

REQUEST FOR PROPOSAL (RFP)
(Doc No. KGD6/CONDENSATE/2023/10)
FOR
SALE OF CONDENSATE
FROM
KG-DWN-98/3 BLOCK

RELIANCE INDUSTRIES LIMITED

BP EXPLORATION (ALPHA) LIMITED

Contents

1. Introduction.....	3
2. Definition and Abbreviations.....	3
3. Details of Condensate Offered.....	4
4. Eligibility Criteria.....	5
5. Counterparty Due Diligence (“CDD”) Process.....	6
6. Bidding Process.....	6
7. Bidding Schedule.....	9
8. Notification to the successful Bidder and Execution of the Agreement.....	10
9. Other Terms.....	10
10. General Guidelines.....	10
11. Right of Sellers.....	11

Annexures

1. Introduction

- 1.1. Block KG-DWN-98/3 (commonly known as “**KG D6**”) is located in offshore Bay of Bengal. Reliance Industries Limited (“**RIL**”) and BP Exploration (Alpha) Limited (“**BPEAL**”) (individually known as “**Seller**” and collectively known as “**Sellers**”) have rights to sell Condensate produced from KG D6 under the Production Sharing Contract (“**PSC**”) dated 12 April 2000 entered into between the Sellers and the Government of India.
- 1.2. RIL shall act as the Sellers’ Representative for all purposes of giving and receiving of all notices, queries and responses relating to this RFP.
- 1.3. RIL has issued a Notice Inviting Offer (the “**NIO**”) dated 6th October 2023 and invited offers from interested companies (each, a “**Bidder**” and collectively, the “**Bidders**”) to offtake one Condensate cargo lot of 500,000 bbl from Ruby Floating Production Storage & Offloading facility (“**FPSO**”) in accordance with the terms and conditions of this RFP and the Condensate Sales Agreement (the “**Agreement**”). The FPSO is located beyond 12 Nautical Miles off the coastal baseline near Kakinada, India.

2. Definition and Abbreviations:

- 2.1. **Authorized Representative** means a representative in whose favour a POA or board resolution has been issued by the Bidder.
- 2.2. **Bidder** and **Bidders** shall have the meaning as specified in Section 1 of this RFP.
- 2.3. **Bid Due Date** is defined as the date when Technical Unpriced Bid and Price Bid from the Bidder/s are required to be submitted to Sellers’ Representative electronically as specified in Section 7 of this RFP.
- 2.4. **Counterparty Due Diligence** shall include the process of carrying out due diligence of the Buyer in order to identify any issues pertaining to anti-bribery and corruption, money laundering and/or trade sanctions associated with their engagement as Buyer under this RFP;
- 2.5. **NIO** means the Notice Inviting Offer as specified in Section 1.3 of this RFP.
- 2.6. **PAN** means Permanent Account Number.
- 2.7. **POA** means a Power of Attorney.
- 2.8. **Price Bid** shall have the meaning as specified in Section 6.2.2 of this RFP.
- 2.9. **RFP** means this Request for Proposal No. KGD6/CONDENSATE/2023/10 dated 6th October 2023 along with all its Annexures.
- 2.10. **Technical Unpriced Bid** shall have the meaning as specified in Section 6.2.1 of this RFP.
- 2.11. **Working Days** means working hours (9:30 Hrs IST to 18:30 Hrs IST) from Monday to Friday (of any given week) excluding all public holidays.

Request for Proposal (RFP) for Sale of Condensate from KG-DWN-98/3 Block

For all other definitions and abbreviations, please refer Condensate Sale Agreement provided in Annexure II of this RFP.

