TENDER No.
JPOCL/CORE HEAD/2012/0014 Dated 05.06.2012
FOR
SUPPLY OF CORE HEADS IN GEORGIA

"JINDAL PETROLEUM OPERATING COMPANY" LLC

COVERING LETTER

Dear Sir,

SUBJECT: TENDER# JPOCL/CORE HEAD/2012/0014 Dated 05.06.2012 FOR SUPPLY OF CORE HEADS IN GEORGIA

1.0 Government of Georgia awarded five Exploration Blocks viz. VIIA, IX, X, XIB and XIIIA and signed five different Production Sharing Contracts (PSCs) for Blocks VIIA, IX, X, XIB and XIIIA. "Jindal Petroleum Operating Company" LLC (JPOCL) is the operating company for all the five Blocks.

2.0 In connection with its planned and time bound Minimum Work Program, JPOCL now invite bids from companies having proven track record of supplying Core Head to Oil & Gas companies.

2.1 One complete set of Tender Document for the subject work is being forwarded herewith. You are requested to send your most competitive bid on or before the scheduled bid due date and time. For your ready reference, few salient points (covered in detail in this Tender Document) are highlighted below:

(i) Tender No.	: JPOCL/CORE HEAD/2012/0014
(ii) Bid Due Date and Time	: 1700 HRS (IST) on 22.06.2012
(iii) Bids to be addressed to	: **Executive Director** "Jindal Petroleum Operating Company" LLC Apt. 15, 5th Floor, Bldg No. 57, Iosebidze Str., Saburtalo Region/4 Tbilisi, Georgia Tel: +995-32384217
(iv) Bids to be submitted to	: **Executive Director** Jindal Petroleum Limited 3rd Floor, DCM Building, Plot No. 94, Sector-32 Gurgaon - 122001, Haryana, INDIA
(v) Bid Validity	: Offer shall be valid for Ninety (90) days from the Bid Due Date & Time
(vi) Amount of Performance Security	: 10% of the value of purchase order.
(vii) Acknowledgement	: Please acknowledge receipt of this Tender Document by email/ fax.

3.0 JPOCL now looks forward to your active participation in the Tender.

If you need any clarifications please feel free to contact Mr. Vipul Singh Rawat at Tel: +91-124-6689258, +91-9654956915; **Fax**: +91-124-6689176 and E-mail: vipul.rawat@jindalpetroleum.com.

Yours truly,

T. K. Majumder
Executive Director
"Jindal Petroleum Operating Company" LLC

GLOBAL TENDER No.
JPOCL/CORE HEAD/2012/0014 Dated 05.06.2012
For
SUPPLY OF CORE HEAD IN GEORGIA

INDEX

S U B J E C T

SECTION-I: INSTRUCTIONS TO BIDDERS

SECTION-II: MODEL PURCHASE ORDER

Annexures:

Annexure-I: Technical Specifications of Goods
Annexure-II: Terms & Conditions of Purchase Order
Annexure-III: format for Performance Bank Guarantee

PROFORMAS

PROFORMA-A PRICE BID FORMAT
PROFORMA-B BIDDER'S GENERAL INFORMATION
PROFORMA-C STATEMENT OF NON-COMPLIANCE
PROFORMA-D BID FORM

SECTION-I

INSTRUCTIONS TO BIDDERS

1.0 GENERAL TENDER INFORMATION

1.1 "Jindal Petroleum Operating Company" LLC (JPOCL) wishes to procure Core Head for its exploration and production operations from experienced and capable bidders/ suppliers/ vendors fulfilling the criteria laid down in this Tender Document.

1.2 All activities will be measured and performed with safety to personnel and the public in general as a first and foremost consideration. Protection of the environment is equally important as it is JPOCL's policy that petroleum operations should not have detrimental effect on the environment.

1.3 Bidder shall bear all costs associated with the preparation and submission of bid and JPOCL will in no case be responsible or liable for the costs associated.

1.4 Bidder is expected to and must comply with all the technical standards as practiced in standard international oilfield services.

1.5 The Tender Document is for use in preparation of the Bid by the prospective bidder. Information contained in these documents is proprietary and confidential in nature.

1.6 If any omission or discrepancy is found in the Tender Document or if any doubt as to their meaning arises, bidder should immediately forward a written request for clarification, which shall be responded within 2-3 working days from receipt of such request.

1.7 Bidder's Eligibility Criteria

i. Bidder must have all requisite equipment and personnel necessary for carrying out the services under the Tender.

ii. The bidder must have five (5) years experience of supplying Drill Bits and Core heads till the Bid Closing Date.

iii. The bidder must have executed purchase orders/ work orders/ contracts of value of minimum US$ 2,000,000.00 for internationally reputed E&P companies during the last three (3) years as on Bid closing date.

iv. The bidder must confirm to provide the required number of Core heads under the Tender.

A TENDER DOCUMENT

2.0 The services required, bidding procedures and terms and conditions of purchase order are prescribed in the Tender Document.

