



सत्यमेव जयते

पेट्रोलियम एवं
प्राकृतिक गैस मंत्रालय
MINISTRY OF
**PETROLEUM AND
NATURAL GAS**

समुद्र मंथन

SAMUDRA MANTHAN

(National Offshore Exploration Scheme)

Operational Guidelines

HON'BLE PRIME MINISTER'S VISION

“We are working towards becoming self-reliant. To make the country developed, we are moving towards ‘Samudra Manthan’. Taking forward our Samudra Manthan, we want to work in a mission mode towards finding oil and gas reserves under the sea and hence India's National Deep Water Exploration Mission is our important announcement to become energy independent.”

***– Shri Narendra Modi,
Prime Minister of India***



(Extract from the Independence Day address
of Hon'ble Prime Minister from rampart of
Red Fort on 15 August 2025)

FOREWORD BY HON'BLE MINISTER, PNG

हरदीप एस पुरी
HARDEEP S PURI



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भारत सरकार
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FOREWORD

Samudra Manthan draws its name from one of the most enduring images of our civilizational heritage: the churning of the ocean to bring forth its treasures. When the Hon'ble Prime Minister announced Samudra Manthan on the Independence Day, he called upon the nation to undertake a modern-day churning of our seas, in a focused national resolve, to seek out the energy resource that lies beneath them. These guidelines give shape to that call.

Energy is the foundation of Viksit Bharat 2047. For a nation of India's scale and ambition, Energy Atmanirbharta is not a choice but a strategic imperative. With an outlay of ₹84,084 crore up to FY 2030–31, Samudra Manthan represents a decisive shift towards data-led and accelerated exploration, faster development and infrastructure-enabled production across India's offshore frontiers.

The programme seeks to build sovereign capabilities across India's offshore exploration and production value chain. It will map our offshore basins to the very edge of the Exclusive Economic Zone with modern seismic and artificial intelligence; carry exploration into the deepwater and ultra-deepwater frontiers, with the Government standing alongside operators to share the geological risk; and create the common infrastructure that turns stranded discoveries into producing fields. Samudra Manthan is also a statement of national intent: that India will deepen domestic manufacturing and services and convert its geological promise into lasting economic opportunity.

I invite stakeholders across Government, industry, the scientific and technical community and the global energy ecosystem to join us in this national effort. Together, we can turn the promise beneath our seas into a more secure, resilient and self-reliant energy future for India.

(Hardeep S Puri)

Place : New Delhi

15 October, 2026

FROM THE DESK OF SECRETARY

डॉ नीरज मित्तल
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Secretary



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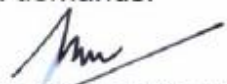
October 10th, 2026

Samudra Manthan marks a structural break in India's approach to offshore exploration. With a Cabinet-approved outlay of ₹84,084 crore, it is the most ambitious upstream oil and gas intervention undertaken in recent times, and it addresses head-on the constraint that policy reform alone could not resolve the economics of deepwater exploration.

The scheme rests on two mutually reinforcing components. The first builds a basin-wide, high-quality seismic and subsurface data backbone, harnessing advanced technologies and artificial intelligence, so that every drilling decision is better informed and every rupee of exploration capital is better directed. The second shares the high geological and capital risk of deepwater and ultra-deepwater drilling with operators through structured milestone-linked funding, supporting common hub infrastructure that unlocks stranded discoveries, and establishing dedicated manufacturing and services zones to anchor a domestic oil and gas ecosystem.

Taken together, these interventions can be a genuine game changer, growing India's reserve base by more than 600 MMTOE, significantly enhancing India's hydrocarbon reserve base, enhancing production and catalysing large-scale investments in India's E&P sector, generating employment across the value chain, and materially reducing import dependence.

These Operational Guidelines translate the scheme into a clear, transparent and time-bound implementation framework. I urge all implementing agencies and industry participants to engage with them in full measure, and to match the scale of this opportunity with the speed of execution it demands.


[Dr. Neeraj Mittal]



वी. पonnुराज, भा.प्र.से.
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Nearly 40 per cent area of Indian sedimentary basins lie within deepwater and ultra-deepwater sectors. Over the years, India has steadily deepened its understanding of its basins through seismic surveys, exploratory drilling, geological studies and data quality enhancement initiatives. Built upon this foundation, Samudra Manthan, with a specific focus on offshore regions, expands the efforts to a considerably large scale. The Samudra Manthan scheme is rooted in the recognition that India's energy future will be shaped by how effectively the nation understands, explores and develops the hydrocarbon resources that lie beneath its seas.

Samudra Manthan will undertake one of the most extensive, integrated offshore exploration campaigns of India, comprising new state of art, basin-wide seismic coverage, applying advanced imaging and modern technologies to existing legacy data, and enabling systematic drilling of prospects across India's deepwater and ultra-deepwater basins. This aims to improve geological understanding which results in defining new exploration opportunities and providing a credible scientific basis for future investment decisions.

With the operational guidelines now in place, Samudra Manthan enters its implementation phase. This national initiative will have to be taken forward as a joint and collaborative effort, bringing together the Government, national oil companies, private operators, and the wider technical and service ecosystem. The scale and complexity of the task ahead calls for sustained partnerships involving all stakeholders, each contributing their expertise and capability towards a shared objective.

Our endeavour is to enhance India's energy security in a meaningful and lasting way by unlocking country's offshore potential, accelerating domestic production and reducing dependence on imported hydrocarbons. We look forward to the active participation of the industry in carrying this endeavour forward.

(V. Ponnuraj)

Director General
Directorate General of Hydrocarbons

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Exploration rewards those who remain invested in it. A basin reveals its treasure to patient work: one survey, one well, one season at a time, justifying the need for a मंथन. India's maritime jurisdiction offers great hope and promise for energy self-reliance.

The last decade of reforms has given us secure foundations to pursue this with confidence. Open acreage, modernised laws and rules, a simplified contractual and regulatory framework and stronger data availability have built a stable base for explorers who plan for the long term. Each reform in this crucial energy sector has reinforced the one before it, in the process preparing India to take the big leap.

The timing is right. The world has returned decisively to frontier exploration, deep waters in particular, and the last five years have been especially strong. Major discoveries in Brazil, Africa and South East Asia stand as ample testimony to the fact that deepwater is the place to explore. Each of these regions rewarded sustained investment in subsurface knowledge and steady drilling, without impatiently giving up on the exploration effort. India can hence draw great confidence and direction from these examples.

The energy security scenario has changed rapidly in this period, and it has given every nation a fresh reason to look again at its own geology. From that perspective, Samudra Manthan gives India's energy security vision, a coordinated framework. It places richer subsurface data in the hands of our geoscientists, gives operators a firmer basis for investment decisions, facilitates risk mitigation and brings national oil companies, private / independent operators, international partners, service providers and training institutions together.

The *Gita* clearly identifies the quality that exploration demands from all of us: अभ्यास, or steady practice. Samudra Manthan follows the same principle. Consistent effort over many cycles builds the knowledge, the practice, the capability and the confidence that making a discovery demands.

असंशयं महाबाहो मनो दुर्निग्रहं चलम्।
अभ्यासेन तु कौन्तेय वैराग्येण च गृह्यते॥

(O mighty-armed! Without doubt, the mind is restless and hard to control. With practice and detachment, O Arjuna, it can be mastered.)

I extend my appreciations to the DGH, operators, service providers and all other stakeholders for their support and contributions towards conceptualizing this landmark scheme.

I welcome every partner to this journey to become the अर्जुन which The *Gita* envisages.

(Vinod Seshan)

ACKNOWLEDGEMENT

Samudra Manthan draws its inspiration from the vision of the Hon'ble Prime Minister of achieving an energy-secure and Atmanirbhar Bharat – this vision calls upon the nation to explore its deepwater and ultra-deepwater basins with a bold ambition and a sense of urgency. These Operational Guidelines are a step towards translating that vision into action. The formulation of the Scheme and these Guidelines has been guided by the leadership of the Hon'ble Minister of Petroleum & Natural Gas and the stewardship of the Secretary, Ministry of Petroleum & Natural Gas, whose direction shaped both the ambition and the discipline of the framework.

Gratitude is due to the Director General, Directorate General of Hydrocarbons, and the officers and the staff of DGH, whose technical depth anchors every component of the Scheme. Acknowledgement is also due to the tireless efforts of the entire Exploration Division, who steered the Scheme's design and drafting. The Ministry also acknowledges the support of Kearney, whose inputs contributed to structuring the governance framework and these Operational Guidelines.

The Guidelines have been enriched by extensive consultations with E&P companies. Above all, the Ministry thanks the people of India's E&P industry – the geoscientists, engineers, drilling crews and service professionals whose daily work gives this Scheme its purpose and its promise.