3. Details of the Condensate offered

Details of the Condensate offered from KG DWN 98/3 Block is as follows:

#	Parameter	Details
1.	Block Name	KG DWN 98/3 Block
2.	Sellers	RIL and BPEAL in accordance to their respective Participating Interest in the Block KG DWN 98/3. RIL: 66.67% and BPEAL: 33.33%
3.	Delivery Point	Outlet flange of the FPSO. Risk, Liability and title of condensate will be transferred from Sellers to Buyer at the Delivery Point.
4.	Incoterms 2020	FOB at the Delivery Point
5.	Expected Sale Period	For 1 st cargo: 4 th November 2023 to 13 th November 2023
6.	Indicative Condensate Quantity & Quality	<p>i. Sellers' are offering one cargo of 500,000 bbl to be sold during the Expected Sale Period. Sellers shall endeavour to deliver Condensate with +/- 10% tolerance of the agreed parcel size.</p> <p>ii. Indicative Condensate assay appended in Annexure I of this RFP.</p>
7.	Loading Date Range ("LDR")	Sellers' Representative to inform the Buyer LDR (five-day loading window that will fall within the Expected Sale Period) at least 15 days prior to the first day of the LDR.
8.	Layday	Buyer needs to inform the Sellers' Representative through email Layday duration (two day window that will fall within the respective LDR) 12 days prior to the first day of the LDR.
9.	Pricing Formula, USD/bbl	<p><i>Dated Brent</i> (in USD/bbl) + 'B' multiplied with <i>Dated Brent</i> (in USD/bbl) + <i>API Adjustment Factor</i> (in USD/bbl)</p> <p><i>Dated Brent</i> is the monthly average of the daily mean values of the high and low assessments of Brent (Dated) (Platts Code: PCAAS00) Crude Oil quotations (as published under the Spot Crude Assessment Heading in Platt's Crude Oil MARKETWIRE spot assessment, (including any published correction)) in the USD per barrel for the entire month in which bill of lading date falls, to be rounded off to three decimal places.</p> <p>'B' is a biddable percentage upto two decimal places and greater than minus Four percentage (i.e. -4%).</p>

		<p>Condensate Price calculation shall be rounded off to three decimal places at all stages till the determination of final price of the Condensate.</p> <p><i>API Adjustment Factor:</i></p> <p>API as reported in Annexure I of the RFP is 45.3 degree</p> <p>API gravity (“A”), as determined by the independent inspector at the time of loading and reported in the certificate of quality issued by the Sellers’ Representative for the subject cargo, shall be considered to determine the adjustment factor using below provided table.</p> <p>Full API degree calculation shall be rounded off to one decimal place for determining the API adjustment factor.</p> <table border="1" data-bbox="555 728 1444 1164"> <thead> <tr> <th><u>API Range</u></th> <th><u>Adjustment Factor Rule</u></th> </tr> </thead> <tbody> <tr> <td>If A < 44.30</td> <td>Price shall be escalated by USD 0.040 per net Barrel for each 0.10 API degree lower than 44.30 degree.</td> </tr> <tr> <td>If 44.30 <= A <= 46.30</td> <td>No adjustment in price</td> </tr> <tr> <td>If 46.30 < A</td> <td>Price shall be de-escalated by USD 0.040 per net Barrel for each 0.10 API degree greater than 46.30 degree.</td> </tr> </tbody> </table>	<u>API Range</u>	<u>Adjustment Factor Rule</u>	If A < 44.30	Price shall be escalated by USD 0.040 per net Barrel for each 0.10 API degree lower than 44.30 degree.	If 44.30 <= A <= 46.30	No adjustment in price	If 46.30 < A	Price shall be de-escalated by USD 0.040 per net Barrel for each 0.10 API degree greater than 46.30 degree.
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If 44.30 <= A <= 46.30	No adjustment in price									
If 46.30 < A	Price shall be de-escalated by USD 0.040 per net Barrel for each 0.10 API degree greater than 46.30 degree.									
10.	Taxes and duties	All the applicable taxes & duties post transfer of title and risk will be on account of the Buyer.								

4. Eligibility Criteria

Each Bidder shall be required to meet the following basic eligibility criteria in order to participate in the bid process:

- 4.1. Bidder should be an entity registered under the Companies Act 1956/Companies Act 2013/Multi State Cooperative Societies Act, 2002/Indian Partnership Act 1932/Limited Liability Partnership Act 2008;
- 4.2. Bidder should be ready to offtake Condensate during the Expected Sale Period from the Delivery Point;
- 4.3. Bidder be an end consumer or an Affiliate of the end consumer of the Condensate with an installed refining capacity of at least 1 MMTPA (20 KBPD) of crude oil;

Bidders would be required to submit the documents as detailed in Section 5 and Section 6.2 of this RFP adhering to the instructions laid out in this RFP.