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

3.0 AMENDMENT OF TENDER DOCUMENT

3.1 At any time prior to the deadline for submission of bids, **JPOCL** may, for any reason, whether at its own initiative or in response to a clarification requested by a prospective bidder, modify the Tender Document by the issuance of Addenda.

3.2 Addenda will be sent in writing through email/fax or by post/courier to all prospective bidders to whom Company has sent the bid document.

B. PREPARATION OF BIDS

4.0 LANGUAGE OF BIDS

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

5.0 DOCUMENTS COMPRISING THE BID

The bid submitted by the bidder shall comprise of the following components:

i) Bidders General Information: As per **PROFORMA-B** together with copy of documents defining the constitution or legal status, place of registration and principal place of business of the bidder or if a joint venture, of each party thereto constituting the bidder.

ii) Documents showing Bidder's background/profile:

a) Company Brochure/Profile
b) Customer Reference List
c) Information of Subcontractors (if any)
d) Whether Member of any Associates, please give detail
e) QA/QC Manual
f) HSE Policy
g) Certificate of Good Standing
h) Copy of valid relevant API Certificate

iii) Financial Capability: The bidder as the primary entity must be financially and organizationally sound. Reports on the financial standing of the bidder (or of each party to a joint venture) such as audited profit and loss statements, balance sheets and auditor's reports for the recent last 3 years and the detailed copy of contracts/ purchase orders/ work orders executed successfully in last 3 years.

iv) Relevant/Similar Experience: As per **"PROFORMA-B"** a list showing details of the experience and performance for the past 5 years of the bidder on services of similar nature and details of current work in hand. Following information/details to be furnished to demonstrate the bidder's technical capabilities:

a) Bidder shall confirm that the offered tools/ equipment are new and unused.
b) Previous experience and proven competence of the bidder with similar projects.
c) Bidder should provide information to demonstrate that they have a minimum of 3 years experience in the supply of offered tools/ equipment.
d) List of clients for whom the bidder has successfully completed similar projects.

v) Non-Compliance: Statement of Non-compliance as per **PROFORMA-C**. A "Model Purchase Order", incorporating various terms and conditions of the Purchase Order to be made with the successful bidder is provided in SECTION-II of this Tender Document. Bidders are requested to state their non-compliance, if any as per PROFORMA-C.

vi) Declaration of Cycle Time: The time frame for delivery of the Core Head at Tbilisi, Georgia shall be as mentioned hereunder:

30 days from the date of receipt of purchase order by successful bidder.

vii) The Price must be prepared as per format "**PROFORMA-A**" only. Price in any other form, if submitted shall be liable for rejection.

6.0 BID PRICE

6.1 Unit prices must be quoted by the bidders in legible figures both in numerals and in words. Prices quoted in words shall prevail over numerals in case of discrepancy.

6.2 Price quoted by the bidder must remain firm during its performance of the Work under the purchase order and is not subject to variation on any account other than the provisions (if any) in the purchase order.

6.3 Prices shall be CIP Tbilisi, Georgia.

6.4 All duties and taxes including Corporate Income Taxes and other levies payable by the contractor under the purchase order for which this Tender Document is being issued, shall be included in the rates, prices and total Bid Price submitted by the bidder and the evaluation and comparison of bids shall be made accordingly. For example, personal taxes and/ or any corporate taxes arising out of the profits on the purchase order as per rules of the country shall be borne by the contractor.

6.5 Prices shall be inclusive of 100% Third Party Inspection of Core Head by API approved Inspection agency.

7.0 CURRENCIES OF BID AND PAYMENT

The bidders are to quote firm price. The bidder will bid in US$ (United States Dollars) only. Payment will be made accordingly. This quoted currency will not be allowed to be changed during the tenure of the purchase order.

8.0 PERIOD OF VALIDITY OF BIDS

Bids shall remain valid for 90 days from the Bid Due Date & Time.

9.0 FORMAT AND SIGNING OF BID

9.1 The bidder shall prepare two (2) copies of the bid clearly marking "ORIGINAL BID" and "COPY OF BID". In the event of any discrepancy between them, the original shall govern.

9.2 The original and the copy of the bid shall be typed or written in indelible inks and shall be signed by the bidder or a person or persons duly authorized to bind the bidder. All pages of the bid, except for un-amended printed literature, shall be signed by the person preparing the bid.

9.3 Bidder shall clearly indicate their legal constitution and the person signing the Bid shall state his capacity and also source of his ability to bind the bidder.

9.4 The power of attorney or authorization, or any other document consisting of adequate proof of the ability of the signatory to bind the bidder, shall be annexed to the bid. JPOCL may reject outright any bid unsupported by the adequate proof of the signatory's authority.

9.5 The bid should contain no interlineations, white fluid erasures or overwriting except as necessary to correct errors made by the bidder, in which case such correction shall be signed by the person preparing the

bid.