Vinod Seshan

Joint Secretary (Exploration)

Ministry of Petroleum and Natural Gas



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खनन् हि कूपं यदवारि विन्दति तदा न लोकः
परिशङ्कते क्रियाम्।
श्रमेण सर्वं लभते च मानवो विना श्रमेणात्र न लभ्यते
किञ्चित्॥



***Just as striking water (resource)
vindicates the one who digs a well,
striking oil and gas beneath our seas will
vindicate every well the nation drills.***

***Through effort alone is resource (energy)
attained; without effort, nothing is gained.***





THE LANGUAGE OF SAMUDRA MANTHAN

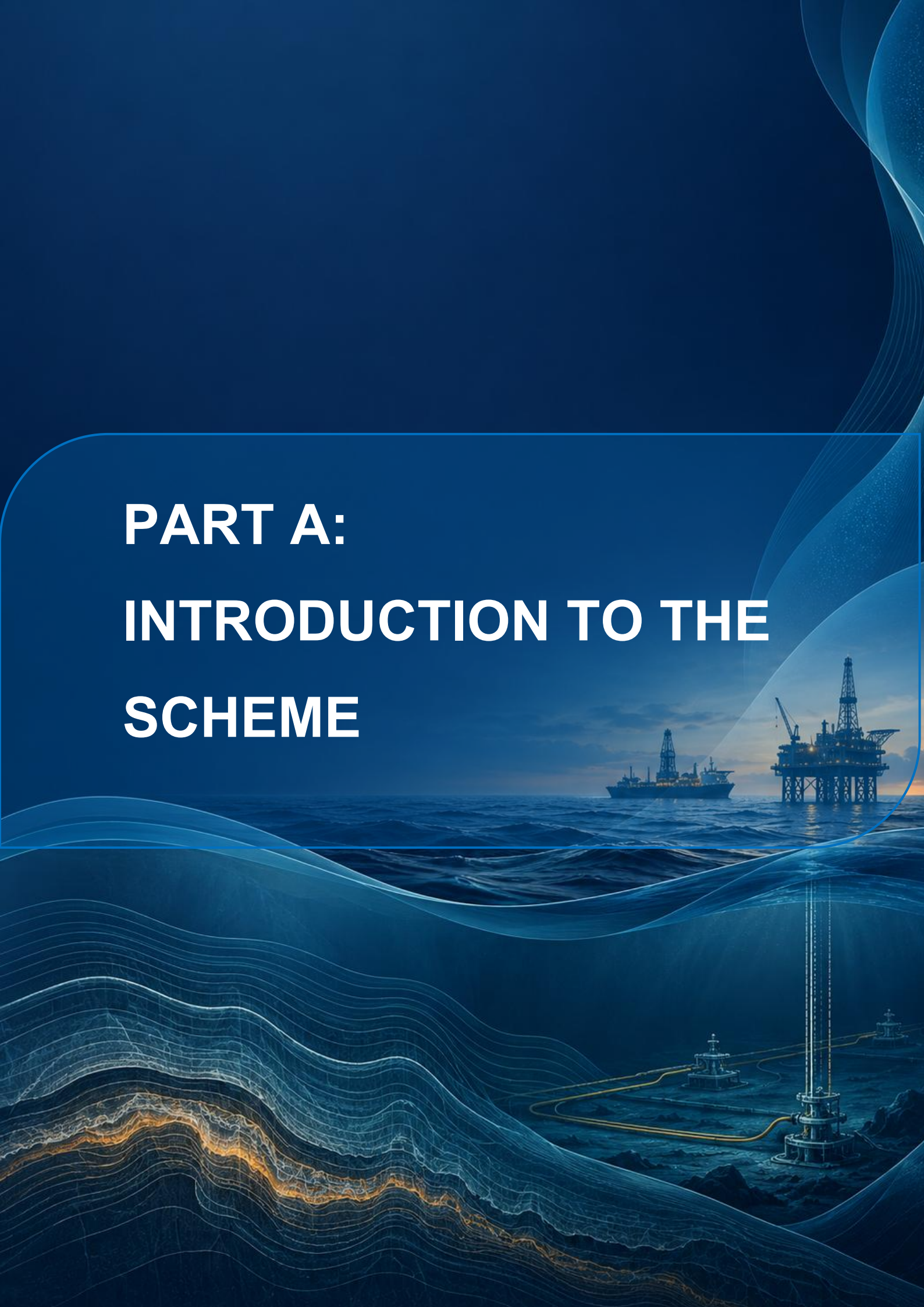




TABLE OF CONTENTS

PART A: INTRODUCTION TO THE SCHEME	13
CHAPTER 1: BACKGROUND	14
CHAPTER 2: INTRODUCTION AND OBJECTIVES OF THE SCHEME	17
CHAPTER 3: APPLICABILITY AND COVERAGE	20
CHAPTER 4: DURATION AND DETAILS OF THE SCHEME	22
CHAPTER 5: DEFINITIONS AND ACRONYMS	24
CHAPTER 6: SCHEME STRUCTURE	29
CHAPTER 7: INSTITUTIONAL AND GOVERNANCE FRAMEWORK	31
PART B: COMPONENTS OF THE SCHEME	42
CHAPTER 8: COMPONENT 1 - OFFSHORE DATA ACQUISITION, PROCESSING AND INTERPRETATION	43
CHAPTER 9: COMPONENT 2A: OFFSHORE EXPLORATION ACCELERATION	59
CHAPTER 10: COMPONENT 2B: INFRASTRUCTURE-LED DEEPWATER PRODUCTION AND EXPLORATION	70
CHAPTER 11: COMPONENT 2C: OIL & GAS MANUFACTURING AND SERVICES ZONE(S)	80
PART C: GENERAL GUIDELINES	89
CHAPTER 12: COMPLIANCE AND CHANGE CONTROL	90
CHAPTER 13: ENVIRONMENT, HEALTH, SAFETY AND SUSTAINABILITY	92
CHAPTER 14: MONITORING, REPORTING AND HUMAN RESOURCES	94
CHAPTER 15: CONVERGENCE WITH OTHER SCHEMES AND PROGRAMS	96
CHAPTER 16: PUBLIC-PRIVATE COLLABORATION	97
CHAPTER 17: PROMOTION, PARTICIPATION AND ENGAGEMENT BY OIDB	98
CHAPTER 18: GRIEVANCE REDRESSAL MECHANISM	101
PART D: ANNEXURES	102

PART A: INTRODUCTION TO THE SCHEME



CHAPTER 1: BACKGROUND



1.1 Purpose of the Operational Guidelines

- 1.1.1** The Cabinet approved Samudra Manthan (National Offshore Exploration Scheme) as a Central Sector Scheme of the Ministry of Petroleum and Natural Gas (MoPNG), with an outlay of ₹84,084 crore till FY 2030-31.
- 1.1.2** The scheme has two components: (1) Offshore Data Acquisition, Processing and Interpretation (API); and (2) Offshore Exploration Acceleration and Infrastructure-Led Production.
- 1.1.3** These Operational Guidelines have been issued in exercise of the powers conferred on the Minister, Petroleum and Natural Gas (PNG), under the Cabinet approval.
- 1.1.4** These guidelines consolidate, at the scheme level, the operating instructions for different Components under the scheme and are structured in accordance with the format conventionally adopted for Central Sector Scheme guidelines.

1.2 Amendment to the Operational Guidelines

- 1.2.1** The Executive Committee, with the approval of the Minister, MoPNG, may amend or supplement these guidelines and may issue additional guidelines, from time to time based on the implementation experience, within the Cabinet approved scheme ceiling and objectives.
- 1.2.2** Where a specific provision in a component guideline conflicts with these guidelines or the Cabinet approved scheme, clarification shall be issued with the approval of the Minister, PNG. In the event of any inconsistency between these Guidelines and the Cabinet-approved Scheme or any applicable law, rules or regulations, the provisions of the Cabinet-approved Scheme or such law, rules or regulations, as the case may be, shall prevail.

1.3 **Objectives of the Operational Guidelines**

- 1.3.1** Provide a clear implementation framework for each component of Samudra Manthan.
- 1.3.2** Define the roles and responsibilities of the Ministry of Petroleum and Natural Gas (MoPNG), the Directorate General of Hydrocarbons (DGH), Program Steering and Monitoring Unit (PSMU), assessment/ appraisal boards, operators, and implementing entities.
- 1.3.3** Establish the eligibility, appraisal, approval, procurement and implementation processes for projects and proposals under the Scheme.
- 1.3.4** Set out the payment, disbursement, monitoring and reporting mechanisms for Scheme funding.
- 1.3.5** Ensure consistency, transparency, and timely decision-making across all components.
- 1.3.6** Provide a common basis for techno-commercial review, financial oversight, milestone verification, and change control during implementation.

CHAPTER 2: INTRODUCTION AND OBJECTIVES OF THE SCHEME



WHAT IS SAMUDRA MANTHAN?

Samudra Manthan is proposed as a national scheme to accelerate offshore and deepwater exploration and production through a coordinated package of rigorous technical appraisals, financial support, technology adoption, common infrastructure and institutional interventions, with the objective of strengthening India's long-term energy security.

Through intensified exploration and production in offshore deepwater and ultra-deepwater basins, Samudra Manthan seeks to add new recoverable national hydrocarbon reserves and accelerate discovery monetization, thereby strengthening national energy security, reducing dependence on hydrocarbon imports and establishing an enduring sovereign capability across the offshore E&P value chain.

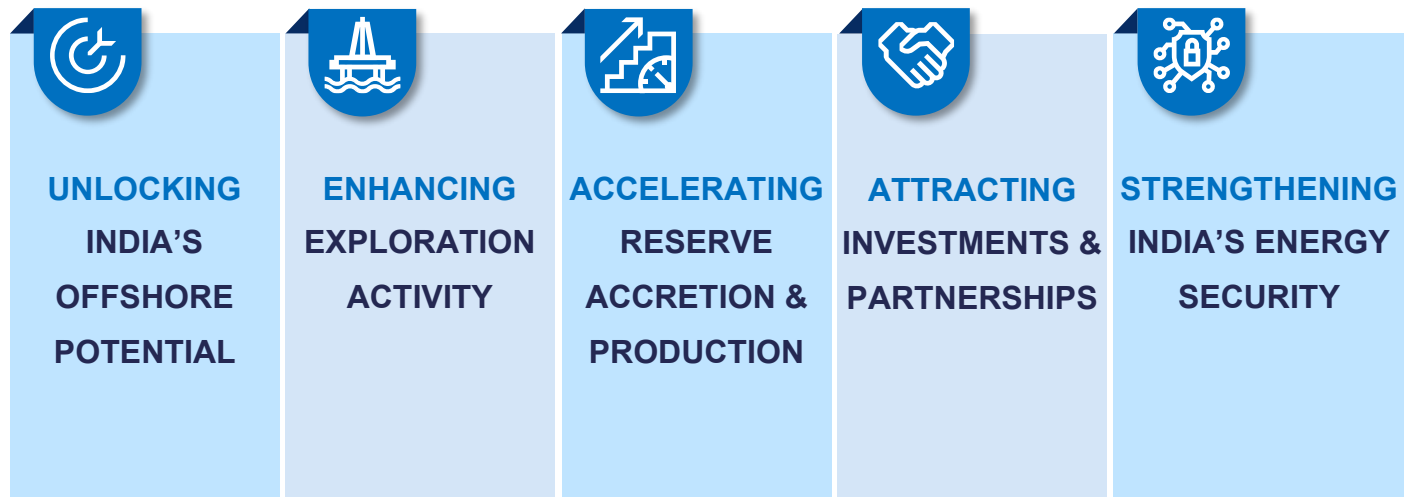
The scheme has been notified, and the office memorandum (OM) is attached in Annexure IX.