5. Counterparty Due Diligence (“CDD”) Process

- 5.1. For undertaking the CDD Process, each Bidder is required to submit below listed documents (and execute the form provided in Annexure V of this RFP) before the date as specified at Section 7 of this RFP to Mahesh.sikaria@ril.com and Abhishek.bhatia@ril.com.
- 5.1.1. *Counterparty contact details* – name & e-mail address of the person who can be contacted for follow on information required for CDD Process;
- 5.1.2. GST registration number of counter party;
- 5.1.3. PAN of counter party;
- 5.1.4. Certification of incorporation.
- 5.2. On submission of above documents, a follow-on request to fill an online form will be sent to the email address provided in Section 5.1.1 of this RFP to proceed further with “CDD”.
- 5.3. For Bidders who have successfully cleared the CDD process during prior bid rounds can seek waiver for CDD process by sending email. Waiver will be granted by the Sellers’ Representative only if the Bidder has duly cleared the requirement during prior bid rounds. Sellers’ Representative shall have the sole discretion and reserve the right to demand any document considered relevant to grant such waiver. Relevant Bidder needs to seek such waiver at the time of pre-Bid query submission (i.e. 15:00 hours 11th October 2023).

6. Bidding Process

- 6.1. **Bidding Information:** Sellers’ Representative published a NIO in below listed leading Indian newspaper, providing instruction for downloading the RFP and Agreement. RFP provides information to the Bidders about the requisites for participating in the bidding process along with relevant information relating to the bidding process.

Publication	Edition & Language	Date of publication
Eenadu	Andhra Pradesh (Telugu)	6 th October 2023
Times of India	National (English)	6 th October 2023

The NIO is also being hosted on (i) RIL’s website at <https://www.ril.com/eB2B/Notice-Inviting-Offer-KG-DWN-98-3.aspx> and (ii) BPEAL’s website at https://www.bp.com/en_in/india/home.html.

- 6.1.1. **Submission of pre-bid queries:** All the queries pertaining to the bid process can be sent to Mahesh.sikaria@ril.com and Abhishek.bhatia@ril.com as per the date specified in Section 7 of this RFP. Sellers’ Representative will make best endeavour to provide responses to the

queries within two days. While sending the pre-bid queries, Bidder shall be required to mention the reference number of this RFP No. KGD6/CONDENSATE/2023/10 in the email.

6.2. **Bid Submission:** Bids should be submitted in two parts: (i) *“Technical Unpriced Bid”* and (ii) *“Price Bid”*, which should be in *two separate e-mail*. All bids must be in English language only and in typed or printed form. No bid, which has been corrected or overwritten, shall be accepted.

6.2.1. **Technical Unpriced Bid:** In order to satisfy the Sellers of its competence, each Bidder must provide below listed documents as part of the Technical Unpriced Bid before the date as specified at Section 7 of this RFP. The Sellers reserve the right to reject the Price Bid of those bidders if (a) the Sellers are not satisfied with Buyer’s technical competence, (b) Buyer fails to furnish all information/documents listed under Section 6.2.1.2.

6.2.1.1. Technical Unpriced Bid e-mail subject to read *“Technical Un-priced Proposal against RFP no. KGD6/CONDENSATE/2023/10”* and will be sent to Mahesh.sikaria@ril.com and Abhishek.bhatia@ril.com. Each Bidder is required to execute the form provided in Annexure III. No oral or telephonic or physically submitted proposals or modifications in the proposal shall be considered under any circumstances.

6.2.1.2. Such e-mails shall contain scanned Portable Document Format (PDF) copy of the following documents from the Bidder:

- a. Factory License
- b. In case, the end user is an Affiliate of the Bidder, a certificate from a Chartered Accountant establishing relationship between the Bidder and such Affiliate
- c. its Company Registration Certificate
- d. its Audited Financial Statements for the last three financial years. In case company’s incorporation is for less than three (3) years, then it shall provide the Audited Financial Statement since inception till date;
- e. its PAN Card;
- f. its Value Added Tax Registration Certificate;
- g. its Central Sales Tax Registration Certificate;
- h. its Goods & Services (GST) Registration Certificate;
- i. its Memorandum of Association and Articles of Association;
- j. its copy of TAN;
- k. Valid and notarised POA/Board Resolution delegating required authority to the Bidder’s Authorized Representative. The Board Resolution should be signed by the company secretary certifying its validity till the execution of the Agreement. Bidder shall ensure that POA is valid till the execution of the Agreement.