C. SUBMISSION OF BIDS

10.0 SEALING AND MARKING OF BIDS

10.1 Offers should be submitted in two parts i.e. Techno Commercial Bid in duplicate (one Original and one copy). Prices shall be quoted by bidders in the format given in PROFORMA-A.

10.2 The bidder shall seal the original and copy of the bid duly marking as "ORIGINAL" and "COPY" (refer para 9.1).

10.3 The above mentioned Techno Commercial bids should be addressed to Executive Director.

(i) Tender No. JPOCL/CORE HEAD/2012/0014
. (ii) Bid Due Date _____.
(iii) Bidder's name _____.

10.4 The offer should contain complete specifications, details of equipment/accessories offered together with other relevant literature/catalogues.

10.5 Timely delivery of the bid is the responsibility of the bidder. Bidders should send their bids as far as possible by Speed Post or by Courier Services. JPOCL shall not be responsible for any postal delay/ transit loss.

11.0 LATE BIDS

Bids must be received by JPOCL at the address not later than Bid Due Date and time mentioned in the "Covering Letter". Any Bid received by JPOCL after the deadline for submission of bids prescribed by JPOCL may be liable for rejection.

12.0 MODIFICATION AND WITHDRAWAL OF BIDS

12.1 The bidder after submission of bid may modify or withdraw its bid by written notice prior to Bid Due Date and time. The bidder's modification or withdrawal notice shall be prepared sealed, marked and dispatched in accordance with the provisions of Article 10 above.

12.2 No bid can be modified subsequent to the deadline for submission of bids.

12.3 No bid may be withdrawn in the interval between the deadline for submission of bids and the expiry of the period of bid validity specified by the bidder on the Bid Form.

13.0 CONTACTING THE COMPANY

13.1 Except as otherwise provided in Article 13 above, no bidder shall contact JPOCL on any matter relating to its bid, till the time the purchase order is awarded except as required by JPOCL vide para 13.2 above.

13.2 Any effort by a bidder to influence JPOCL in JPOCL's bid evaluation, bid comparison or purchase order award decisions may result in the rejection of its bid.

D. AWARD OF PURCHASE ORDER

14.0 NOTIFICATION OF AWARD AND SIGNING OF PURCHASE ORDER

JPOCL shall award the purchase order to the successful bidder whose bid has been determined to be techno commercially acceptable, provided further that the bidder is determined to be qualified to execute the purchase order satisfactorily. Prior to the expiry of the bid validity, JPOCL will issue a purchase order to the

successful bidder in writing by email/ fax/ courier against its bid. The successful bidder should confirm acceptance of the purchase order within 3 days from the date of receipt of such purchase order.

15.0 PERFORMANCE SECURITY

15.1 Within 10 days from the date of signing and acceptance of purchase order by the successful bidder, the successful bidder shall furnish the performance security in the form of an irrevocable and unconditional Performance Bank Guarantee (PBG) equivalent to 10% of value of the purchase order from any Nationalized or scheduled bank or first class international bank as per format given in Annexure-III of Section-II or in any other form acceptable to JPOCL. The performance bank guarantee shall be payable to Company as compensation for any loss resulting from Contractor's failure to fulfil its obligations under the purchase order. Validity of the performance bank guarantee should be up to 2 months beyond the warranty period of the Core Head.

15.2 Failure of the successful bidder to comply with the requirements of Article 16.0 and para 17.1 shall constitute sufficient grounds for annulment of the award. In such an event the Company may award the purchase order to the next evaluated bidder or call for new bid or negotiate with other bidders as the case may be.

16.0 COMPANY'S RIGHT TO ACCEPT OR REJECT ANY BID

JPOCL reserves the right to accept or reject any or all bids and to annul the bidding process and reject all bids for any reason whatsoever, at any time prior to award of purchase order, without thereby incurring any liability to the affected bidder, or bidders or any obligation to inform the affected bidder of the grounds for JPOCL's action.

E. <u>GENERAL NOTES FOR THE BIDDERS:</u>

17.0 CONFIDENTIALITY OF BID

17.1 Bidders are required to maintain secrecy of all information received by them during the submission of bid.

18.0 LOCAL GOODS & SERVICES

Work performed in Georgia through Contractor/Sub-Contractors shall be carried out on competitive basis.

19.0 CORRESPONDENCE

19.1 All correspondences from bidders except Bid submission & addressing shall be made to Mr. Vipul Singh Rawat only.

19.2 Interaction on Technical matters

The bidders may interact with JPOCL to know the technical details.

