



**ONGC VIDESH LIMITED**  
(ONGC OVERSEAS)

6<sup>th</sup> FLOOR, KAILSH BUILDING  
26, KASTURBAGANDHI MARG  
NEW DELHI- 110 001 INDIA  
PHONE: +91 11 41291510  
FAX + 91 11 2373 0369  
E-mail: ur\_brahma@ongcvidesh.in

NO. OVL/DLH/MM/TAX CONSULTANT-IT/665/2012-13

Date 09.07.2012

To

All interested bidders

ONGC Videsh Limited (OVL) is floating a tender for engagement of Tax Consultant for Indian Income Tax Matter. Tender has been invited on limited tender basis from the following reputed firms:

- (i) Deloitte
- (ii) PWC
- (iii) E&Y
- (iv) KPMG

Please go through the attached NIT and tender document along with Bid Evaluation Criteria (BEC). Any bidder, who fulfills tender conditions along with the following Pre Qualification Criteria (PQC), may furnish documentary proof of their fulfilling the PQC along with a request letter to issue tender document to the **Head Commercial, 26 KG Marg, 5<sup>th</sup> Floor, (512) Kailash Building, New Delhi-11001:**

- (i) Bidder must have office in Delhi/NCR.
- (ii) Bidder must have at least 5 years relevant experience.

OVL will verify the Pre Qualification Criteria and if found satisfactory, tender document will be issued (upto 1500hrs (IST) on 20.07.2012) free of cost for participating in the tendering process. No offer will be accepted if submitted based on the Tender document available in the web site, even if the bidder is fulfilling the PQC and without issuance of tender document from this office.

Thanks & best regards,

Yours sincerely

(U.R.Brahma)  
Chief Manager(MM)  
Mob:9868282375



**ONGC VIDESH LIMITED**

**TENDER NO. OVL/DLH/MM/TAX CONSULTANT-IT/665/2012-13**  
**For selection of Tax Advisor for Indian Tax matters**  
**for a period of three years**

<b>CLOSING DATE OF TENDER</b>	<b>23.07.2012 AT 1400 HRS</b>
<b>OPENING OF TECHNO COMMERCIAL(TECHNICAL) OFFER</b>	<b>23.07.2012 AT 1500 HRS</b>
<b>OPENING OF PRICE BID</b>	<b>WILL BE INTIMATED LATER</b>

**6<sup>TH</sup> FLOOR, KAILASH BUILDING,  
26 K.G MARG, NEW DELHI**

**ONGC VIDESH LIMITED**  
**6<sup>TH</sup> FLOOR, KAILASH BUILDING,**  
**26 K.G MARG, NEW DELHI**

TELEPHONE No. : 011 41291510  
FAX No.: 011-23730369

**NO. OVL/DLH/MM/TAX CONSULTANT-IT/665/2012-13 DATE: 09.07.2012**

TO:

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**INVITATION OF BID**

Dear Sirs,

Sealed tender under "TWO BID SYSTEM" are invited for selection of Tax Advisor for Indian Tax matters for a period of three years as per Scope of Work in the prescribed Bid forms and proforma attached to this Bid document. The details of the tender are given below:-

1. Tender No. : OVL/DLH/MM/TAX CONSULTANT-IT/665/2012-13
2. Description of services : Engagement of Tax Advisor for Indian Tax matters
3. Closing date & time for submission : 23.07.2012 , 1400 hrs.(IST) bids.
4. Date & time of opening of Bid:
  - a) Techno Commercial (Technical) : 23.07.2012, 1500 hrs.(IST) bid
  - b) Price bid : Will intimate later
5. Bid validity upto : 60 days from the date of opening of bid.

6. Correspondence Address : Head Commercial  
ONGC VIDESH LTD.  
5<sup>th</sup> floor, Kailash Building,  
26 KG Marg, New Delhi-110 001  
**(INDIA).**

We are enclosing herewith a Request for Proposal (RFP) for engagement of Tax Advisor for Indian Tax matters. RFP document consists of the following:

- i. Chapter 1 Introduction and Scope of work
- ii. Chapter 2 Instructions to Bidders
- iii. Chapter 3 Format of Bid
- iv. Chapter 4 Bid Evaluation Criteria
- v. Chapter 5 Draft Contract

**"TWO BIDS SYSTEM"** shall be followed for this tender. Bidder should take due care to submit tenders in accordance with requirement in sealed covers. Bid Evaluation Criteria, shall be the basis for evaluation of tenders.

ONGC Videsh Ltd. wants to finalize this tender within a limited time schedule. ONGC Videsh Ltd. will not seek any clarifications subsequent to opening of bids and bids not conforming to tender conditions shall be rejected. Therefore, bidders are advised to submit their bids complete in all respect as per requirement of tender document clearly specifying their categorical acceptance to all the clauses of Bid Evaluation Criteria, General Contract conditions and compliance to the Scope of Works requirement etc.