OBJECTIVES OF THE SCHEME

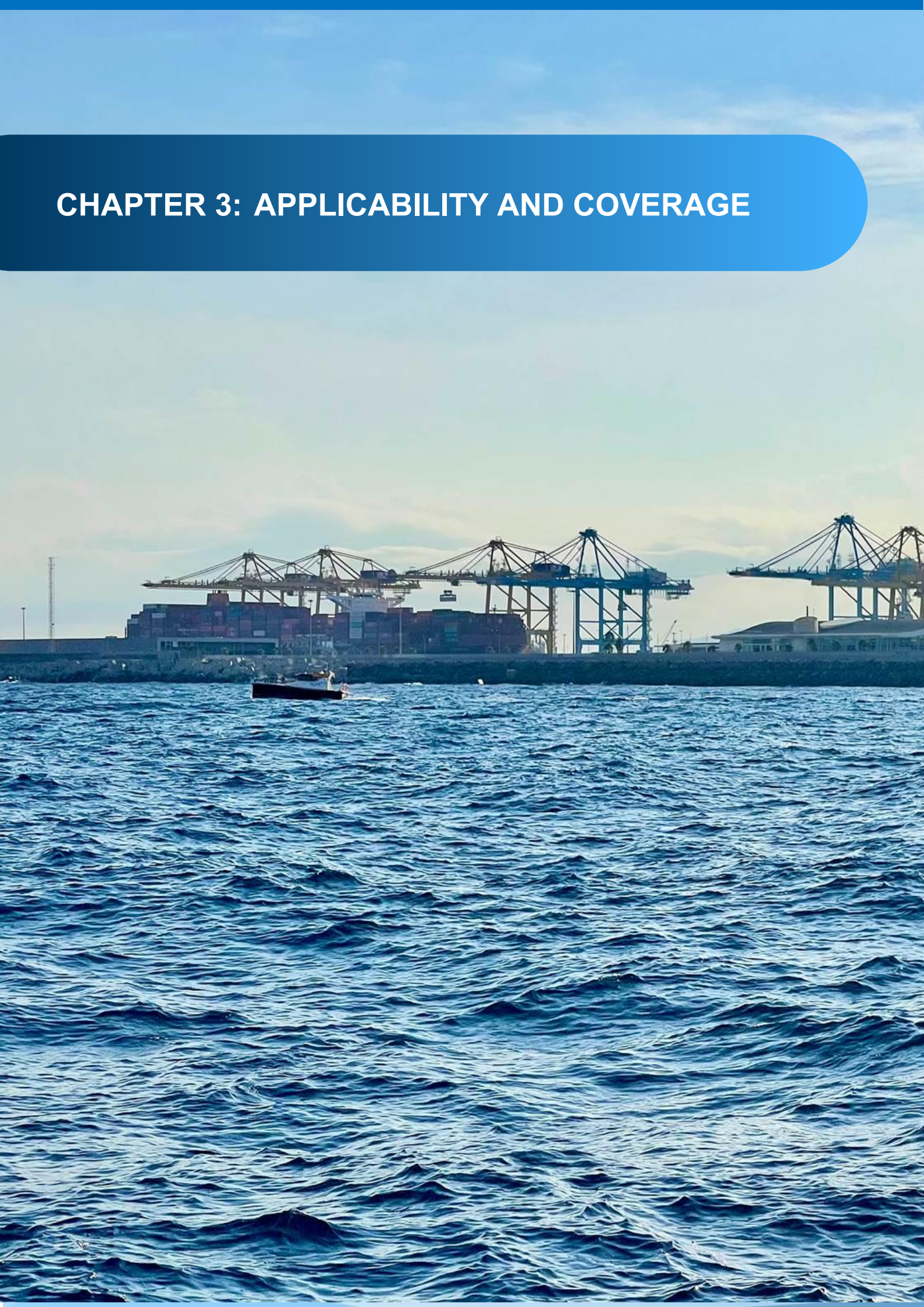
- 2.1** Bring focus on domestic exploration back into the Exploration and Production Ecosystem in India to expedite exploration, accelerate discovery making, build national hydrocarbon reserves and monetize those reserves, enhance Reserve Replacement Ratio, through intensified exploration, development and production in deepwater and ultra-deepwater basins.
- 2.2** Build a basin-wide, high-quality seismic and subsurface data backbone to improve prospectivity, enable prospect identification, drilling-location selection, improve exploration success rates aimed at promoting investment in the Exploration and Production (E&P) sector for enhanced national production.
- 2.3** Share the high capital risk of deepwater and ultra-deepwater drilling with eligible Exploration and Production (E&P) operators through structured, milestone-linked funding.
- 2.4** Unlock stranded and sub-scale discoveries through common hub infrastructure model developed on an open-access and facility sharing principle.
- 2.5** Anchor the domestic oil and gas services and manufacturing ecosystem and integrate the services industry as a central part of the E&P ecosystem in India.

- 2.6** Strengthen national energy security, reduce hydrocarbon import dependence, and build enduring sovereign capability across the offshore E&P value chain, while catalyzing co-investment from both domestic as well as international and national oil companies of the world.

WHAT VALUE WILL THIS ADD?



CHAPTER 3: APPLICABILITY AND COVERAGE



- 3.1 Applicability** – These guidelines shall apply to all activities under Samudra Manthan and to National Oil Companies (NOCs), private E&P operators, Multi-Client Agencies (MCAs), implementing entities (SPV/JV) and other stakeholders participating in, or seeking funding under, Samudra Manthan.
- 3.2 Geographic coverage** – The scheme covers deepwater and ultra-deepwater offshore sedimentary basins within the Exclusive Economic Zone of India on both the East and West Coasts and the Andaman basin. This includes acreage already awarded under the Open Acreage Licensing Policy (OALP), Discovered Small Field (DSF) and acreage under current bidding rounds and future rounds. Common Infrastructure is initially envisaged for the Mahanadi Basin and may be extended to other basins such as Kutch, Krishna-Godavari, Cauvery, Cambay etc. subject to approvals.
- 3.3 Stakeholder categories covered** – Without limiting Section 3.1, these guidelines are addressed, in particular, to: (a) Directorate General of Hydrocarbons (DGH); (b) National Oil Companies (ONGC, OIL), Private and international E&P operators holding or seeking acreage under suitable regimes; (c) Multi-Client Agencies under the Multi-Client Model; (d) Special Purpose Vehicle/Joint Venture and other implementing entities constituted for Common Infrastructure; (e) State Governments; (f) Department for Promotion of Industry and Internal Trade (DPIIT) and any implementing agency in respect of the Oil & Gas Manufacturing and Services Zone(s); (g) Assessment and Appraisal Boards engaged in support of appraisal, monitoring or disbursement functions; (h) OIDB.
- 3.4** These operational guidelines may be complemented with further guidelines for the assessment and appraisal boards, namely the Technical Assessment Board, Data Appraisal Board and Infrastructure Appraisal Board. Detailed charters of the SAMPADA Lab (Samudra Manthan Partnership for Data Analytics Lab) and the three clubs – Samudra Manthan Club for students, Basin Masters Club and VEDHAN Club will be notified separately.

CHAPTER 4: DURATION AND DETAILS OF THE SCHEME



- 4.1 Scheme duration:** The Samudra Manthan Scheme shall be implemented from **FY 2027-28 to FY 2030-31**, constituting Phase-I of the Scheme, with **FY 2026-27** designated as the preparatory year.
- 4.2 Effect of expiry –** Upon expiry of the Scheme period, no new funding commitment or project approval shall ordinarily be made under the Scheme, unless otherwise approved by the Government. Commitments validly made during the Scheme period shall continue to be administered and discharged in accordance with the terms and conditions of the relevant approval/sanction until completion of the approved project.
- 4.3** The expiry or subsequent modification of the Scheme shall not, by itself, affect the validity of any approval, sanction or commitment validly issued during the Scheme period. Such approval, sanction or commitment shall continue to be governed by the terms and conditions specified therein, subject to applicable law and any subsequent direction or decision of the Government or the competent authority.
- 4.4** Any arbitration arising under the Scheme shall be governed by applicable laws of the land.

CHAPTER 5: DEFINITIONS AND ACRONYMS



5.1 DEFINITIONS

- 5.1.1 “Change Control”** means the formal process for identifying, evaluating, approving, documenting and implementing any proposed change to the approved scope, cost, timelines, milestones, technical specifications, funding arrangements or other material parameters of a project or activity under the Scheme.
- 5.1.2 “Deepwater Area”** means offshore areas falling beyond the 400-meter water depth and up to 1,500 meters; **“Ultra-Deepwater Area”** means offshore area falling beyond the 1,500-meter water depth.
- 5.1.3 “Unsuccessful Well”** means an exploratory or appraisal well drilled and evaluated in accordance with the approved well design and drilling program that does not result in a Successful Commercial Discovery, including a dry well or a well encountering hydrocarbons that are not technically or commercially recoverable.
- 5.1.4 “Successful Commercial Discovery”** means a Discovery of Mineral Oil which is determined to be of a commercial nature in accordance with the applicable Revenue Sharing Contract, and for which the Development Area proposed in the Field Development Plan has been approved by the Management Committee, where such Discovery:
- a) is made through one or more Scheme-funded wells; or
 - b) is made pursuant to the exploration campaign in the same pool of which one or more Scheme-funded wells form part.
- 5.1.5 “Commercial Production”** means production of Mineral Oil from the Contract Area, excluding production for testing purposes, and delivery of the same at the relevant Delivery Point under a programme of regular production and sale carried out in accordance with the applicable Field Development Plan and relevant Contract.
- 5.1.6 “Pool”** means a distinct subsurface accumulation of Mineral Oil and/or natural gas contained in a single Reservoir, or in two or more interconnected Reservoirs, characterized by a single natural pressure system such that production from any part of the accumulation affects reservoir pressure throughout its extent, evidencing fluid or pressure communication across the accumulation as a whole; and separated from any other accumulation of Mineral Oil by geological, hydrodynamic, or other subsurface conditions.