<u>END OF SECTION-I</u>

SECTION-II

MODEL PURCAHSE ORDER

PURCHASE ORDER (PO)

PO No: xxx
Date: xxx

To

xxxx
Phone: xxx
Fax : xxx

Kind Attn.: xx

Subject: Purchase Order for supply of Core Heads in accordance with API specifications and recommendation

Dear Sir/ Madam,

Please refer to your Bid No. xxx dated xxx submitted against our Tender# JPOCL/CORE HEAD/2012/0014 dated 05.06.2012 and all subsequent communications & discussions, we are pleased to place this Purchase Order for supply of Goods as per the specifications and details given in below table:

Table 1

S. No.	Item Description	Qty	Block Number	Unit Price (USD)	Total Price (USD)
1.					
2.					
3.					
Contract Value				**USD xxx (United States Dollars xxx only) CIP Tbilisi, Georgia as per Incoterms 2010**	

The detailed Technical Specifications of Goods are mentioned in Annexure-I (enclosed herewith).

The detailed terms and conditions of the Purchase Order are mentioned in Annexure-II (enclosed herewith).

This Purchase Order is issued in two originals. Kindly return one original duly signed, stamped and dated as a token of your acceptance within 3 days of receipt of Purchase Order by e-mail/ fax/ courier.

Any delay beyond 3 days in acceptance of Purchase Order may result into cancellation of Purchase Order without any liability on "Jindal Petroleum Operating Company" LLC.

Thanking You,

Yours Sincerely,

Vipul Singh Rawat
Assistant Manger (Contracts & Procurement)
"Jindal Petroleum Operating Company" LLC
Tel: +91-124-6689258; Mobile: +91-9654956915
E-mail: vipul.rawat@jindalpetroleum.com

Pradeep Mehta
GM (F&A)
"Jindal Petroleum Operating Company" LLC
Tel: +91-124-6689168; Mobile: +91-9958803178
E-mail: pradeep.mehta@jindalpetroleum.com

Tarun Krishna Majumder
Executive Director
"Jindal Petroleum Operating Company" LLC

Encl: 1. Annexure-I: Technical Specifications of Goods
2. Annexure-II: Terms & Conditions of Purchase Order
3. Annexure-III: Format for Performance Bank Guarantee

Received & Accepted

For xxx

Annexure-I

Technical Specifications of Goods

1. Diamond Core Head shall be as per API specifications and recommendations.
2. Diamond Core Head must be suitable to be used in 8.1/2" hole with Christensen make Core Barrel size 6.3/4" X 4".
3. Bit connection shall be compatible with Christensen core barrel 6.3/4" X 4".
4. The Core Head must be suitable for taking core in medium to medium hard formations such as moderately hard sandstones reservoir, clastic and hard volcano clastic tuffaceous fractured reservoir.

Annexure-II

Terms & Conditions of Purchase Order

1.0 Definition

In this Purchase Order, including the attached Schedules, unless the context otherwise stipulates, the following words and phrases shall have the following meaning:

a) "**Company**" or "**JPOCL**" shall mean "Jindal Petroleum Operating Company" LLC;
b) "**Contractor**" shall mean the individual or firm or body incorporated performing the Work under this Purchase Order;
c) **"Delivery Period"** shall mean the delivery period for Goods;
d) **"Goods"** shall mean Core Heads conforming the Technical Specifications mentioned in Annexure-I;
e) **"Purchase Order"** shall mean this purchase order no. xxx dated xxx for supply of Goods;
f) **"Contract Value"** shall mean the total amount payable to Contractor under the Purchase Order based on the rates shown in Table-1 for the full and proper performance of Work ;
g) "**Work**" shall mean supply of Goods including all the activities and services to be performed and rendered by Contractor under the Purchase Order;

1.1 None of the documents or information herein before mentioned shall be used by Contractor for any purpose other than for the Purchase Order.

1.2 Unless otherwise specified by Company, any reference to time period shall be deemed to be based on calendar days.

1.3 All correspondence, documentation, and discussion with respect to the Purchase Order and the Work are to be in the English Language.

1.4 Company and Contractor shall hereinafter individually be known as "Party" and collectively as "Parties".

2.0 PRICING

2.1 Contractor agrees that the price(s) stated in Purchase Order shall be firm and not subject to price adjustment or escalation (on any account whatsoever), throughout the duration of Purchase Order. Further, no escalation/overrun compensation shall be paid for extended duration of Purchase Order.
2.2 The Price(s) specified in the Purchase Order is CIP Tbilisi, Georgia (in accordance with Incoterms 2010).
2.3 The Price(s) specified in the Purchase Order is inclusive of Third Party Inspection (TPI) of Goods by API approved Inspection agency.

3.0 EFFECTIVE DATE

3.1 The Purchase Order shall become effective from the date of receipt of the Purchase Order (through e-mail/ letter/ fax) by Contractor. Such date of receipt of the Purchase Order shall be the Effective Date of the Purchase Order.