- I. All undertakings as provided in Annexure III and V duly signed by Bidder's Authorised Representative.
- 6.2.1.3. For Bidders whose Technical Unpriced Bid was duly accepted by the Sellers' Representative during prior bid rounds can seek waiver for submission of Technical Unpriced Bid for current process by sending email. Waiver will be granted by the Sellers' Representative only if the Bidder has duly cleared the requirement during prior bid rounds. Sellers' Representative shall have the sole discretion and reserve the right to demand any document considered relevant to grant such waiver. Relevant Bidder needs to seek such waiver at the time of pre-Bid query submission (i.e. 15:00 hours 11th October 2023).
Sellers may reject any bid without seeking any clarification from the Bidder, if such Bidder: (i) fails to furnish any information / documents in accordance with the provisions above; or (ii) submits incomplete or incorrect information / documents, which are not as per the requirements of this RFP.
- 6.2.2. **Price Bid:** In the Price Bid, Bidders have to quote for component "B" (up to two decimal places in percentage) in the pricing formula provided in Section 3.9 of this RFP. "B" needs to be submitted as per the format provided in Annexure IV of this RFP. Cargo will be awarded to the highest Bidder (i.e. Buyer) for respective cargo. Determination of the Buyer will be done as per Section 6.3 of this RFP. No Price Bid, which has been corrected or overwritten or submitted without signature and stamp of the Bidder's Authorized Representative, shall be accepted.
- 6.2.2.1. The second PDF file will contain only Price proposal. This file should be saved with name "Price Proposal".
- 6.2.2.2. Bidders shall submit this second PDF file electronically to **kgd6.condensate@ril.com** in a separate email with subject as "Price Proposal against RFP no. KGD6/CONDENSATE/2023/10" as specified in Section 7 of this RFP.
- 6.2.3. Bids shall remain valid till 15:00 hours local India time on 17th October 2023. Bids once submitted cannot be withdrawn.
- 6.2.4. Bidders shall prepare the bids at their own expense and none of the expenses incurred in the preparation and submission of bids can be claimed from the Sellers, regardless of the outcome of the bidding process.

6.2.5. In order to facilitate comparison amongst the bids on the same terms and conditions, Sellers will not accept conditional bids.

6.3. Cargo Allocation

6.3.1. The Bidder quoting highest value of 'B' for the Cargo shall be allocated the cargo.

6.3.2. In the event there is a tie in the highest value of 'B' quoted amongst multiple Bidders ("Tied Bidders"), then Tied Bidders will be provided 24 hours (from intimation by the Sellers' Representative) to re-submit their Price Bid ("Revised Price Bid"), provided that Revised Price Bid cannot be lower than earlier submitted Price Bid. In such case, Revised Price Bid will be valid until 15:00 hours local India time on 19th October 2023. Thereafter following steps shall be followed:

- A. Step A: Tied Bidder whose value of 'B' in the Revised Price Bid is the highest will be allotted the Cargo.
- B. Step B: In the event of tie in the value of 'B' in the Revised Price Bid, successful Bidder will be the one whose Revised Price Bid has been received first by the Seller's Representative.
- C. Step C: In the event Revised Price Bid by any Tied Bidder is not received within 24 hours from intimation by the Sellers' Representative, then valid Revised Price Bid will be considered for remaining Tied Bidders only. Successful Bidder will be decided based on Step A and Step B above in the same order.
- D. Step D: In the event Revised Price Bid by all Tied Bidders are not received within 24 hours from intimation by the Sellers' Representative, then successful Bidder will be the one whose Price Bid had been received first by the Sellers' Representative.