5.2 Terms not specifically defined in these guidelines shall have the meanings assigned to them under the latest MoPNG/ DGH or any other Government of India legislations, rules and regulations, policies and guidelines, as amended from time to time.

5.3 **ACRONYMS**

5.3.1 For the purpose of these guidelines, unless the context otherwise requires, the acronyms are detailed below:

Term	Meaning
AFE	Authorization for Expenditure
API	Acquisition, Processing and Interpretation
BHAVYA	Bharat Audyogik Vikas Yojana
CBM	Coal Bed Methane
CNA	Central Nodal Agency
CPGRAMS	Centralized Public Grievance Redress and Monitoring System
CPSE	Central Public Sector Enterprise
CRZ	Coastal Regulation Zone
CWP	Committed Work Programme
DAB	Data Appraisal Board
DGH	Directorate General of Hydrocarbons
DPIIT	Department for Promotion of Industry and Internal Trade
DPR	Detailed Project Report
DSF	Discovered Small Field
EC	Executive Committee
EIA	Environmental Impact Assessment

Term	Meaning
EOI	Expression of Interest
EPC	Engineering, Procurement and Construction
ESC	Empowered Steering Committee
E&P	Exploration and Production
FDP	Field Development Plan
FEED	Front-End Engineering Design
FLNG	Floating Liquefied Natural Gas
FPSO	Floating Production, Storage and Offloading
FSO	Floating Storage and Offloading
HSE	Health, Safety and Environment
IAB	Infrastructure Appraisal Board
IOE	Independent Owner's Engineer
JV	Joint Venture
KPI	Key Performance Indicator
LD	Liquidated Damages
MC	Management Committee
MCA	Multi-Client Agency
MCM	Multi-Client Model
MoU	Memorandum of Understanding
MOPU	Mobile Offshore Production Unit
MSME	Micro, Small and Medium Enterprises

Term	Meaning
MWP	Minimum Work Programme
NDR	National Data Repository
NOC	National Oil Company
O&M	Operations and Maintenance
OALP	Open Acreage Licensing Policy
OIDB	Oil Industry Development Board
PFMS	Public Financial Management System
PIB	Public Investment Board
PIA	Project Implementing Agency
PSC	Production Sharing Contract
PSMU	Program Steering and Monitoring Unit
QC	Quality Control
RBI	Reserve Bank of India
RFP	Request for Proposal
RSC	Revenue Sharing Contract
SM-OOMS	Samudra Manthan Offshore Operations Monitoring System
SPV	Special Purpose Vehicle
TAB	Technical Assessment Board
VGF	Viability Gap Funding

CHAPTER 6: SCHEME STRUCTURE



- 6.1** Samudra Manthan scheme has two components.
- 6.1.1 Component 1:** Offshore Data Acquisition, Processing & Interpretation (1A, 1B, 1C – detailed in Table 1) establishes the subsurface data foundation via Seismic Data Acquisition, Processing and Interpretation.
- 6.1.2 Component 2:** Offshore Exploration Acceleration and Infrastructure-Led Production (2A, 2B, 2C – detailed in Table 1) converts that data foundation into drilling, production and industrial outcomes.

TABLE 1: SCHEME COMPONENTS

#	COMPONENT
1	OFFSHORE DATA ACQUISITION, PROCESSING & INTERPRETATION
1A	2D Seismic data acquisition for basin-wide coverage
1B	3D Seismic Data Acquisition (& other techniques)
1C	NDR Data Re-processing & AI tools implementation
2	OFFSHORE EXPLORATION ACCELERATION AND INFRASTRUCTURE-LED PRODUCTION
2A	Offshore Exploration Acceleration
2B	Infrastructure-Led Deepwater Production and Exploration
2C	Oil & Gas Manufacturing and Services Zone(s)

CHAPTER 7: INSTITUTIONAL AND GOVERNANCE FRAMEWORK



7.1 The scheme shall be implemented through a tiered governance framework, summarized below (Table 2) and detailed in the succeeding sub-sections.

TABLE 2: GOVERNANCE STRUCTURE AT A GLANCE

BODY	CHAIR/ HEAD	KEY ROLE(S)
Empowered Steering Committee (ESC)	Cabinet Secretary	Inter-ministerial coordination, resolution of any issues and overall implementation guidance
Executive Committee (EC)	Secretary, MoPNG	Appraisal, oversight of budget, review and monitoring of scheme implementation
Program Steering and Monitoring Unit (PSMU)	Scheme Director, PSMU (Joint Secretary level)	Policy coordination, day-to-day program review and steering, management and monitoring, stakeholder engagement, KPI analysis, policy inputs, preparing agenda and conduct of EC and ESC meetings.
Directorate General of Hydrocarbons (DGH)	Director General, DGH	(a) Project Implementing Agency (PIA) for the data components (Component 1); (b) Secretariat/ technical support to the assessment/ appraisal boards; (c) Verification and monitoring responsibilities across all Components; (d) Implementation of SM-OOMS; (e) Central Nodal Agency (CNA) for the Scheme; and (f) other functions assigned under the Scheme.

7.2 Empowered Steering Committee (ESC)

7.2.1 Chaired by the Cabinet Secretary, the Empowered Steering Committee (ESC) is the apex body for the scheme.

7.2.2 The ESC shall review scheme progress (half-yearly or as appropriate) against defined KPIs and milestones; provide overall implementation guidance; resolve cross-cutting, multi-ministerial issues; facilitate clearances/approvals; oversee scheme-related international partnerships/MOUs; and consider escalations from the Executive Committee.

7.3 Executive Committee (EC)

7.3.1 The EC, chaired by Secretary, MoPNG, shall undertake final appraisal of the drilling proposals shared by operators and the DGH (on data projects) etc. The EC shall also appraise projects proposed under components 2B and 2C submitted by operators / stakeholders.

7.3.2 EC shall carry out the final appraisal, supported by the recommendations of the TAB/DAB/IAB.

7.3.3 EC may invite members of the TAB/DAB/IAB or operators to the meeting for discussions as special invitees.

7.3.4 Where EC is satisfied with the recommendations of the TAB/DAB/IAB, based on the appraisal, it may decide on recommending the proposals for approval of Minister, PNG.

7.3.5 EC shall exercise executive and overall implementation oversight, review operational progress on a monthly/quarterly basis, and recommend operational interventions and course corrections proposed by PSMU.

7.3.6 EC shall also review budgets/utilization and recommend re-appropriations across components to the Minister, PNG or competent authority for approval; review and recommend adjustments to scope/targets/resources to the Minister, PNG or competent authority for approval.

7.3.7 EC shall submit quarterly progress reports to the ESC; and may refer any pending issues to the ESC.

7.4 Program Steering and Monitoring Unit (PSMU)

7.4.1 PSMU, established within MoPNG and coterminous with the scheme, shall be the nodal office for the scheme.

- 7.4.2** The PSMU shall be headed by a Scheme Director (Joint Secretary level) and shall function as the Secretariat and Convener of the Executive Committee / Empowered Steering Committee.
- 7.4.3** PSMU will undertake strategic planning by consolidating the component-wise plan received from DGH and other implementing agencies.
- 7.4.4** PSMU will undertake overall monitoring and reporting of the scheme, identify and finalize KPIs with EC's approval, take up coordination, review of overall budget/ utilization and facilitate expenditure sanction by the Minister, PNG.
- 7.4.5** PSMU will also coordinate with the assessment / appraisal boards under the scheme, coordinate with E&P operators for well drilling, coordinate with implementing agencies for the infrastructure components; present monthly/quarterly progress reports to the EC for review and subsequent submission of quarterly reports to the ESC; monitor the performance of PIA and other implementing units towards achieving the scheme objectives and the defined KPIs, facilitate stakeholder consultations, industry engagement and international partnerships; grievance-redressal; and conduct mid-term and final scheme evaluation.
- 7.4.6** PSMU shall actively engage in tracking performance of various implementing agencies, as well as promotion and engagement activities undertaken by OIDB.
- 7.5 Directorate General of Hydrocarbons (DGH)**
- 7.5.1** DGH shall perform the following key roles under the Scheme.
- 7.5.2 Project Implementing Agency (PIA) for the Data Components (Component 1)**
- a) DGH shall be the Project Implementing Agency (PIA) for the data components (Components 1A, 1B and 1C), covering cost estimation, procurement planning, bid-document preparation, tender publication, bid evaluation, bid approval, award of contract, project execution, bill verification, payment and ongoing quality assurance.
 - b) DG, DGH shall obtain necessary administrative approvals and expenditure sanction for the data projects from Minister, PNG post suitable appraisal.

- c) DG, DGH shall be the Competent Authority for bid invitation, evaluation, approval and award of contracts for Component 1. DGH may constitute appropriate committees for the said purpose.
- d) General Financial Rules and Standard Bidding Documents issued by the Ministry of Finance may be adopted with suitable modification.
- e) Being the PIA and the Central Nodal Agency for the scheme, DGH shall actively pursue the mandates envisaged in this document.
- f) DGH can undertake tendering in view of the financial powers delegated.