4.0 DELIVERY SCHEDULE

4.1 Goods shall be delivered at Tbilisi, Georgia within 30 days from the Effective Date of the Purchase Order.

5.0 INVOICING/BILLING INSTRUCTIONS

5.1 Contractor shall raise Invoices/ bills for payment after successful completion of Work.

5.2 Invoices/ bills shall be made out to "Jindal Petroleum Operating Company" LLC and delivered in originals at the following address:

"Jindal Petroleum Operating Company" LLC
Apt. 15, 5th Floor, Bldg No. 57,
Iosebidze Str., Saburtalo Region/4
Tbilisi, Georgia
Kind Attn: Mr. Pradeep Mehta, GM (F&A)

Invoices/ bills shall be delivered in originals at the following address:

Jindal Petroleum Limited
3rd Floor, DCM Building,
Plot No. 94, Sector 32,
Gurgaon 122001
Haryana, India
Kind Attn: Mr. Pradeep Mehta, GM (F&A)
Tel: +91-9958803178

All the invoices/bills shall bear the Purchase Order number, name of the Goods, Technical Specifications for the Goods, Block number and complete bank account details for remittance of money.

5.3 Company reserves the right to advise Contractor to raise separate Invoices for different Blocks.

5.4 All Invoices/ bills shall be supported by all necessary documents including but not limited to Certificate of Quality and Compliance specifying IADC code, API certificate, Bill of Lading/ Airway Bill, Certificate of Origin, TPI Report, Internal Inspection report generated through manufacturer's internal inspection procedure for Goods, Mill Test Certificate, Insurance policy.

6.0 TAXES & DUTIES

6.1 The Price(s) specified in the Purchase Order is CIP Tbilisi, Georgia (in accordance with Incoterms 2010).

6.2 Company shall not be responsible for Contractor's Personnel's Income Taxes and Corporate Taxes levied in any country under any of the applicable laws.

6.3 Contractor confirms that all applicable laws, directives, ordinances, statutes, rules, regulations, orders, decrees, taxes, duties, levies in effect on date of this Purchase Order are considered in its prices specified in the Purchase Order.

7.0 MODE OF MEASUREMENT

7.1 Measurement of the Goods as mentioned in the Purchase Order, for purpose of payment, shall be done as per the standard engineering practice and/ or as directed by Company.

7.2 Company reserves the right to increase/ decrease quantum of Work by 50%.

8.0 PAYMENT SCHEDULE

8.1 Payment will be made by Company to Contractor within 30 days from date of receipt of correct and acceptable Invoices/ bills by Company.

8.2 Payment would be made on per unit basis for the actual quantum of Work carried by the Contractor.

9.0 ORDER OF PRECEDENCE

9.1 The Purchase Order is intended to be interpreted as a consistent and compatible whole. If, however an unintentional ambiguity or conflict is discovered to exist between separate provisions contained herein, Company and Contractor agree to resolve such conflicts by application of the commercial order of

precedence shown below.

1. Any amendments to the Purchase Order
2. Purchase Order

10.0 RESPONSIBILITY

10.1 Contractor certifies that it is properly licensed, equipped, organized and financed to carry out the Work.

10.2 Contractor shall act as an independent Contractor and not as an agent of Company in performing the Work and maintaining complete control and responsibility over its employees.

11.0 GENERAL

11.1 Contractor shall abide by all the prevailing statutory Government laws and will strictly follow the regulations laid down by such statutory authorities. Company shall not be responsible for any default there under by the Contractor.

12.0 GOVERNING LAW

12.1 This Purchase Order shall be governed by and construed in accordance with the laws of India, both substantive and procedural and the Courts of Delhi, India shall have the exclusive jurisdiction on the subject matter of this Purchase Order.

13.0 GOVERNING LANGUAGE

13.1 The governing language for the Purchase Order is English. All documents and all correspondence and communications are to be carried out in and documented in English. Purchase Order is to be construed and interpreted in accordance with the English Language.

14.0 ARBITRATION

14.1 Any dispute, difference, question or disagreement arising out of or connected with the Work Order, prior to final acceptance, which cannot be amicably resolved, shall be finally settled by arbitration in accordance with the provisions of The Indian Arbitration and Conciliation Act, 1996. Each Party to the dispute shall appoint one arbitrator and the arbitrators so appointed shall appoint a third arbitrator who will act as Presiding Arbitrator.

14.2 The venue of arbitration shall be Delhi, India and the language to be used in the arbitration proceedings shall be English.

14.3 The fees of the arbitrators shall be borne by the Parties nominating them and the fee of the Presiding Arbitrator costs and other expenses incidental to the arbitration shall be equally borne by the Parties.

15.0 ASSIGNMENT

15.1 Contractor shall not assign/subcontract, in part or whole, directly or indirectly, any part of Work hereunder without obtaining the prior written consent of Company.

16.0 RISK PURCHASE

16.1 Company, reserves the right to hire the services from another contractor/supplier at the cost and risk of the Contractor, either the whole or part of the Work which the Contractor has failed to complete within the Delivery Schedule mentioned in clause 4.1 of this Purchase Order. The Contractor shall be liable for any loss that Company may sustain by reason of such Risk Purchase. Company reserves the right to cancel the Purchase Order in full or part, if performance with respect to quality and delivery is unsatisfactory; and Company shall have the right to enter into contract with other parties against such cancellations of Purchase Order against this Risk Purchase clause.