Yours faithfully,

FOR HEAD COMMERCIAL

## CHAPTER 1 - INTRODUCTION AND BACKGROUND

### 1.0 THE COMPANY

- 1.1 ONGC Videsh Limited (ONGC-VL), a Company incorporated in India and having registered office in New Delhi, is a fully owned subsidiary of India's premier upstream hydrocarbon company Oil & Natural Gas Corporation Limited (ONGC). The mission of ONGC-VL is to explore the globe for Energy with the objective to make India self sufficient in hydrocarbons through equity oil overseas.
- 1.2 OVL's Management Team is led by its Managing Director, Director (Finance), Director (Operations) and Director (Exploration). Keeping in mind the present rate of growth of the company, the structure is continually evolved to enhance efficiency and capture all the elements of organisational development and growth, while retaining the essence of the corporate business philosophy. The Chairman & Managing Director of ONGC is the Chairman of ONGC Videsh Limited. The functional Directors of ONGC are Special Invitees on the OVL Board as well, thus inducing cohesion of the corporate objectives and goal congruence in both organisations.

### 2.0 Selection of Tax Advisor for Indian Tax

ONGC Videsh Ltd (OVL) is wholly-owned subsidiary of Oil and Natural Gas Corporation Limited (ONGC). OVL is engaged in exploration and production of hydrocarbons outside India and has about 33 E&P projects in 15 countries. OVL interests in projects are held directly as well as through its subsidiaries/joint ventures. OVL proposes to engage tax consultants as per the scope of work given below:

### 3.0 Scope of Work:

OVL intends to engage a tax advisor (“**Advisor**”) having relevant experience in advising on the various corporate direct taxation issues (CIT) arising from time to time regarding Indian taxation. The Advisor must be able to provide advisory services as per the scope of work indicated below:

#### A. Regular

- I. Review of Corporate Tax Return of OVL for each financial year, which would include, inter alia, the review of computation of tax, review of admissibility of various deductions / allowances, any special considerations /issues arising out of OVL operations, computation and admissibility of double taxation credits, tax sparing credits etc., adequate disclosure with respect to positions taken by OVL by way of notes to computation/ otherwise, internal

consistency with various disclosures / computation notes, treatment of Minimum Alternate Tax, if applicable and all other matters that may be relevant with respect to the filing of the Corporate Tax Return of OVL as per the Income Tax Act, 1961 or any other law in force for the time being for income tax during the engagement period (“the Act”).

- II. Undertaking the year-end statutory Transfer Pricing study including identifying the transactions covered under transfer pricing legislation, functional and risk analysis, industry and market analysis, benchmarking and financial/ economic analysis, study /documentation to assist the Company in maintaining documentation required for compliance with statutory requirements and to issue an Accountant’s Report (‘AR’) in the prescribed format, setting forth prescribed particulars and information to be filed with the tax authorities on or before the due-date.
- III. Review of Revised tax return, if any to be filed by OVL in respect of any financial year, which would include, inter alia, the review of computation of tax, review of admissibility of various deductions / allowances, any special considerations /issues arising out of OVL operations, computation and admissibility of double taxation credits, tax sparing credits etc., adequate disclosure with respect to positions taken by OVL by way of notes to computation/ otherwise, internal consistency with various disclosures / computation notes, treatment of Minimum Alternate Tax, if applicable and all other matters that may be relevant with respect to the filing of the Corporate Tax Return of OVL.
- IV. Assistance to OVL in connection with the assessment proceedings initiated by the Assessing Office (“the AO”) u/s 143 of the Act (or any successor provisions) including drafting /filing of replies to notices and representation before the tax authorities for finalization of assessments, drafting/filing of submissions with the tax authorities regarding any penalty proceedings including rectification applications, as applicable, drafting/ filing the submissions for stay of any demand, review of orders.
- V. Transfer pricing proceedings initiated by Transfer Pricing Officer (“the TPO”) u/s 92CA(2) and 92D(3) of the Act (or any successor provisions) including drafting /filing of replies to notices and representation before the TPO for finalization of assessments, drafting/filing of submissions with the TPO regarding any penalty proceedings including rectification applications, as applicable, and maintenance of any other information/ documentation, review of assessment orders.

## **B. Call out basis**

- I. Drafting of Grounds of Appeal and Statement of Facts to be filed with Dispute Resolution Panel/Commissioner of Income-tax (Appeals) / Income Tax Appellate Tribunal and other appellate authorities in OVL’s appeal proceedings against assessment orders (including penalty orders, if any) passed by the assessing officer and other appellate authorities and

representing (including submitting written representations, wherever required) before various appellate authorities (through suitable counsels, where required).

