or death of a Third Party; and/or
- ii. the loss of or damage to any facilities, tools, equipment and/or personal belongings of a Third Party; arising in connection with the CONTRACT to the extent caused by the negligence and/or breach of duty (statutory or otherwise) of Company Group.

“Third Party” shall mean a person/entity which is not included in Company Group or Contractor Group.”

3.24.4 **Contractor’s Material, Equipment, Services and Property**

The Unit / equipment / services / tools (herein referred to as Equipment) to be deployed by the Contractor under the Contract shall continue to remain Contractor’s property and shall always remain in the possession / control of the Contractor with the exclusive right to use of such equipment by the Contractor for providing services under the Contract. Contractor shall be responsible at all times, including time in storage, in transit, at Company’s designated location, for damage to or destruction of Equipment and any other property of Contractor or any of its subcontractors and their respective employees or agents, unless such loss, damage or destruction is caused by or contributed to by the Gross Negligence of Company Group.

3.24.5 **Liability for Radioactive sources**

The radioactive sources, which Contractor may use in performing the Services, are potentially dangerous. If any radioactive source is lost in a well, at the well site, while being transported by or on behalf of Company or by conveyance arranged by the Company or while under the custody or control of the Company or its representatives, Company shall be solely responsible for recovery or abandonment of the source and shall take special precautions in order to avoid breaking or damaging the source container. If the source cannot be recovered, or if the container is broken, Company shall immediately comply with all laws and regulations applicable to Company, as well as to Contractor as owner of the source, including the isolation and marking of the location of the source, and shall defend, indemnify and hold harmless Contractor from and against any and all liabilities arising with respect thereof, and shall keep Contractor informed of all related developments, except when it is caused due to Gross Negligence or Wilful Misconduct by Contractor Group.

3.24.6 **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.

3.24.7 **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.

3.24.8 **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 in the format of **Attachment-1** issued by an approved

bank. 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 completion/termination 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 Contractor's Country. The Contractor shall obtain such consent at its sole risk and costs.

3.29 SPECIAL CONDITION OF THE CONTRACT (SCC)

- 3.29.1 The job is to be performed in oil & gas installation, therefore, contractor to ensure all safety precautions as per Oil Mines Regulation Act but not limited to followings:
- i. Contractor to perform the work under valid work Permit only.
 - ii. All material supplied at site shall have valid Material Test Certificates from accredited lab/ Test agency / TPI, which shall be new & shall not be older than one year from the date of manufacture.
 - iii. Contractor shall submit detailed drawing for the work to be executed before start of work, for approval. After completion of work, 'As Built' drawings shall be submitted. In case of failure of submission of 'As Built' drawings, payment against the work shall not be released.
 - iv. Contractor shall deploy persons who are medically fit & furnish physical Fitness certificate from authorized Medical practitioner.
 - v. Contractor to ensure use of proper PPE, HC detector etc. as per requirement of work
 - vi. Vessel Entry Permits to be taken before entering into any Vessel
 - vii. Contractor to ensure Oxy Acetylene Cylinder Test Certificate, Hose & Gas cutter Test certificates etc. for undertaking fabrication of work.
 - viii. Contractor to ensure Welding Generator Electrical Test Certificates, Cables Test Certificate are available before undertaking work.
 - ix. All material handling equipment shall have valid load test certificates.
 - x. Contractor to ensure transfer of Hazardous Waste / Waste generated during work to earmarked storage place for further disposal by self.
 - xi. Contractor to ensure Earth moving / lifting Equipment etc. are deployed have valid certification.
 - xii. Bidder shall provide adequate First Aid Kit at site. At least one personnel in Contractor's team shall have proper First Aid Training. Certification for the same shall be provided.
 - xiii. Contractor shall have tie up with nearby hospitals in case medical evacuation is required.
 - xiv. The Contractor is responsible for implementing any regulations concerning the design, fabrication, inspection and testing of equipment which are mandatory by government of Gujarat.
 - xv. Contractor shall get all the drawings approved by the Company before procurement/execution of work. After completion of works, 'As Built' drawings shall be prepared, approved by Company & submitted to Company.
 - xvi. Contract shall be for a period of three years with a provision for extension for one more year with the same terms & conditions of the contract.
 - xvii. Hired equipment shall be on Call-out basis & prior intimation of 3 days shall be given to the Contractor for mobilizing the equipment at Site.
 - xviii. Mobilization & Demobilisation charges are nil & are included in the rate.
 - xix. Damage of equipment, if any, during mobilization Commissioning & De-mobilization shall be on account of Contractor.
 - xx. Any failure of elements of equipment or system during operation shall be on account of Contractor & the same shall be replaced within 24hrs. Day rate, for equipment during non-availability for Operations are not payable.
 - xxi. Penalty Clause
 - i. Delay in Mobilisation of Equipment
 - ii. Breakdown of equipment for more than 24hrs.
 - iii. Violation of use of Personal Protection Equipment
 - iv. Unsafe disposal of waste
 - v. Premature failure of Construction work

HSE Consideration

- Contractor Employee Safety Management System implementation
- Calibration & Test certificate:
 1. Cylinder
 2. Hoses
 3. Lifting Equipment
 4. Cables
- Accident: No compensation
- Transportation: Contractor scope
- Mobilization/demobilization: Nil

3.29.2 Designing and Engineering:

i. Specifications and Drawings:

The Contractor shall execute the detailed design and the engineering work in compliance with the provisions of the Contract (including the Technical Specification as per SOW), or where not so specified, in accordance with Good Industry Practice and shall be responsible for ensuring that the facilities are engineered and build to meet all guarantees and acceptance criterion stipulated in the Contract. Contractor shall be responsible for any discrepancies, errors or omissions in the specifications including Technical Specifications, drawings and other technical documents whether such specifications, drawings and other documents have been prepared by or reviewed and approved the Company or not.

ii. Codes and Standards:

Wherever references are made in the tender / SOW to codes and standards in accordance with the tender / SOW shall be executed, the edition or the revised version of such codes and standards current at the date of Bid submission shall apply unless otherwise specified. During Contract execution, any changes in such codes and standards shall be applied after approval by the Company and shall be treated in accordance with the tender/Contract.

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. 07, Saki Vihar Road, Powai, Mumbai – 400072, India. (hereinafter referred to as "**Company**").

WHEREAS:

- (1) By an Purchase Order (PO) for----- (here in after referred to as the "**PO**") between _____ hereinafter referred to as the ("**Supplier**") of the one part and Company of the other part, the Supplier agrees to perform the Work in accordance with the PO.

- (2) In response to the request made by Supplier, 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 Contract Value**, as guarantee for the obligations of the Supplier to perform the Work in accordance with the PO. The sum shall become payable by us immediately on first demand by Company without proof or conditions notwithstanding any dispute or protest by the Supplier 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, Purchase Order (PO) made between the Supplier and Company with or without our consent or by any alteration in the obligations undertaken by the Supplier or by any forbearance whether as to payment, time performance or otherwise, or by any change in name or constitution of Company or the Supplier.

- (4) This Guarantee is a continuing security and, accordingly, shall remain in operation for six months after the completion / termination of the PO.
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 Supplier 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 _____ 201__ 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 / Scheduled Banks
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 Kalupur 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