17.0 FALL CLAUSE

17.1 If the Contractor reduces its price(s) or provide service(s) or even offers to provide services, following conditions of sale similar to those of this Purchase Order, at a price(s) lower than the Contract Value to any

person or organizations during the currency of this Purchase Order, the Contract Value will be automatically reduced to the reduced price(s) and Purchase Order shall be amended accordingly.

18.0 WARRANTIES

Contractor hereby assumes full and complete responsibility for the performances of Work hereunder

18.1 Contractor warrants and guarantees that the Goods will be in accordance with relevant IADC as well as API (latest edition) specifications and recommendations.

18.2 Contractor warrants and guarantees that the Goods will be new and unused.

18.3 Contractor warrants and guarantees that the Work including Goods shall be free of any defects and faults and shall be in accordance with the provisions of this Purchase Order and shall be performed with due diligence and efficiency and in a good and workman like manner under best industry ethics.

18.4 All Work rendered by Contractor shall comply with and shall be in accordance with Good Industry Practice and with sound principles and practices employed by leading international IADC Code bits manufacturers/ suppliers. Contractor assumes responsibility for the performance of the Work in accordance with applicable codes and recognized professional standards of good engineering practice.

18.5 Contractor covenants and guarantees that all the Work performed are complete and correct in all respects. If during the discharge, any of the information or design supplied by the Contractor is found to be incomplete or incorrect by Company, it will be completed or, as the case may be, corrected by Contractor without additional charge to Company.

18.6 If any Work done prove to be deficient in that they fail to meet the codes and/or standards set forth above, or any information proves to be incomplete or incorrect then Contractor agrees to perform or re-perform its Work as necessary to remedy the defect without any cost to Company.

19.0 LIQUIDATED DAMAGES

19.1 In case, Contractor fails to complete the Work within the Delivery Schedule mentioned in this Purchase Order, a sum equivalent to 0.5% (half percent) of delayed portion of Contract Value for every week's delay or part thereof, subject to a maximum of 5% (five percent) of delayed portion of Contract Value will be deducted from the Invoice(s) value.

19.2 The Parties agree that the figures of Liquidated Damages indicated herein above are genuine pre-estimate of the loss/damage which Company would have suffered on account of delay/ breach on the part of the Contractor and the said amount would be payable without any requirement of proof of the actual loss or damage caused by such delay/breach.

19.3 All sums payable by way of liquidated damages shall be considered as reasonable compensation without reference to the actual loss or damages, which shall have been sustained. In the event of any difference(s) between the Parties, the decision of Company shall be final and binding.

20.0 PERFORMANCE SECURITY

20.1 Within 15 days from the date of signing and acceptance of purchase order by the Contractor, the successful bidder shall furnish the performance security in the form of an irrevocable and unconditional Performance Bank Guarantee (PBG) equivalent to 10% of Contract Price from any Nationalized or first class international bank in the format given in Annexure-III or any other form acceptable to JPOCL. The performance bank guarantee shall be payable to Company as compensation for any loss resulting from Contractor's failure to fulfil its obligations under the purchase order.

Validity of the performance bank guarantee should be up to 2 months beyond the warranty period of the Goods.

20.2 PBG shall be sent to the Company at the following address:

Jindal Petroleum Limited
3rd Floor, DCM Building,

Plot No. 94, Sector 32,
Gurgaon 122001
Haryana, India
Kind Attn: Mr. Pradeep Mehta, GM (F&A)
Tel: +91-9958803178

21.0 TERMINATION

21.1 Immediate Termination

Company may at its sole discretion terminate this Purchase Order by giving notice effective immediately if at any time:

(i) the Contractor breach of any terms of this Purchase Order; or

(ii) the Contractor become charged with any criminal offence which is in the reasonable opinion of the Company brings Company or any of its affiliates into disrepute; or

(iii) the Contractor become bankrupt, goes into liquidation or makes a composition or arrangement with creditors generally, or takes advantage of any statue for relief of insolvent debtors; or

(iv) the Contractor becomes incompetent in the performance of its duties under this Purchase Order; or

(v) the Contractor become continually or significantly absent or neglectful of his duties under this Purchase Order; or the Parties execute another agreement.

In case of termination of Purchase Order under this clause 21.1, Company reserves the right to provoke the PBG.

21.2 Not to prejudice rights

Termination of this Purchase Order will not prejudice any rights or remedies already accrued to any Party under, or in respect of any breach of, this Purchase Order.

21.3 This Purchase Order shall automatically expire on the completion of Work by Contractor.

21.4 Title to materials or partially completed Work whose costs are included in the final payment made by Company, shall pass to Company and Company shall advise Contractor what disposition shall be made of such work.