- II. Any proceedings initiated by the AO for revision of orders or re-assessment proceedings including its assessment proceedings, re-assessment proceedings including its assessment proceedings and advising on further course of action.
- III. Assisting OVL in assessing its tax positions and advising on various economically efficient options available, including as and when required, drafting applications for amendment of section 42 agreements with the central government etc.
- IV. Any other matter relating to Indian taxation, as may be required from time to time. While providing its advice, the Advisor shall consider international tax implications also, as and when required.

## **CHAPTER 2 - INSTRUCTIONS TO BIDDERS**

- 1 Two Bid System is to be followed for submission of bids. The first inner sealed envelope (Envelope no.1) superscribed "Technical Proposal" will contain all the details except the Financial Proposal sought in item (B) of Chapter 3 which shall be left blank. The second inner sealed envelope (Envelope no. 2) superscribed with "Financial Proposal" will contain only the Financial Proposal as sought in item (B) of Chapter 3. Both sealed envelopes (i.e. Envelope no. 1 & 2) must be put in a third envelope superscribed with "Tender No. OVL/DLH/MM/TAX CONSULTANT-IT/665/2012-13; Date of opening: 23.07.2012; name & address of the bidder.

The sealed envelope containing Envelope no. 1 & 2 must reach us on or before tender submission date at the address of **Head Commercial, ONGC Videsh Limited, 512, 5<sup>th</sup> Floor, Kailash Building, 26 Kasturba Gandhi Marg, New Delhi 100 001, India.**

The sealed envelope must superscribed with:

### **"BID FOR SELECTION OF TAX ADVISOR FOR INDIAN TAX MATTERS"**

- 2 The bidder shall be responsible for all costs associated with the preparation of this proposal, if any regardless of the conduct or outcome of the bidding process.
- 3 Material which is intended to be confidential must be marked 'Confidential' by the bidder. All such information will be treated in confidence and will not be divulged.
- 4 In case of any dispute, whatsoever in connection with RFP, the decision of OVL shall be final and binding.
- 5 Bidders should ensure that bid is delivered before scheduled date and time as per instructions given at Sl No 1 above. Late bids shall not be considered.
- 6 The proposal submitted by the bidder should be valid for acceptance for a period of 90 days from the opening date of bid.
- 7 The bidder is required to state in its bid separately the delivery methodology i.e. how they propose to go forward (in case of award of this assignment).
- 8 At any time but not later than three days prior to the deadline for submission of the proposals, for any reason or in response to clarifications requested by any bidder, OVL may modify the RFP by way of issuance of 'Addendum'. In this respect, OVL, at its sole discretion may extend the due date of closing/opening of the tender.
- 9 This document is not transferable. The invitations and all communications pursuant to its terms are confidential and are not to be disclosed to any person other than the addressee without prior written consent of OVL.
- 10 All correspondence and documents related to this offer shall be written in English language only.
- 11 OVL may seek clarifications on the bid submitted by the bidders. The clarifications may be sought in writing. The bidders would confirm the clarifications in writing immediately.



- 12 Bids qualified by vague and indefinite expressions shall not be considered.
- 13 The information provided must be focused and specific in order to facilitate the evaluation and thus additional/irrelevant information need not be provided.
- 14 Fax/Photostat/E- mail bids shall not be considered.
- 15 The information provided until the signing of agreement shall be deemed to be considered under the confidentiality provisions.
- 16 Any change in the bid after opening of the offer shall not be considered.
- 17 Late receipt of bid shall not be considered.
- 18 The services shall be performed at such locations as are specified in the tender and where locations are not specified, at such locations as directed by OVL.

### CHAPTER 3 – FORMAT OF BID

**(A) Technical Proposal:**

1. Proposed team member's detail like name, experience profile, specialization etc to be furnished. Please provide the following information for the personnel to be associated with the project:

**Tax and regulatory team:**

Name	Level (refer to para 2 of the BEC)	Designation in Bidder's organisation	No. of years experience relevant to present assignment

**Transfer pricing team:**

Name	Level (refer to para 2 of the BEC)	Designation in Bidder's organisation	No. of years experience relevant to present assignment

Resume be attached in a separate Appendix. The team members must be promptly available for the assignment as and when required.

All the members of the team must meet the criteria given in Bid Evaluation Criteria – Chapter 4.