7.5.3 Secretariat Support to the Assessment/ Appraisal Boards (TAB, DAB and IAB)

- a) DGH shall convene the DAB and IAB (in consultation with the chairperson of the DAB/ IAB) for techno-commercial appraisal on data and infrastructure/ manufacturing-zone matters respectively and shall provide the necessary technical, logistical and administrative support to all three Boards including the TAB.
- b) DGH shall undertake such activities as sought by the TAB.
- c) DGH shall provide all necessary secretarial, technological, analytical, data, logistics and administrative support required by the three Boards in performing their duties.

7.5.4 Verification and Monitoring Role for Component 2

- a) Under Component 2, implementation shall vest with the E&P operators (for Component 2A) and with the SPV/ JV/ implementing entities (for Components 2B and 2C), and funding recommendations / decisions shall vest with the EC and Minister, PNG based on the recommendations of the TAB/ IAB, as detailed in the respective component chapters. DGH shall accordingly perform an active and continuous monitoring, verification and facilitation role for Component 2, as set out below and in Table 3.
- b) **Component 2A (Offshore Exploration):** For blocks proposed for well drilling under Component 2A, DGH shall verify block/ acreage eligibility and MWP/ CWP status, facilitate selection of appropriate cost benchmarks and providing expenditure-estimate to the TAB. DGH shall also monitor the drilling of wells supported under the Scheme (including through SM-OOMS), and integrate the drilling data into the NDR.
- c) **Components 2B and 2C (Common Infrastructure and Oil & Gas Manufacturing and Services Zone(s)):** DGH shall actively supervise component implementation,

verify milestone achievement and eligible expenditure for processing disbursements, and shall prescribe and enable SM-OOMS integration, while the IAB provides location identification, techno-commercial appraisal and oversight.

7.5.5 Implementation of Samudra Manthan Offshore Operations Monitoring System (SM-OOMS) and Single Window Clearance Portal: With the approval of the EC, DGH shall, within six months from the notification of these guidelines, procure, deploy, operationalize and manage a suitable SM-OOMS and Single Window Clearance Portal in accordance with Chapter 14 and Annexure V, and set up the necessary monitoring infrastructure (including digital tools/software) required for supervising the scheme.

7.5.6 Central Nodal Agency (CNA) for the Scheme

- a) DGH shall act as the Central Nodal Agency (CNA) for the Scheme.
- b) The release and disbursement of funds under all components of the Scheme shall be undertaken through DGH in accordance with the payment mechanism specified in Annexure VI.
- c) DGH shall verify, vet and process claims / payments for all the components under the Scheme.
- d) DGH shall finalize the milestone-linked disbursement plans and the cost framework in coordination with the Financial Advisor, DGH.
- e) DGH may also engage a suitable technical agency to aid the verification process prior to making the payments.
- f) DGH shall submit a monthly report on claims and payments to Secretary, MoPNG.

7.5.7 Other Functions: DGH shall also perform any other functions as directed by MoPNG/ EC from time to time. The list of external agencies that may be engaged by DGH in different sub-components is provided in Annexure VII.

7.6 APPRAISAL AND ASSESSMENT BOARDS (TAB, DAB and IAB)

7.6.1 Each Board shall be constituted with the approval of the Minister, PNG.

- 7.6.2** The Boards shall independently assess the matters placed before them and present their techno-commercial recommendations to the EC, taking into account the views and inputs of MoPNG/ DGH/ E&P operators, as appropriate.
- 7.6.3** Technical Assessment Board (TAB): TAB comprises renowned members (*national and international*) with expertise in petroleum geoscience, deepwater drilling/well engineering and upstream techno-commercial appraisal. It shall function as the techno-commercial appraisal body for all well proposals under Component 2A. In accordance with Section 9.6, it shall a) invite well proposals and define the techno-commercial evaluation criteria; b) evaluate the proposed well location, well design, geological rationale, probability of success, drilling program scheme, cost validation and execution considerations; c) make techno-commercial recommendations to the EC on well location and design, which shall be a necessary funding pre-condition; d) review well-completion reports and recommend release of the final tranche of funds for the scheme funded well(s).
- 7.6.4** Data Appraisal Board (DAB): DAB comprises members with expertise in project appraisal, geophysics, seismic API, petroleum geology, data management, AI-enabled subsurface analytics, public policy, commercial, governance and administration. It shall function as the techno-commercial appraisal body for all proposals under Component 1. In accordance with Chapter 8, DAB shall a) appraise survey design, techno-commercial specifications, data-quality standards for public policy and governance, basin prioritization and the data-marketing under Multi-Client Model (MCM) mechanism detailed in Section 8.2, b) make techno-commercial recommendations/ concurrence on all Component 1 proposals presented to it by DGH, prior to their placement before the EC.
- 7.6.5** Infrastructure Appraisal Board (IAB): IAB comprises members with experience in infrastructure project appraisal, lifecycle management, commercial management, administrative governance, large projects implementation, public policy and governance. It shall function as the techno-commercial appraisal body for infrastructure proposals, namely the Common Infrastructure and the Oil & Gas Manufacturing and Services Zone(s). IAB shall a) screen and identify locations for the Oil and Gas Manufacturing and Service Zones, b) formulate techno-commercial appraisal guidelines, c) appraise feasibility, design basis, cost estimates, procurement plans, implementation models, public policy and governance related matters and SPV/JV structures as part of proposals, d) make techno-

commercial recommendations, prior to PIB appraisal for Common Infrastructure proposals in accordance with Section 10.5.

7.6.6 Detailed role, responsibilities, constitution, mandate and detailed terms of reference of TAB, DAB and IAB will be notified separately.

7.7 Oil Industry Development Board (OIDB):

7.7.1 OIDB shall be an implementing entity under the Scheme for promotion, participation and engagement activities, in accordance with Chapter 17.

7.7.2 OIDB shall establish and anchor the SAMPADA Lab, the participation clubs, and operate a digital platform to support them.

7.7.3 Within 15 days from the notification of these guidelines, OIDB shall constitute a stakeholder engagement committee for promotion, participation and engagement. OIDB shall also identify influencers and promotion strategies for taking the Samudra Manthan messages to students and ideators.

7.7.4 OIDB shall report progress on these activities to PSMU for inclusion in scheme-level monitoring and reporting.

7.8 National Hydrocarbon Data management function, currently within the Directorate General of Hydrocarbon, will be separated and transitioned into a suitable fit-for-purpose organization or mechanism.

7.9 All members of the Committees/Boards concerned, and all applicants and participating entities, shall disclose any actual, potential or perceived conflict of interest, including any material personal, professional, professional, financial or business relationship relevant to the proposal or funding decision. Any person with such conflict shall recuse themselves from the relevant appraisal, deliberation or decision.

TABLE 3: COMPONENT-WISE SCOPE SPLIT

Scheme Component	DGH	Executing Entity	Assessment/ Appraisal Board
1 Offshore Data Acquisition, Processing & Interpretation (1A, 1B, 1C)	- Identifies survey areas, grid density and legacy datasets - Places all seismic project proposals before DAB for recommendations/ concurrence, then EC for appraisal - Convenes the DAB and provides secretariat support - Tenders, evaluates and awards contracts - Finalizes the Government co-funding ceiling, marketing period and license framework in MCM tenders - Quality assurance and stage-wise acceptance - Ensures NDR integration and data availability - Enables SM-OOMS integration - Verifies claims and processes payments	1A: Data Companies / Seismic contractors: Undertake 2D API 1B: Multi-Client Agency (MCA): Undertake 3D API and other advanced subsurface imaging techniques 1C: Multi-Client Agency (MCA): Undertakes Reprocessing of NDR data	DATA APPRAISAL BOARD - Techno-commercial appraisal of Component 1 – based on proposals / details shared by DGH - Makes techno-commercial recommendations/ concurrence on Component 1 proposals prior to their placement before the EC - Reviews/Appraises survey design, techno-commercial specifications, data-quality standards and acceptance criteria - Recommendations to DGH on target areas/ basins, methodologies and choice of technology (1A/ 1B) - Recommends to DGH prioritization of legacy NDR datasets and suitability of AI/ ML tools (1C) - Recommends to DGH the data-marketing mechanism under MCM - Makes recommendations on the cost framework/ estimates/ benchmarks

Scheme Component	DGH	Executing Entity	Assessment/ Appraisal Board
2A Offshore Exploration Acceleration	- Verifies block and acreage eligibility and MWP/CWP status - Appoints technical agency to support TAB, if asked by TAB - Provides technical, logistical and administrative support to the TAB - Facilitates providing and development of dynamic benchmarks for deepwater and ultra-deepwater drilling costs - Facilitates providing of expenditure estimates to the TAB - Actively monitors well drilling and operations through SM-OOMS - Verifies claims and processes payments - Integrates drilling data into the NDR. - Submits a quarterly report on the achievement of the broader target of 150 offshore wells, including Scheme-supported and non-Scheme-supported wells.	E&P Operators: Propose well locations and undertake the drilling	TECHNICAL ASSESSMENT BOARD - Invites well proposals and defines the techno-commercial evaluation criteria - May alter scheme-funded well(s) per block or per unit area or define a cap per operator - Makes recommendations on the cost framework (i.e. recommend the cost heads eligible as part of the overall cost reimbursement) in coordination with Financial Advisor, DGH - Evaluates well location, design, geological rationale, chance of success, drilling program and cost and execution considerations - Recommends wells to the EC for appraisal of funding decision (a necessary funding pre-condition) - Reviews well-completion reports and recommends release of the final tranche to EC - Reviews and recommends to the EC on deviations (details as per Section 9.11) - Submits a quarterly report on the achievement of the target of 60 wells. For this purpose, TAB may advise DGH to convene a meeting of operators.
2B	Actively supervises implementation; verifies	SPV/ JV/ Implementing	INFRASTRUCTURE APPRAISAL BOARD