22.0 CONFIDENTIALITY

22.1 The Contractor (or his sub-contractors, if any) shall during the tenure of Purchase Order and at any time thereafter shall maintain in the strictest confidence all information but not limited to geological, geophysical and seismological information relating to the Work and shall not, unless so authorized by Company divulge or grant access to any information about the work and its results and shall prevent anyone from becoming acquainted with them, either through Contractor, its personnel or its agents.

23.0 INDEMNITY

23.1 Contractor shall indemnify, defend and hold Company harmless from and against any claims, loss, liability, costs and expenses (including reasonable attorneys' fees) for personal injury to Contractor's personnel or damage to Contractor's property arising out of Work.

23.2 Contractor's liability for any breach of these terms and conditions or otherwise arising hereunder shall not exceed the amount paid/ to be paid for the Work.

24.0 NO WAIVER

24.1 No term or condition shall be deemed waived/amended unless such waiver/amendment is mutually agreed to by both the Parties and is executed in writing by the duly authorised agents or representatives of the Parties.

No waiver by any Party of any one or more obligations or defaults by any other Party in the performance of the Purchase Order shall operate or be construed as a waiver of any other obligations or defaults whether of a like or of a different character.

25.0 SEVERABILITY
25.1 Any provision of this Purchase Order, which is or becomes illegal, void or unenforceable will be ineffective to the extent only of such illegality, voidness or unenforceability and will not invalidate the remaining provisions.

26.0 HEADINGS
26.1 All paragraph headings are purely for convenience only and shall not be taken into account in interpreting the terms and conditions of this Purchase Order.

27.0 SAFETY
27.1 Contractor shall adhere to safe practices as required by law and Company, and guard against hazardous and unsafe working conditions. Any costs incurred in complying with this para shall be borne and paid by the Contractor.
27.2 Contractor's scope shall include following of all safety regulations as required by law.

28.0 NOTICES
28.1 All instructions, notifications, agreements, authorizations, approvals or acknowledgements given by Company or Contractor to the other Party shall be in writing in English which shall take the form of a letter or fax or e-mail addressed to the other Party at its address specified in clause 28.2. The date of any notice shall be the date it is first received at the office of the addressee.

28.2 Company's address:
"Jindal Petroleum Operating Company" LLC
C/o Jindal Petroleum Limited
3rd Floor, DCM Building,
Plot No 94, Sector- 32,
Gurgaon -122001
Haryana, INDIA
Kind Attn: Mr. Vipul Singh Rawat, Assistant Manager (Contracts & Procurement)
Tel: +91-124-6689258
Mobile: +91-9654956915
E-mail: vipul.rawat@jindalpetroleum.com

Contractor's address:
XXX
Kind Attn: xxx
Tel: xxx;
Mobile:
E-mail: xxx

Annexure-III

Format for Performance Bank Guarantee

(Should be in the name of issuing bank)

Bank Guarantee No.:
Date:

"Jindal Petroleum Operating Company" LLC
Apt. 15, 5th Floor, Bldg No. 57,
Iosebidze Str., Saburtalo Region/4,
Tbilisi, Georgia

Dear Sirs,
In consideration of **"Jindal Petroleum Operating Company" LLC** having its registered office at Apt. 15, 5th Floor, Bldg No. 57, Iosebidze Str., Saburtalo Region/4, Tbilisi, Georgia (hereinafter referred to as "JPOCL" or "Company", which expression shall unless repugnant to the context or meaning thereof, include all its successors, administrators, executors and assigns) and having entered into Purchase Order No. …… dated …….. valued at **US$…**……. (**in figure**) for ……..……. (**Scope of Work**) (hereinafter called "Purchase Order", which expression shall include all the amendments thereto) with M/s. _____, having its Head/registered office at ……. (hereinafter referred to as "Contractor", which expression shall unless repugnant to the context or meaning thereof, include all its successors, administrators, executors and assigns) and the Purchase Order having been unequivocally accepted by the Contractor and agreed to furnish to the JPOCL, a Performance Guarantee for the faithful performance of the entire Purchase Order to the extent of **US$ ……..**

AND WHEREAS we have agreed to give the Contractor such a Bank Guarantee; NOW THEREFORE we hereby affirm that we are Guarantors on behalf of the Contractor, up to a total of (Amount of Guarantee in figures) _____(in words) _____, such amount being payable in the types and proportions of currencies in which the Contract Price is payable and we undertake to pay you, upon your first written demand and without cavil or argument, any sum or sums within the limits of guarantee sum as aforesaid without your needing to prove or to show grounds or reasons for your demand for the sum specified therein. We hereby waive the necessity of your demanding the said debt from the Contractor before presenting us with the demand in accordance to the Contractor's liabilities assumed under the Purchase Order.

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

Notwithstanding anything contained hereinabove, our liability under this Guarantee is limited to US$ …….. in aggregate and it shall remain in full force upto and including …… (Indicate the date of expiry of Bank Guarantee calculated at ……..) unless extended further. Any claim under this guarantee must be received by us before the expiry of this guarantee.