The bidder must demonstrate in their bid to the satisfaction of OVL that the team members possess the relevant and suitable capability and experience for this transaction

2. Bidder's address in Delhi/NCR including tel.no/fax no and contact person's mobile no and e-mail ID:

3. Confirmation that the team members identified for OVL assignment are located in Delhi/NCR.

4. Number of “qualified tax professionals”(please see BEC) employed on full-time basis in Delhi/NCR :
5. Out of qualified tax professionals at (4) above, number of qualified full-time tax professionals meeting the criteria for Principal Advisor:
6. Out of qualified tax professionals at (4) above, number of qualified full-time tax professionals meeting the requirements for being an authorized representative under clauses (iv) or (v) of sub-section (2) of section 288 of the Income-tax Act, 1961 :
7. Description of qualifying experience specified in para4 of the BEC and name of the company(ies) meeting the criteria.
8. Description of experience of dealing in assessments involving double-taxation avoidance agreement (DTAA) issues.
9. Description of experience of having advised any hydrocarbon exploration and production company as per para 6 of the BEC.
10. Average annual fee income (in ₹/Crore, rounded off to two decimals) from tax advisory services during the last three financial years
11. Confirmation of acceptance to scope of work given in Para 2 of Chapter 1.

**(B) Financial Proposal**

**Please quote the following:**

**Rates for (A) Regular Scope of Work**

Particulars	Quoted Lump-sum annual (₹)	No of years for Evaluation	Amount for Evaluation (₹)
(i)	(ii)	(iii)	(iv)= (ii)*(iii)
Item A.I of Scope of Work		3	
Item A.II of Scope of Work		3	
Item A.III of Scope of Work		3	
Item A.IV of Scope of Work		3	
Item A.V of Scope of Work		3	
Total for (A) Regular Scope of Work			

**Rates for (B) Call-out Scope of Work**

Particulars	Quoted Hourly rates (₹)	No. of Hours for Evaluation	Amount for Evaluation (₹)
(i)	(ii)	(iii)	(iv)= (ii)*(iii)
Principal Advisor		150	
Senior level professional		450	
Middle level professional		375	
Junior level professional		375	
Total for (B) Call-out Scope of Work			

**Total for Regular and Call Out Scope of Work for evaluation**

<b>Total (A)+(B)</b>	
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**NOTES:**

1. The above fee is inclusive of all out-of-pocket expenses. No out-of-pocket expenses shall be paid in addition.
2. The above fee is excluding service-tax/VAT. Service tax/VAT shall be borne by OVL as per applicable law.
3. All other taxes are to be borne by the Bidder. TDS as applicable shall be deducted and certificate as required by the Income-tax Act 1961 shall be given.
4. Bidders are required to quote financial proposal / fee structure strictly as sought above.
5. The amount for evaluation is to be filled-up by Bidders as per above instructions.
6. The above quoted lump-sum fee/hourly rates shall not be subject to any escalation.

## CHAPTER 4 – BID EVALUATION CRITERIA

### **Bidders are required to comply with the following criteria:**

Bidders are required to comply with the following essential criteria:

- 1) Bid should be submitted strictly as per Bid Format given in Chapter 3. Bidders not submitting the bid in this format are liable for rejection.
- 2) The team members must essentially have relevant Indian tax advisory experience as below:

#### **Tax and regulatory team:**

<b>Level</b>	<b>Experience required</b>	<b>In area of work</b>
Principal Advisor	10 years or more	Tax and regulatory advisory as detailed in scope of work (other than item A.V and B.I to the extent related to Transfer Pricing)
Senior level professional	7 years or more	-do-
Middle level professional	5 years or more	-do-
Junior level professional	2 years or more	-do-

#### **Transfer pricing team:**

<b>Level</b>	<b>Experience required</b>	<b>In area of work</b>
Principal Advisor	10 years or more	Transfer pricing as detailed in scope of work (item A.V and B.I to the extent related to Transfer Pricing)
Senior level professional	7 years or more	-do-
Middle level professional	5 years or more	-do-
Junior level professional	2 years or more	-do-

- 3) Bidder must have office in Delhi/NCR and the team members identified for OVL assignment should be located in Delhi/NCR. Team members identified for OVL's assignment should be qualified tax professionals. The Bidder must employ a minimum of 50 qualified tax professionals on full-time basis in Delhi/NCR out of which (a) minimum 25 are meeting the requirements for being an authorized representative under clauses (iv) or

(v) of sub-section (2) of section 288 of the Income-tax Act, 1961 and (b) minimum 10 full-time qualified tax professionals meeting the criteria for Principal Advisor. Qualified tax professional for this purpose means a person meeting the requirements for being an authorized representative under clauses (iii), (iv) or (v) of sub-section (2) of section 288 of the Income-tax Act, 1961.