Scheme Component	DGH	Executing Entity	Assessment/ Appraisal Board
Infrastructure-Led Deepwater Production and Exploration	milestone achievement and eligible expenditure and processes disbursements • SM-OOMS integration • Convenes the IAB (in consultation with the CHAIR) and provides secretariat support	Entity: Undertakes on ground execution of the Common Infrastructure; Nodal Operator undertakes day-to-day O&M	• Preliminary scrutiny and techno-commercial appraisal of Common Infrastructure proposals • Makes recommendations on the cost framework (i.e. the cost heads to be reimbursed) • Appraises concept, feasibility/ design basis, VGF, implementation model, procurement plans, SPV/JV structures and cost estimates • Makes techno-commercial recommendations, prior to PIB appraisal
2C Oil & Gas Manufacturing and Services Zone(s)	• Supervises the implementing entity and actively engages to facilitate development; verifies milestone achievement and eligible expenditure and processes disbursements • SM-OOMS integration • Convenes the IAB (in consultation with CHAIR) and provides secretariat support	Implementing Entity: Develops, markets (allots), operates and maintains the zone; secures land and statutory approvals, maintains coordination with stakeholders including states and DPIIT etc.	INFRASTRUCTURE APPRAISAL BOARD • Screens and Identifies locations for setting up of the Manufacturing and Services Zone(s) • Submits the list of locations finalized to EC for recommendation • Formulates techno-commercial appraisal guidelines for Zone proposals • Makes recommendations on the cost framework (i.e. the cost heads to be reimbursed) • Appraises location, DPR, cost estimates, phasing and implementation structure • Recommends convergence with the BHAVYA scheme • May recommend eligible project scope and Scheme funding to the EC for appraisal

PART B:

COMPONENTS OF

THE SCHEME

A high-angle aerial photograph of an offshore oil rig in the middle of a seismic survey. The rig is a large white platform with a complex black structure of masts and antennas. From the rig, numerous yellow survey lines with orange floats extend across the deep blue ocean, creating a wide, symmetrical pattern. Two yellow buoys are visible on the left and right sides of the survey lines. The sky is clear blue with a few white clouds on the horizon.

CHAPTER 8: COMPONENT 1 - OFFSHORE DATA ACQUISITION, PROCESSING AND INTERPRETATION

8.1 Component 1A: 2D Seismic Data Acquisition

8.1.1 Scope of the Component

- a) A neutral, basin-wide, close-grid for 2D seismic data shall be acquired within the Exclusive Economic Zone of India across both the East and West Coasts and Andaman basin through a proprietary (funded by Samudra Manthan Scheme) mechanism (unless otherwise approved by EC), to improve basin characterization and prospect identification.
- b) Scheme funding for 2D Acquisition, Processing and Interpretation (API) shall be 100% of the eligible cost. The 2D seismic data shall be acquired for and on behalf of the Government. The service provider shall not obtain marketing, licensing, resale or acreage rights arising from the 2D seismic work.
- c) DGH shall be the Project Implementing Agency for this sub-component responsible for planning, cost estimation, tendering, bid evaluation, contract award, technical oversight, quality assurance, bill verification and payment, and integration of all resulting data within the National Data Repository (NDR).

8.1.2 Survey Design

- a) DGH shall identify survey areas, target basins and the appropriate grid density for the surveys to be undertaken, in consultation with the DAB, with reasons recorded in writing.
- b) DGH shall present all seismic projects to the DAB for appraisal and seek its recommendations / concurrence, before presenting the same to the EC for appraisal.
- c) DAB reviews/ appraises survey design, techno-commercial specifications, data-quality standards and acceptance criteria, and shall appraise and make recommendations on the cost framework/ estimates/ benchmarks.
- d) DGH shall present the general outline and methodology of the tenders / procurement parameters to the DAB and the EC during the appraisal.

8.1.3 Procurement Process, Appraisal and Project Award

- a) The EC shall undertake the final appraisal of the DGH proposed project funding, based on the recommendations of the DAB and DGH, subject to the availability of funds under

the Component. Subsequent to EC's appraisal, expenditure sanction will be processed for the approval of the Minister, PNG.

- b) Tenders shall be invited, evaluated and awarded by DGH through a competitive bidding process through a notified electronic procurement portal. The approval of DG-DGH (who is the competent authority for the entire tender process and award) shall be taken at every step of the tender process. DGH shall make all possible efforts to expedite the tendering activities to adhere to the scheme timelines.
- c) Under the component, all bidders shall comply with the Code of Integrity for Public Procurement under the General Financial Rules including the prohibition on collusion, bid rigging, anti-competitive conduct, misrepresentation and submission of false information. Bidders shall disclose any relevant integrity transgressions during the preceding three years and any debarment by another procuring entity. A bidder found to have breached the Code of Integrity, may be declared ineligible.
- d) DGH may modify and amend the scope of work and terms of reference of the individual tenders pursuant to pre-bid discussions/ queries from the participant bidders with the approval of DG, DGH and in consultation with DAB where required by DG, DGH.
- e) DGH shall examine and evaluate the techno-commercial bids and suitably award the tenders.
- f) DGH may procure an independent quality-control agency to carry out necessary activities defined in Section 8.1.6.

8.1.4 Project Schedule

- a) DGH shall specify survey campaign-wise completion timelines for each milestone (indicative in Table 4).
- b) A 2D seismic data survey campaign may ordinarily be planned for completion within 24-36 months (indicatively) from the project commencement date, subject to survey volume, weather windows and clearance requirements.

8.1.5 Indicative Deliverables: DGH shall ensure,

- a) Deliverables to be submitted progressively and in formats as specified:
 - i. raw field records, observer logs, source records and acquisition metadata;

- ii. navigation, positioning, bathymetric, gravity and magnetic data, where included in scope;
 - iii. onboard quality-control products, test records and daily, weekly and monthly progress reports;
 - iv. processed seismic gathers, stacks, velocity models and supporting processing files;
 - v. interpretation projects, horizons, faults, maps, geological sections;
 - vi. final processing and interpretation reports, presentations and subsequent 3D seismic recommendations; and
 - vii. Complete metadata, transmittal records, physical media and cloud uploads required for NDR integration.
- b) Data shall be provided in both the approved digital format transfer mechanism, and in physical media, as required.
- c) The service provider shall remain responsible for data safeguarding until DGH confirms that the required copies have been successfully received and are readable.
- d) No data shall remain on the vessel or unapproved systems after completion or demobilization. The service provider shall submit a deletion and data-clearance certificate in the format prescribed by DGH.

8.1.6 Quality Control and Acceptance

- a) Quality assurance shall apply throughout survey design, vessel mobilization, acquisition, processing, interpretation and data submission.
- b) Acquired data shall pass objective criteria laid down by DGH before it is accepted.
- c) DGH and its nominated quality-control representatives shall monitor operations in real time, inspect equipment, review test results, access processing and interpretation workstations, witness key decisions and require corrective action.
- d) DGH may deploy its own representatives at the vessel, processing center and interpretation center. The service provider shall provide access to personnel, systems, workstations, records and data required for supervision.
- e) The service provider shall maintain complete quality-control records and decision logs. DGH acceptance may be recorded through appropriate stage-wise acceptance certificates and final completion certificates.

8.1.7 Payment and Disbursement

- a) Payments shall be milestone-linked and shall be made only for accepted work by DGH. Table 4 provides an indicative milestone list. This may be modified by DGH.
- b) The payment schedule as per milestones and disbursal guidelines shall be stated in the tender.
- c) All payments will be made as per applicable payment mechanisms as approved by the Government. The disbursement of payments shall be governed by Annexure VI.
- d) Payments shall be subject to availability of funds, administrative approval, expenditure sanction and compliance with applicable financial and procurement rules.

TABLE 4: INDICATIVE MILESTONES FOR COMPONENT 1A

MILESTONE	INDICATIVE EVIDENCE FOR COMPLETION
Mobilization and vessel acceptance	Approved survey design; valid clearances and certificates; equipment tests and calibration; vessel acceptance certificate, as specified in the tender
Data acquisition	Accepted chargeable line kilometers; complete field, navigation, bathymetric and ancillary records; daily and monthly reports; onboard Quality Control (QC) acceptance by DGH or its appointed quality-control agency
Processing	Approved test sequences; velocity models; processing deliverables / reports and QC records
Interpretation	Accepted maps, geological model, prospect identification, risk and ranking, 3D seismic acquisition recommendations and final report
NDR integration and completion	Successful NDR upload confirmation; delivery of physical media and metadata; data reconciliation; demobilization and completion certificates

8.1.8 Data Ownership, Custodianship and Intellectual Property

- a) NDR shall be the custodian of all the raw data, processed data, interpretation outputs, maps, reports, models, metadata and other deliverables generated under the 2D proprietary program from the time of creation.
- b) All seismic data acquired under this component will be processed, interpreted and integrated into the National Data Repository (NDR).
- c) The service provider shall assign all intellectual property rights in the deliverables to the DGH (NDR).
- d) The service provider shall use the data only for execution of the contract and shall not retain, publish, train commercial models on, sell, license, or otherwise use the data without prior written approval of DGH.
- e) NDR shall be the custodian of the accepted data and may use, disclose or make it available through the NDR in accordance with applicable confidentiality and data-access policy.
- f) Data shall be made available to all eligible E&P operators on a pre-defined fee/subscription basis, as notified by DGH from time to time (concurrent NDR data policy regulations to apply).

8.1.9 Audit and Compliance

- a) The service provider shall procure vessels, equipment, materials and services through a competitive process consistent with the approved procurement strategy. Award and payment shall remain subject to compliance with applicable financial and procurement rules.
- b) The service provider shall maintain such records and supporting documents as may be required by DGH for verification of the services performed and expenditure claimed under the relevant contract.

8.1.10 Monitoring and Reporting: Guidelines as set out in Section 8.4 shall be applicable.

8.1.11 Change Control, Cost Revision and Corrective Action

- a) A minor deviation, which doesn't have a financial implication, shall be approved by DGH.