The Bank confirms that this Guarantee has been issued in conformity of the applicable laws of the country. We also agree that, this guarantee shall be governed by and construed in accordance with Indian Laws and

subject to the exclusive jurisdiction of Indian Courts.

SIGNATURE AND SEAL OF THE GUARANTORS _____
(Designation with Bank Stamp)

Name of Bank _____
Address _____

Date .....
Place _____

END OF SECTION-II

PROFORMA-A

PRICE BID FORMAT

S. No.	Item Description	Unit	Unit Price (in USD)
1	Core Head in accordance with Annexure-I of Section-II	2	
Total Bid Value		**USD..... (United States Dollars .....only)**	

General:

1. Bidder should quote the prices/ rates both in figures and words and in case of discrepancy between figures and words, the amount given in words shall be considered for evaluation by Company.

2. The above mentioned prices/ rates are CIP Tbilisi, Georgia in accordance with Incoterms 2010.

3. The above mentioned prices are inclusive of Third Party Inspection by API approved Inspection agency.

BIDDERS SHOULD NOTE THAT COMPANY SHALL EVALUATE ALL THE ACTIVITIES SEPARATELY AND CONTRACT MAY BE AWARDED ACCORDINGLY.

Authorized Person's Signature: _____

Name: _____

Designation:_____

Seal of the Bidder:

PROFORMA-B

BIDDER'S GENERAL INFORMATION

Bidder shall furnish their particulars as under.

1-1 Bidder's Name:
1-2 Number of years in the Business :
1-3 Registered Address :
1-4 Work Address
If different from above :
1-5 Telephone Number :
1-6 E-mail address & Web site :
1-7 Fax Number :
1-8 Service : Non Office Hours Communication :
1-9 Parent Company (if any) :
1-10 Bidder Officials (include management organisational chart)
(a) Chief Executive Officer :
(b) Head of Processing / Interpretation:
(c) Head of QA/ QC :
(d) Head of HSE
1-11 Bidder's Registration Number (if any)
1-12 Details of Joint Ventures (if any)
1-13 Bankers detail
1-14 Auditors
1-15 Insurance
1-16 **SUMMARY OF PREVIOUS EXPERIENCE**: A statement in the following format showing list of contracts/ purchase orders successfully executed for similar Goods by the Bidder during the last three (3) years:

LIST OF CONTRACTS/ PURCAHSE ORDERS:

Name of Customer	Details of Goods	Qty	Period		Value of contract/ purchase order	Remarks (Please mention any specialized acquisition technique used)
			From	To		

1-17 **OTHER COMMITMENTS**

Name of Customer	Details of Goods	Qty	Period		Value of contract/ purchase order
			From	To	

1-18 Please enclose a copy of recent last 3 years financial statements including Balance Sheet & Profit and Loss Account & Auditor's report

Authorized Person's Signature: _____

Name: _____
Designation: _____
Seal of the Bidder: _____

PROFORMA-C

STATEMENT OF NON-COMPLIANCE
(Only exceptions/deviations to be rendered)

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

S. No.	Non-Compliance	Ref No. of Tender / Model Purchase Order	Reasons	Implication on rates quoted
1				
2				
3				

Authorized Person's Signature:

Name:

Designation:

Name & Address of the Bidder:

Seal of the Bidder:

NOTE: Company expects that the Bidders to fully accept the terms and conditions of the bid document. However, should the Bidders still envisage some exceptions/ deviations to the terms and conditions of the bid document, the same should be indicated as per above format and submit along with their bids. If the "**STATEMENT OF NON-COMPLIANCE**" in the above PROFORMA is left blank (or not submitted along with the technical bid), then it would be construed that the Bidder has not taken any exception/deviation to the Tender requirements.

PROFORMA-D

BID FORM

To,

"JINDAL PETROLEUM OPERATING COMPANY" LLC

Sub: Tender No.: **JPOCL/CORE HEAD/2012/0014**

Sir,

Having examined the Terms and Conditions of Purchase Order and Work including all attachments thereto, the receipt of which is hereby duly acknowledged, we the undersigned offer to perform the Work in conformity with the said Terms and Conditions of Purchase Order and Work for the sum of _____ (Total Bid Amount in words and figures) or such other sums as may be ascertained in accordance with the Purchase Order.

We undertake, if our Bid is accepted, to execute the work within thirty (30) days calculated from the date of receipt of Purchase Order.

If our Bid is accepted, we will obtain the guarantee of a bank in a sum not exceeding _____ for the due performance of the Purchase Order.

We agree to abide by this Bid for a period of ninety (90) days from the Bid Due date and it shall remain binding upon us and may be accepted at any time before the expiration of that period.

Until a formal purchase order is prepared and executed, this Bid, together with your written acceptance thereof in your notification of award shall constitute a binding contract between us.

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

Dated this _____ day of _____ 2012.

Signature

_____
(In the capacity of)