- 4) Bidder must have at least 5 years relevant experience (i.e. covered by scope of work) including at least 3 years of relevant advisory services to a company having operations outside India and having a minimum average consolidated sales revenues of ₹ 5,000 Crore during the last three financial years.
- 5) Bidders must demonstrate experience of dealing in assessments involving double-taxation avoidance agreement (DTAA) issues.
- 6) Bidders must demonstrate experience of having advised any hydrocarbon exploration and Production Company in significant tax matters such as acquisition structuring, corporate tax return review, and corporate tax assessment proceedings, appeals before CIT/ITAT, transfer pricings etc. Advisory services of minor nature such as TDS compliance/certifications/personnel taxation are not to be considered.
- 7) The Bidder must have minimum average annual fee income from tax advisory services of ₹ 5.00 Crore during the last three financial years.
- 8) Bidder must confirm acceptance to scope of work given at para 2 of Chapter 1. Bidders not agreeing to this shall be rejected.
- 9) Changes in the bid proposal terms will not be permitted after submission deadline date. Bid not agreeing to this shall be rejected.
- 10) Price evaluation and comparison of the bids shall be done based on total of professional fees for Part A and Part B of Scope of Work. For Bid Evaluation Purposes, the Part B hours to be considered are as follows:

<b>Level</b>	<b>No of hours</b>
Principal Advisor	150
Senior level professional	450
Middle level professional	375
Junior level professional	375

Please note that the above hours are used for bid evaluation purposes only and should not be treated as representation, explicit or implicit, of such work to be assigned to the Bidder.

- 11) The bidders are required to quote firm lump sum fee for the scope of work and any bidder not agreeing to this shall be rejected.
- 12) OVL reserves the right to accept a higher bid and/ or accept or reject any or all the bids at its sole discretion without assigning any reasons.
- 13) Bids taking any exception to scope of work and any conditions of draft Engagement Agreement attached to this RFP shall be liable for rejection.
- 14) If the bidder deliberately gives wrong information in his offer in order to gain any undue advantage, such offer shall be rejected.
- 15) The bidders are required to enter into a confidentiality agreement at the time of receiving data/ information/ documents from OVL after award of work. Bidders not agreeing to this shall be rejected.
- 16) No advance payment will be made by OVL. The payment shall be made within 30 days from the date of receipt of original invoice. Any bidder taking exception to this shall be rejected.
- 17) OVL reserves the right to accept or reject any or all the bids without assigning any reason.
- 18) This BEC overrides all other similar clauses appearing anywhere in the RFP.
- 19) Any other point, which arises at the time of evaluation, shall be decided by OVL.

## **CHAPTER 5 -MAJOR TERMS AND CONDITIONS OF ENGAGEMENT**

### **1. DEFINITIONS**

Unless the context otherwise requires, the following terms whenever used in this Engagement shall have the following meanings:

- 1.1 "TAX ADVISOR" means the advisor/ Consultant selected by ONGC-VL for providing assistance and advice.
- 1.2 "Effective Date" means the date on which Letter of Award is issued by ONGC-VL
- 1.3 "Party" means ONGC-VL or the TAX ADVISOR, as the case may be, and parties mean both of them.
- 1.4 "Services" means the work to be performed by the TAX ADVISOR pursuant to this Engagement.
- 1.5 "Engagement" means entering into the agreement for carrying out the Services as per the scope of work, fee and terms and condition laid down.

### **2. SCOPE OF WORK: As per Scope of Work at Chapter-1**

### **3. REPORTING**

The progress and conclusions of the work will be presented to ONGC-VL in the form mutually agreed by the parties.

### **4. LIMIT OF LIABILITY**

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

a) Neither the Tax Advisor nor ONGC-VL shall be liable to the other, whether in contract, tort, or otherwise, for any consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided and

b) Notwithstanding any other provisions incorporated elsewhere in the contract, the aggregate liability of the Tax Advisor in respect of this contract, whether under the contract, in tort or otherwise, shall not exceed 50% of the Contract value, provided however that this limitation shall not apply to the cost of any obligation of the Tax Advisor to indemnify the ONGC-VL with respect to Intellectual Property Rights.

c) ONGC-VL shall indemnify and keep indemnified Tax Advisor harmless from and against any and all claims, costs, losses and liabilities in excess of the aggregate liability amount in terms of clause (b) above.

### **5. CONFIDENTIALITY**

Tax Advisor shall during the tenure of the Contract and at anytime thereafter maintain in the strictest confidence all information relating to the work and shall not, unless so authorized in writing by ONGC-VL, divulge or grant access to any information about the work or its results and shall prevent anyone becoming acquainted with either through Tax Advisor or its personnel or agents. Tax Advisor shall not avail of the information obtained in the course of work hereunder in any manner, whatsoever, nor shall Tax Advisor divulge any information about the services rendered thereof. Tax Advisor shall not also



destroy any report, note and data relating to the work and not required by the ONGC-VL. The obligation is continuing one and shall survive after the completion/ termination of this Contract.

**6. TEAM MEMBERS**

6.1 For the execution of its assignment, the Tax Advisor will establish a team of qualified individuals from appropriate specialty areas within the organization as per chapter 4. It is understood and agreed by the Tax Advisor that the Tax Advisor shall be solely and exclusively responsible to ONGC-VL for all acts of its team of individuals, affiliates and subsidiaries.