7. Bidding Schedule:

Event	Timeline
Publication of NIO	6 th October 2023
Release of RFP & the Agreement	6 th October 2023
Last Date for submission of pre bid queries	15:00 hours 11 th October 2023
Last date for submission of CDD Process related documents	15:00 hours 12 th October 2023
Bid Due Date	15:00 hours 16 th October 2023

7.1. Any change to above dates will be duly notified by the Sellers' Representative.

8. Notification to the successful Bidder and Execution of the Agreement

- 8.1. On 17th October 2023, Sellers' Representative shall notify the successful Bidder/s ("Buyer") in order to execute the Agreement by 20th October 2023.
- 8.2. The execution of Condensate Sales Agreement ("Agreement") will be subject to the Buyer having cleared the CDD Process to the satisfaction of the Sellers.

9. Other Terms:

- 9.1. Offloading charges: Charges for use of facilities of Ruby FPSO, including pilotage, pullback tug, line/hose handling boat, berth usage, mooring and unmooring, which may be revised from time to time at the discretion of the Sellers, are to be paid by Buyer/Buyer nominated offtake tanker one (1) day prior to the berthing of the vessel.
- 9.2. For all other terms and conditions, including vessel nomination procedure, please be guided by BP Oil International Limited General Terms & Conditions for Sales and Purchases of Crude Oil and Petroleum Products (2015 Edition) ("BP GTC"), which will form Part-II General Terms & Conditions of the Agreements for sale of cargo.
- 9.3. The said Condensate gets classified under Central Excise/ Tariff Heading No. 2709 00 10, i.e. Petroleum Crude Oil, and is available for sale to actual users.
- 9.4. Compliance to all statutory and regulatory requirements under the laws shall be the sole responsibility of the Buyer.

10. General Guidelines

- 10.1. Bidders are expected to thoroughly understand, evaluate, and examine all instructions, forms, requirements, and terms and conditions of the Agreement provided in this RFP.
- 10.2. Each Bidder is required to submit its bid based on the terms and conditions of this RFP and the Agreement, without any deviations or conditionality.
- 10.3. A bid, once submitted, shall be binding on the Bidder who has submitted such bid. Each Bidder undertakes to offtake the Condensate volume as per Section 3.6 of this RFP at the end of the process and at the Condensate Price submitted in the respective Price Bid or Revised Price Bid (if required as per Section 6.3 of this RFP).
- 10.4. In addition to the Condensate Price, each Bidder acknowledges and agrees that it needs to do its own due diligence for any taxes, duties and levies on the purchase of Condensate as per the terms of Agreement;
- 10.5. Each Bidder acknowledges and agrees that this RFP by the Sellers does not constitute any commitment to supply or sell Condensate. The obligation to supply or sell Condensate to a Buyer shall become effective only upon the execution of the Agreement by all the Parties.

- 10.6. In case of any conflict between the provisions of this RFP and the Agreement, the provisions of the Agreement shall prevail.
- 10.7. All the notices, future amendments, if any, to this RFP and the Agreement during the bidding process shall be communicated to all Bidders through email.

11. Rights of Sellers:

- 11.1. The Sellers reserve the right to withhold or withdraw the bidding process at any stage or cancel or modify the process or change / modify / amend any or all provisions of this RFP, at any time, without assigning any reason whatsoever by notice to all Bidders.
- 11.2. The Sellers have sole discretion and reserve the right, without any obligation or liability, to accept or reject any or all of the bids at any stage of the bidding process without assigning any reason whatsoever.
- 11.3. The Sellers, at their own discretion, can seek additional documents from Bidders that they may deem required to ascertain the capability of Bidders to offtake Condensate as per the terms of Agreement.
- 11.4. Absolute right to award the cargo rests with the Sellers and this RFP does not impose or create any legally binding obligation whatsoever on the Sellers.

Annexure I – Indicative Condensate Assay

Attached separately

Annexure II – Condensate Sales Agreement

Attached separately

Annexure III – Bidder Details and Declaration
(Bidder details and Checklist for Bid Submission)

<On Bidder Company's Letterhead>

To,
Mr. Mahesh Sikaria,
Senior Vice President, Commercial and S&BD
Reliance Industries Limited
Reliance Corporate Park,
Building 12 B, Second Floor,
Thane-Belapur Road,
Navi Mumbai 400 701, India