- b) Any deviation from the approved survey design, grid density, survey area, milestone schedule or approved cost – other than a minor deviation under 8.1.11 a), shall constitute a change requiring prior approval in accordance with the Change Control process defined in Section 5.1.1 and Chapter 12, obtained through DGH and, where material, shall require recommendation of the DAB and the approval of the EC / competent authority.
- c) DGH may modify and amend the scope of work, terms of reference and milestone list, within the approved project boundaries, with the approval of DG, DGH and in consultation with the DAB.
- d) The service provider shall submit a material variance report where the forecast project cost is expected to differ from the approved cost, or where a material change in the survey design, acquisition program, schedule or contracting strategy is proposed. There shall be no automatic escalation of Scheme funding on account of cost overrun, delay or change of scope.

8.2 Component 1B: 3D Seismic Data Acquisition & Other Techniques

8.2.1 Scope of the Component

- a) The objective of this sub-component is to acquire higher-resolution data over technically promising areas where 2D data, reprocessed legacy data, existing discoveries, technical interest or other evidence supports further appraisal.
- b) 3D seismic data shall be acquired through the Multi-Client Model (MCM) with Government co-funding of the Acquisition, Processing and Interpretation (API) cost.
- c) In the interest of promoting basin prospectivity, DGH may deploy other advanced subsurface imaging techniques (including Ocean Bottom Node, Controlled-Source Electromagnetic, Full Waveform Inversion methods, etc.), as technically warranted on a basin-by-basin basis.
- d) DGH shall be the Project Implementing Agency for this sub-component, responsible for planning, cost estimation, tendering, bid evaluation, contract award, technical oversight, quality assurance, bill verification and payment, and integration of all resulting data within the National Data Repository (NDR).

8.2.2 Survey Design

- a) DGH will propose target areas based on technical assessment, data availability, basin priority and market interest to the DAB for consideration. Multi-client agencies may also propose prospective target areas for consideration by DGH / DAB.
- b) DGH shall get the techno-commercial review of the proposals done by DAB with recommendations on the technically acceptable areas, methodologies, quality conditions, commercial aspects, etc.
- c) DGH shall present the general outline, co-funding proposal and methodology of the tenders / procurement parameters to the DAB and the EC during the appraisal.

8.2.3 Procurement Process, Appraisal and Project Award

- a) The Executive Committee shall undertake the final appraisal of the DGH proposed project funding based on the recommendations of the DAB and DGH, subject to the availability of funds under the Component. Subsequent to EC's appraisal, expenditure sanction will be processed for the approval of the Minister, PNG.

- b) A Multi-Client Agency (MCA) shall be selected through an open competitive tender for each survey campaign undertaken on MCM.
- c) Under the component, all bidders shall comply with the Code of Integrity for Public Procurement under of the General Financial Rules including the prohibition on collusion, bid rigging, anti-competitive conduct, misrepresentation and submission of false information. Bidders shall disclose any relevant integrity transgressions during the preceding three years and any debarment by another procuring entity. A bidder found to have breached the Code of Integrity, may be declared ineligible.
- d) DGH will formulate appropriate techno-commercial evaluation criteria. The DGH may appropriately finalize and specify the Government co-funding ceiling, marketing period, etc. in the tender, after considering survey campaign size, strategic priority, expected market demand and available budget.
- e) DGH may modify and amend the scope of work and terms of reference of the individual tenders pursuant to pre-bid discussions/queries from the participant bidders with the approval of DG-DGH as well as in consultation with DAB where required.
- f) DGH shall examine the techno-commercial bids for completeness, eligibility, conformity with the scope, adequacy of the survey design, vessel and team availability, execution capability, quality controls and compliance with statutory and data-security requirements.
- g) The Committees, as constituted by DGH, shall submit their recommendations with the evaluated Government co-funding requirement to the DG, DGH, for approval.
- h) DGH with approval from DG, DGH shall award the survey campaign, selected MCA, approved survey area, maximum Government co-funding, co-funding contribution from the MCA, marketing period, license framework, and key milestones.

8.2.4 Rights and Obligations of the Multi-Client Agency

- a) The Multi-Client Agency (MCA) shall undertake the approved work, contribute the mandatory private share of project cost and bear the commercial risk of data licensing.
- b) The MCA shall bear all costs above the approved Government contribution, including any cost overruns not arising from an approved scope change.

- c) The MCA may receive non-exclusive data acquisition rights over the acreage. It shall not prevent DGH from commissioning other surveys in the same area.
- d) MCA shall, however, have exclusive, i.e. sole marketing rights to license the data it acquired, interpreted and processed to multiple E&P operators, for the period as approved.
- e) MCA shall market the seismic data to its customers in a non-discriminatory manner.
- f) Pricing approvals for individual transactions need not be sought from DGH, provided the transaction conforms to the pricing framework and ceiling approved under the tender.
- g) MCA will be allowed to retain all revenue during the marketing period and shall bear the risk of actual licensing revenue being lower than its forecast.
- h) Each license to an E&P company shall be non-exclusive, limited to the permitted E&P purpose, and subject to restrictions on copying, disclosure, transfer and sublicensing.

TABLE 5: RESPONSIBILITIES OF PARTIES UNDER MCM

PARTY	RESPONSIBILITY UNDER THE CO-FUNDED MCM
DGH	Propose, select and approve areas; source the MCA; approve technical program and license framework; supervise quality; accept deliverables; release verified co-funding; retain ownership and Government-use rights; integrate data with the NDR.
Multi-Client Agency	Provide mandatory private contribution; meet all quality, schedule, data-security and HSE obligations; market approved data products; maintain licensing records; bear cost-overflow and market risk.
E&P licensee	Acquire a non-exclusive, limited-use license on standard terms; protect confidentiality; use data only for permitted E&P purposes; not sublicense or transfer the data.

8.2.5 Project Schedule

- a) A survey campaign may ordinarily be planned over a total period of up to 24-36 months.

- b) The MCA shall submit a detailed schedule with dependencies between data receipt, reprocessing, technical reviews, area approval, vessel mobilization, acquisition, processing, interpretation, NDR upload and marketing readiness.

8.2.6 Indicative Deliverables

- a) The deliverables shall include all raw, intermediate and final products required for independent use and future reprocessing by DGH.

8.2.7 Quality Control and Acceptance

- a) DGH may appoint an independent agency to assess the reprocessing and interpretation outputs and the technical basis for proposed areas.
- b) The MCA shall respond to comments and perform required corrections without additional cost where the original work does not meet the approved standard.
- c) Successful upload and validation of all required data in the NDR shall be a condition for acceptance by DGH and final payment.

8.2.8 Payment and Disbursement

- a) Payments shall be milestone-linked and shall be made only for accepted work by DGH. The indicative milestone list shall be similar to Component 1A. This may be modified by DGH.
- b) The MCA shall furnish such evidence, documents and certifications as may be required by DGH to verify milestone completion and determine eligible expenditure. Scheme co-funding shall be released by DGH upon such verification.
- c) All payments will be made as per applicable payment mechanism as approved by the Government. The disbursement of payments shall be governed by Annexure VI.
- d) Payments shall be subject to availability of funds, administrative approval, expenditure sanction and compliance with applicable financial and procurement rules.

8.2.9 Data Ownership, Custodianship and Intellectual Property

- a) Strategic ownership of national subsurface data remains with the Government through the NDR.

- b) NDR shall be the custodian of all reprocessed, acquired, processed and interpreted outputs generated under the contract from the time of creation, irrespective of the proportion of Government and MCA funding. Both raw and reprocessed data are integrated into the National Data Repository (NDR) and shall be available for use by DGH/MoPNG and all permitted stakeholders.
- c) Any legacy data, if made available to the MCA, shall remain the exclusive property of the Government. The MCA cannot acquire title or ownership interest in such data.
- d) DGH shall retain the right at all times to use the data for national resource assessment, regulation, scientific work, policy, block carving, acreage promotion and Government purposes; to provide it to authorized Government agencies; and to make approved demonstration survey campaigns available for data viewing.
- e) The MCA's pre-existing software, algorithms and tools shall remain its property but application of those tools to seismic data shall not confer any ownership right to MCA in the output.
- f) The MCA shall maintain confidentiality, restrict access to approved personnel and systems, and execute equivalent confidentiality obligations with consortium members, subcontractors and data licensees.
- g) No data shall be stored, processed or transmitted from an unapproved location or through an entity prohibited under applicable law, procurement restrictions or Government security directions by the MCA.

8.2.10 Data Licensing

- a) DGH shall identify the finalized interpreted output and suitable data that may be licensed during the marketing period.
- b) The standard license agreement shall be approved by DGH and governed by Indian law.
- c) DGH may suspend or terminate marketing rights for material breach, data-security failure, sanctions or ownership concerns, unlawful licensing, persistent reporting failure or other events stated in the contract.

- d) At the end of the marketing period, or upon earlier termination of marketing rights, all such rights shall revert to DGH without compensation. The MCA shall return or delete all copies as directed and submit an authorized deletion certificate and log.

8.2.11 Audit and Compliance

- a) The MCA shall submit quarterly reports and maintain and furnish such records and supporting documents as DGH deems necessary for verification of performance and eligible expenditure.
- b) DGH may inspect and audit the processing environment at the MCA facilities.

8.2.12 Monitoring and Reporting: Guidelines as set out in Section 8.4 shall be applicable.

8.2.13 Change Control, Cost Revision and Corrective Action

- a) A minor deviation, which doesn't have a financial implication, shall be approved by DGH.
- b) Any other deviation from the approved survey campaign, survey area, methodology, minimum quality conditions, milestone schedule, marketing period or approved Government co-funding ceiling shall constitute a change requiring prior approval in accordance with the Change Control process defined in Section 5.1.1 and Chapter 12, obtained through DGH and, where material, on the recommendation of the DAB and the approval of the Executive Committee/ competent authority.
- c) DGH may modify and amend the scope of work, terms of reference and milestone list, within the approved project boundaries, with the approval of DG, DGH.
- d) The MCA shall bear all costs above the approved Government contribution, including any cost overruns not arising from an approved scope change, as provided in Section 8.2.4. The MCA shall submit a material variance report where the forecast project cost is expected to differ from the approved cost, or where a material change in the survey design, processing program, schedule or contracting strategy is proposed.