Detail of the team members is as below:

Sl no	Name of the team member	Level / Role in the assignment

6.2 If ONGC-VL (i) finds that any of the team member has committed serious misconduct or has been charged with having committed a criminal action, or (ii) has reasonable cause to be dissatisfied with the performance of any team member, then the Tax Advisor shall, at ONGC-VL's written request specifying the grounds therefore, forthwith provide suitable replacement of such member.

6.3 Any changes (addition /deletion /replacement) in the team mentioned above shall be carried out in consultation with ONGC-VL. Such changes shall be by suitable qualified persons, of equivalent expertise, experience and specialty as mentioned in the RFP document, and shall not absolve the Tax Advisor from its obligations under the engagement. The Tax Advisor shall bear all costs arising out of or incidental to any removal or replacement of any of the team personnel.

6.4 ONGC-VL reserves the right to associate an executive of ONGC-VL to monitor the work progress.

**7. ACCESS**

ONGC-VL agrees to provide to the Tax Advisor all financial and other information requested by the Tax Advisor and considered reasonable, appropriate, proper and necessary by the Parties for the purpose of the Engagement. In performing its services hereunder the Tax Advisor shall be entitled to rely upon and assume the accuracy and completeness of all information that is publicly available and of all information that has been furnished to the Tax Advisor (or its affiliates or subsidiaries) by ONGC-VL or its authorized representative(s).

It is clearly understood, however, that the Tax Advisor shall exercise its professional judgment in the assessment and use of such information. Further, in assessing this information, the Tax Advisor would act in line with the standards ONGC-VL would expect from an experienced Tax Advisor eligible to opine/advice on tax matters in the relevant jurisdiction.

**8. PUBLIC ANNOUNCEMENTS**

- 8.1 No party shall directly or indirectly issue or make any public announcement or statement regarding the agreement and / or advices unless prior thereto it furnishes the other Party with a copy of such announcement or statement and obtains the consent (which consent shall not be withheld unreasonably) except such announcements which are necessary in compliance of any applicable law or regulation.
- 8.2 ONGC-VL will accept full responsibility for the content of any announcement or any information contained in any document relating to the advices which ONGC-VL requests the Tax Advisor to consent. The Tax Advisor reserves the right to refuse to issue or approve any such document or announcement and to require ONGC-VL to prevent its distribution or publication if, in the discretion of the Tax Advisor, it is incomplete or misleading in any way.
- 8.3 The Tax Advisor will accept full responsibility for the content of any information contained in any document relating to the work performed which the Tax advisor requests ONGC-VL to consent. ONGC-VL reserves the right to refuse to issue or approve any such document or announcement and to require the Tax Advisor to prevent its distribution or publication if, in the discretion of, ONGC-VL it is incomplete or misleading in any way.

## **9. MODE OF BILLING AND PAYMENT**

### **A. Payment**

- (i) The currency of the contract will be INR
- (ii) The fees due to the Tax Advisor shall be calculated from the Effective Date of this Agreement
- (iii) Time charges shall be calculated on an hourly basis. The fractional hours accumulated during any man-day will be charged on a minimum quarter hour basis. The invoice should be accompanied with Time Sheet indicating team members-wise and date-wise break up of time utilized and work done. A soft Copy of such break up in (Excel Sheet format) may be provided with the invoice.
- (iv) For category I i.e regular basis services the Tax Advisor shall invoice time charges subject to lump sum annual cap fee after filing of the relevant tax returns of each year. For category II i.e call out services the Tax Advisor shall invoice after completion of the assignment on call out basis
- (v) Invoice should be submitted to following address.

Corporate Taxation coordinator  
6th Floor Kailash Building,  
26 KG Marg,  
New Delhi, India

- (v) Payments by ONGC-VL to the Tax Advisor shall be made within 30 days from the date of receipt of original invoice (without any deficiencies).

### **B. TAXES AND DUTIES**

The hourly professional fee rates and the lump sum annual fee cap are inclusive of all taxes and duties arising out of this Engagement. Any taxes and duties payable by the Tax Advisor on the remuneration under this Agreement including Corporate and Personal taxes shall be to the sole account and responsibility of the Tax Advisor. ONGC-VL shall pay the amount after deducting the withholding taxes etc. as applicable under the provisions of the Indian Income tax and rules made there under and other applicable laws.

**10. DURATION OF CONTRACT**

The duration of the Contract shall be three years from the Effective Date, unless terminated by ONGC-VL by giving 30 days notice without prejudice to the rights and obligations of the parties up to date of notice of termination by ONGC-VL.

**11 GENERAL OBLIGATIONS**

The Tax Advisor shall perform the services and carry out the obligations hereunder in accordance with generally accepted professional techniques and practices, and shall observe sound management practices, and employ appropriate methods. The Tax Advisor shall always act, in respect of any matter relating to this engagement or to the services, as faithful advisers to ONGC-VL and shall at all times support and safeguard ONGC-VL's legitimate interests in any dealings with the third parties.