Subject: Declaration for RFP No. KGD6/CONDENSATE/2023/10

Dear Sir,

We, (Bidder to specify its exact legal name) having our registered office atand our principal place of business at do hereby express our interest to participate in the bidding process for sale and purchase of Condensate from KG-DWN-98/3 Block (RFP No. KGD6/CONDENSATE/2023/10). We hereby confirm the following:

S No.	Particulars	Confirmation (Y)
1.	We are: <i>(Please strike off that is not applicable)</i> <ul style="list-style-type: none">▪ the end user of the Condensate.▪ Affiliate of the company which is the end user of the Condensate. Name and location of Condensate/Crude Oil consumption facility is.....	
2.	We hereby confirm that we have read and understood all the terms & conditions of the Request for Proposal No. KGD6/CONDENSATE/2023/10 (RFP).	
3.	We hereby confirm that we have read and understood all terms and conditions of the Condensate Sales Agreement (Agreement)	
4.	We hereby confirm that we have read and understood all the amendments and clarifications issued to RFP and Agreement.	
5.	We hereby confirm that all the details provided by us in this form, all the declaration forms of this RFP and all the forms submitted online are true to the best of our knowledge. We understand that if any detail is found incorrect at a later stage, our bid may stand disqualified.	

In line with the requirements of the documents stated under Section 6.2.1 of above mentioned RFP, we hereby furnish the following documents:

Request for Proposal (RFP) for Sale of Condensate from KG-DWN-98/3 Block

S. No.	Bid documents check list	Confirmation (Y)
1.	Factory License	
2.	(Applicable for Affiliate) Certificate from a Chartered Accountant establishing relationship between the Affiliate and the end user.	
3.	Company Registration Certificate	
4.	Audited Financial Statements for the last three financial years	
5.	PAN Card	
6.	Value Added Tax Registration Certificate	
7.	Central Sales Tax Registration Certificate	
8.	Goods & Services (GST) Registration Certificate	
9.	Memorandum of Association and Articles of Association	
10.	Copy of TAN	
11.	Valid and notarised POA/Board Resolution delegating required authority to the Bidder's Authorized Representative	
12.	Declaration Form in Annexure III	
13.	Declaration Form in Annexure V	

For, [.....]

Authorised Signatory:

Name of the Authorised Signatory:

Designation:

(Company Seal)

Annexure IV – Declaration by the Bidder

<On Bidder Company's Letterhead>

To,
Mr. Mahesh Sikaria,
Senior Vice President, Commercial and S&BD
Reliance Industries Limited
Reliance Corporate Park,
Building 12 B, Second Floor,
Thane-Belapur Road,
Navi Mumbai 400 701, India

Subject: Declaration for RFP No. KG6/CONDENSATE/2023/10

Dear Sir,

We, (Bidder to specify its exact legal name) having our registered office atand our principal place of business at do hereby submit our Price Bid for offered one cargo as below:

S. No.	Cargo Quantity (with tolerance of +/- 10%)	Expected Sale Period	Component "B" (up to two decimal places in percentage)
1.	500,000 bbl	4 th November – 13 th November 2023	

We, (Bidder to specify its exact legal name) shall be legally bound by the terms and conditions of the above referenced RFP and the draft Agreement.

For, [.....]

Authorised Signatory:

Name of the Authorised Signatory:

Designation:

(Company Seal)

Annexure V – Checklist for document submission for Counterparty Due Diligence Process

<On Bidder Company's Letterhead>

To,
Mr. Mahesh Sikaria,
Senior Vice President, Commercial and S&BD
Reliance Industries Limited
Reliance Corporate Park,
Building 12 B, Second Floor,
Thane-Belapur Road,
Navi Mumbai 400 701, India

Subject: Declaration for RFP No. KG6/CONDENSATE/2023/10

Dear Sir,

We, (Bidder to specify its exact legal name) having our registered office atand our principal place of business at do hereby furnish the following documents required under Section 5.1 of above mentioned RFP to complete the Counterparty Due Diligence Process.

S. No.	Document check list	Confirmation (Y)
1.	<i>Counterparty contact details</i> – name & e-mail address of the person who can be contacted for follow on information required for CDD;	
2.	GST registration number of counter party;	
3.	PAN of counter party;	
4.	Certification of incorporation.	

For, [.....]

Authorised Signatory:

Name of the Authorised Signatory:

Designation:

(Company Seal)