**12 INDEMNIFICATION**

12.1 ONGC-VL agree to indemnify and hold harmless, the Tax Advisor from and against all actions, claims, demands, proceedings, liabilities or judgments (collectively "claim") and any and all losses, damages, costs (collectively "losses") which relate to or arise directly from the engagement. Such claim and/ or losses shall be reimbursed by ONGC-VL after final adjudication by the competent court of law. The Tax Advisor shall not be entitled for any reimbursement of any claim and/ or losses to the extent that they are finally determined by the court of competent jurisdiction to have resulted primarily from the Tax Advisor's negligence.

12.2 The Tax Advisor agrees to indemnify and hold harmless, the ONGC-VL from and against all actions, claims, demands, proceedings, liabilities or judgments (collectively "claim") and any and all losses, damages, costs (collectively "losses") which relate to or arise directly from the engagement. Such claims and/ or losses shall be reimbursed by the Tax Advisor after final adjudication by the competent court of law. ONGC-VL shall not be entitled for any reimbursement of any claim and/ or losses to the extent that they are finally determined by the court of competent jurisdiction to have resulted primarily from the ONGC-VL's negligence.

12.3 In the event that the Tax Advisor has the opportunity to settle any claims with a third party, it will not do so without prior written consent of ONGC-VL.

12.3 The Tax Advisor shall at all times keep ONGC-VL informed of all material developments in relation to any claim, litigation, proceeding, investigation etc. in respect of which it is indemnified hereunder and shall consult with ONGC-VL in good faith in relation thereto.

12.4 The Tax Advisor hereby represents and warrants that the advice, assistance, information or material provided by the Tax Advisor shall be correct, true, justified, realistic, without any motive and not inflated. The Tax Advisor shall be liable for any loss to ONGC-VL in case of any breach of above representation.

12.5 The Tax Advisor hereby represents and warrants that after signing of this Engagement letter it shall not take or fail to take any action which would affect the performance of its duties and obligations under this engagement or may cause a conflict of interest.

**13 TERMINATION**

13.1 For the avoidance of doubt, no termination under this section will affect any clause of this agreement which states that it shall survive termination.

13.2 The Engagement may be terminated by ONGC-VL as under:

13.2.1 ONGC-VL may by not less than 30 days written notice, terminate this Engagement without any fee/ compensation to the Tax Advisor other than payment of out of pocket expenses already incurred except as otherwise specifically provided herein:

- (a) if the Tax Advisor becomes insolvent or bankrupt or winding up proceedings are initiated against it or it enters into any agreement(s) for relief of debt or takes advantage of any law for the benefit of debtors or goes into liquidation, receivership or restructuring, whether compulsory or voluntary;
- (b) if the Tax Advisor submits false and/ or incorrect statement to ONGC-VL which has a material effect on the rights, obligations or interests of ONGC-VL
- (c) if the Tax Advisor is in material breach of its obligations pursuant to this Engagement and has not remedied the same within thirty days (or such longer period as ONGC-VL may have subsequently approved in writing) following the receipt by the Tax Advisor of ONGC-VL's notice specifying such breach;
- (d) if the established team of professionals changed by whatsoever reason and the Tax Advisor fails to replace the similar suitable qualified persons of equivalent expertise, experience and specialty to the satisfaction of ONGC-VL.
- (e) If ONGC-VL, in its sole discretion and for any reason, decides to terminate this Engagement

13.2.2 In the event of termination of this Engagement on the grounds mentioned at (point a to d) above, the Tax advisor shall not be entitled for any fee/ compensation / reimbursement of expenses and shall refund the fee/ compensation/ expenses already paid to the Tax Advisor by ONGC-VL. In the event this Engagement is terminated on the grounds mentioned at (e) above, the Tax Advisor shall be entitled to payment of fees/ reimbursement of expenses as admissible up to the time of notice of termination.

13.3 The Engagement may be terminated by the Tax Advisor as under:

13.3.1 The Tax advisor may, by giving not less than 30 days written notice to ONGC-VL, terminate this Engagement as under:

- (a) if ONGC-VL fails to pay without any reason any money due to the Tax Advisor pursuant to this Engagement letter within sixty days after receiving written notice from the Tax Advisor that such payment is overdue;
- (b) if ONGC-VL is in material breach of its obligations pursuant to this Engagement and has not remedied the same within thirty days (or such longer period as the Tax Advisor may have subsequently approved in writing) following the receipt by ONGC-VL of the Tax Advisor's notice specifying such breach;

13.4 Upon termination of this Engagement, all the data, information, material, records, documents, copies of opinions and advices etc. available, received or generated by the Tax Advisor in connection with the discharge of its obligations under this Engagement shall become the sole and absolute property of the ONGC-VL and shall be returned by the Tax Advisor to the ONGC-VL within fifteen days (15) from the date of the termination hereof. Further, the Tax Advisor shall not use the same in any manner and for any purpose whatsoever for a period of two (2) years from the date of termination.

## 14 **FORCE MAJEURE**

- The term 'Force Majeure' as employed herein shall mean act of God, revolt, riot, fire, flood, war and acts and regulations of respective Governments of the two parties, namely ONGC-VL and the Tax Advisor.
- (i) In the event of either Party being rendered unable by Force Majeure to perform any obligations required to be performed by them under the Contract (when concluded), the relative obligation of the Party affected by such Force Majeure shall upon notification to the other Party be suspended for the period during which such cause lasts.
  - (ii) Upon the occurrence of such cause and upon its termination, the Party alleging that it has been rendered unable as aforesaid thereby shall notify the other Party in writing within 72 (Seventy Two) hours of the alleged beginning and ending thereof giving full particulars and satisfactory evidence in support of its claim.
  - (iii) In the event of the Tax Advisor being unable to perform its obligations due to Force Majeure as above, the Tax Advisor shall help the Company by making alternative arrangements as far as it can, so that the work does not suffer.
  - (iv) In case Force Majeure conditions lasting more than 60 days, ONGC-VL shall have the right to terminate the Contract.

## **15 GOVERNING LAW AND JURISDICTION**

- 15.1 This Engagement shall be governed by and construed in accordance with Indian Law. The Indian courts in New Delhi shall have the exclusive jurisdiction.

## **16 ARBITRATION**

- 16.1 The Tax Advisor and ONGC-VL shall settle disputes arising out of this agreement in good faith. In the event that a dispute cannot be so resolved after 30 days, the Parties agree that the agreement shall be subject to arbitration under the Indian Arbitration & Conciliation Act 1996 and the UNCITRAL Rules. Notwithstanding anything to the contrary in such rules, there shall be three arbitrators, one appointed by ONGC-VL, one appointed by the Tax Advisor and the third appointed by the other two arbitrators. The place of arbitration shall be New Delhi.
- 16.2 No aspect of any arbitration proceedings shall be made public by either Party.

## **17 RELATIONS BETWEEN THE PARTIES**

Nothing contained herein shall be construed as establishing a relation of master and servant or of agent and principal as between ONGC-VL and the Tax Advisor. The Tax Advisor, subject to the terms of this engagement, has complete charge of personnel performing the Services and shall be fully responsible for the Services performed by them or on their behalf hereunder.

## **18 MISCELLANEOUS**

- 18.1 This Engagement Agreement may be amended only by written instrument executed by the Parties.
- 18.2 Whether or not the matter contemplated herein shall be completed, each of the Parties shall (except as otherwise specifically provided therein) pay its own expenses incidental to the negotiation, preparation and execution of this Engagement Agreement
- 18.3 No waiver of any provision of this Engagement Agreement, no consent to nor departure there from by either Party shall be effective unless the same is in writing and such waiver or consent shall be effective only in the specific instance and for the purpose for which it is given. No default or delay on the part of either Party in exercising any rights, powers or privilege hereunder shall operate as a waiver thereof or any rights or remedies hereunder.

- 18.4 The language is English which shall be binding and controlling language for all matters relating to the meaning or interpretation of this engagement.
- 18.5 Headings used in this Agreement are for ease of reference only and shall not affect its interpretation.
- 18.6 The Tax Advisor including their personnel shall comply with all laws, regulations and requirements of local or other authority in the country where the work is to be performed.
- 18.7 The Tax Advisor shall, at no additional cost to ONGC-VL, self insure or effect and maintain adequate insurance (including their personnel) to cover the liabilities of any kind and as may be required by any applicable governmental or other appropriate bodies. ONGC-VL shall in no way take responsibility or liability on this account.
- 18.8 The Tax Advisor shall be responsible for payment of all taxes, duties and charges (and any penalties thereon) assessed or levied by any appropriate Govt. authority.

## **19 ADDITIONAL WORK**

ONGC-VL recognizes that any requests for additional work, services, reports, and other scope not specifically agreed upon and described herein would be an increase in the scope of work and Tax Advisor will supply ONGC-VL a written estimate of the cost of such additional services and ONGC-VL and Tax Advisor will agree on the additional costs in writing before any work is undertaken.

## **20. Notices**

All notices and other communications provided for and required under this Engagement Agreement shall be given or made in writing or facsimile or by E-mail on delivered to the attention of the person indicated below:

**To ONGC-VL,**  
Attn:

**To ADVISOR**  
Attn:

**Signed for and on behalf of ONGC Videsh Limited (ONGC-VL)**

**Name:**  
**Designation:**

**Witness**

**Signed for and on behalf of (TAX ADVISOR)**

**Name:**  
**Designation:**

**Witness**