8.3 Component 1C: NDR Data Reprocessing & AI Tools Implementation

8.3.1 Scope of the Component

- a) Legacy 2D and 3D datasets housed in the NDR at DGH may be reprocessed using modern algorithms, to improve subsurface imaging, basin understanding and identification of drill-ready locations.
- b) Reprocessing may also be undertaken through the Multi-Client Model, with the MCA permitted to market reprocessed datasets to multiple E&P operators.
- c) DGH shall be the Project Implementing Agency for this sub-component responsible for planning, survey design, cost estimation, tendering, bid evaluation, contract award, technical oversight, quality assurance, bill verification and payment, and integration of all resulting data within the National Data Repository (NDR).

8.3.2 Dataset Selection and Reprocessing Design

- a) DGH shall identify legacy 2D and 3D datasets for reprocessing based on data condition, geographic coverage, strategic relevance, imaging limitations, relationship to prospective areas and expected value from modern processing.
- b) DGH shall obtain approved legacy data from other Government-authorized custodians; the transfer shall be documented and shall not alter the underlying ownership or confidentiality status. DGH shall propose identified reprocessing datasets for recommendation to DAB.

8.3.3 Procurement Process, Appraisal and Project Award

- a) The Executive Committee shall undertake the final appraisal of the proposed project funding based on the recommendations of the DAB and DGH, subject to the availability of funds under the Component. Subsequent to EC's appraisal, expenditure sanction will be processed for the approval of the Minister, PNG.
- b) Reprocessing and reinterpretation may be tendered together with 3D seismic API where the reprocessed output is required to select or refine the 3D areas.
- c) DGH also may issue a separate scope of work for reprocessing a dataset where no new 3D survey is proposed, where rapid reprocessing is required, or where combining the scope with 3D seismic API would reduce competition or delay delivery.

- d) DGH shall clearly identify which reprocessed and interpreted products may be licensed to the MCA.
- e) Where data is reprocessed in an MCM model, the Procurement Process, Appraisal and Project Award parameters set out in Section 8.2.3 shall apply, unless expressly otherwise specified by DGH.

8.3.4 Rights and Obligations of the Multi-Client Agency: Where data is reprocessed under the MCM model, the rights and obligations set out in Section 8.2.4 shall apply, unless otherwise specified by DGH.

8.3.5 Project Schedule: DGH to finalize suitable project schedule, similar to the provisions schedule for component 1A and 1B. Where data is reprocessed under the MCM model, the project schedule set out in Section 8.2.5 shall apply, unless expressly otherwise specified by DGH.

8.3.6 Indicative Deliverables: The indicative deliverables shall be as specified in the tender document released by the DGH. The indicative milestone list shall be similar to Component 1A and 1B, as suitably modified by DGH.

8.3.7 Quality Control and Acceptance: DGH shall define the Quality Control and acceptance criteria. Where data is reprocessed in an MCM model, the quality control and acceptance parameters as defined for MCM model in Section 8.2.7 shall apply, unless expressly otherwise specified by DGH.

8.3.8 Payment and Disbursement: Payments shall be milestone-linked and shall be made only for accepted work by DGH. The indicative milestone list shall be similar to Component 1A. This may be modified by DGH. Where data is reprocessed in an MCM model, the payment and disbursement mechanism for MCM as set out in Section 8.2.8 shall apply, unless expressly otherwise specified by DGH.

8.3.9 Data Ownership, Custodianship and Intellectual Property: Where data is reprocessed in an MCM model, the data ownership, custodianship and intellectual property principles set out in Section 8.2.9 shall apply, unless expressly otherwise specified by DGH.

- 8.3.10 Data Licensing:** Raw legacy data shall not be commercially distributed by the MCA except where expressly included in the approved survey campaign and permitted under applicable NDR policy. Where data is reprocessed in an MCM model, the data licensing guidelines set out in Section 8.2.10 shall apply, unless expressly otherwise specified by DGH.
- 8.3.11 Audit and Compliance:** Where data is reprocessed in an MCM model, the audit and compliance requirements set out in Section 8.2.11 shall apply.
- 8.3.12 Monitoring and Reporting:** Guidelines as set out in Section 8.4 shall be applicable.
- 8.3.13 Change Control, Cost Revision and Corrective Action:** The provisions set out in Section 8.2.13 shall apply.
- 8.3.14** Where technically relevant and permitted under NDR data policy, reprocessed subsurface data may also be made available to support critical mineral exploration.
- 8.3.15** DGH may bring in or approve AI, machine-learning or advanced analytics tools / algorithms to help with conditioning the data, detecting features, supporting interpretation, modelling basins, screening leads, ranking prospects and quality control in consultation with the DAB.

8.4 Monitoring and Reporting for Component 1

- 8.4.1** DGH may convene periodic technical reviews with the DAB, independent experts, operators and other stakeholders, with commercially sensitive or security-restricted information protected during such reviews.
- 8.4.2** DGH shall propose a monitoring framework and monitor physical and financial progress through a central project dashboard and will integrate the survey campaigns with the Samudra Manthan Offshore Operations Monitoring System (SM-OOMS) referred to in Chapter 14. The contractor shall submit data in the prescribed standard format and frequency.
- 8.4.3** The reporting frequency may ordinarily include daily progress reports, monthly progress and cost reports, stage-completion reports and a final completion report, covering planned and actual progress, and such other information as may be deemed essential by DGH.
- 8.4.4** Key performance indicators for the MCA will be finalized by DGH in consultation with DAB.

CHAPTER 9: COMPONENT 2A: OFFSHORE EXPLORATION ACCELERATION



9.1 Scope of the Component

- 9.1.1 Implementation:** This component is related to drilling of exploratory wells, and in specified circumstances, appraisal wells. Drilling shall be undertaken by the operators only in accordance with the approved drilling plan and applicable contractual requirements. DGH shall actively monitor and verify progress against the approved milestones in consultation with the Management Committee. TAB shall provide techno-commercial review and oversight. The detailed division of responsibilities is provided in Table 3.
- 9.1.2** Well locations within the Exclusive Economic Zone of India in the Deepwater Area or Ultra-Deepwater Area as defined in Section 5.1.2 will be eligible for the Scheme funding.
- 9.1.3** A total of 60 wells shall be supported under this component, including 4 stratigraphic wells.
- 9.1.4** The 4 Stratigraphic Wells shall be eligible for Scheme funding of 100% of the eligible cost per well, subject to the cap as defined in Table 6.
- 9.1.5** Only Central Public Sector Enterprises (CPSEs) or a consortium led by CPSEs shall be eligible to seek funding for stratigraphic wells under this component.
- 9.1.6** The Stratigraphic wells under the scheme shall be treated as Samudra Manthan supported wells and the scheme's well targets, governance and funding recovery framework shall apply.
- 9.1.7** Balance 56 wells supported under the scheme would largely be exploratory wells.
- 9.1.8** Appraisal wells may also be supported, as an exception, in specific cases where the operator has not availed funding under Samudra Manthan for the corresponding exploratory well and such appraisal is necessary to establish the continuity, extent and producibility of the underlying hydrocarbons.
- 9.1.9** Development wells are not eligible for funding under Samudra Manthan.

9.2 Eligibility

- 9.2.1 Operator Eligibility:** Any operator with a valid deepwater / ultra-deepwater block under the RSC (Revenue Sharing Contract) regime shall be eligible to seek the scheme funding.
- 9.2.2 Block Eligibility**

- a) Any block, or portion thereof, that has been relinquished shall not be eligible for Scheme funding under this Component. Eligibility shall be determined with reference to the valid Contract Area as on the date of submission of the funding proposal.
- b) Except stratigraphic wells, other wells under the scheme shall be funded only within awarded acreage. To further clarify – the unawarded acreage first needs to be awarded through the applicable mechanism, before a well proposal may be eligible for funding under the scheme.
- c) Blocks under the regimes other than Revenue Sharing regimes such as Production Sharing Contract regime and the Coal Bed Methane (CBM) shall not be eligible for funding under the scheme, unless separately notified by the Government of India.
- d) A well shall be eligible for funding under this component only in a block where the Minimum Work Programme (MWP)/ Committed Work Programme (CWP) of the particular block, including the associated 2D and 3D seismic acquisition along with well drilling obligations, has been completed, or remains on track for completion within the contractually approved timelines.
- e) Where the MWP/ CWP is on track for completion within the applicable contractual timelines, a well may be approved for support under Samudra Manthan; however, release of funding shall be subject to fulfillment of the outstanding MWP/CWP obligations.
- f) For 2D and 3D seismic commitments under the MWP/ CWP, the obligation may be treated as fulfilled, in accordance with the applicable contract, where the applicable LD has been duly paid or the data generated under the MCM model has been obtained by the operator for the relevant block. Such fulfilment shall be subject to verification by DGH, in consultation with the Management Committee, based on documentary evidence of compliance with the applicable contractual requirements.
- g) In the case of an MWP/CWP well-drilling obligation, payment of LD in lieu of drilling the obligated well(s) shall not be treated as fulfillment of the obligation for the purposes of determining eligibility for the Scheme funding. The operators shall be required to drill the obligated well(s) in accordance with the applicable MWP/ CWP and contractual requirements to be eligible for the funding under this Component.
- h) In the event of force majeure, any extension shall be governed by the applicable criteria under the regime governing the relevant block.

- i) Costs attributable solely to sidetrack operations shall not be eligible for Scheme funding.
- j) Scheme support shall also be available in the case of a pending MWP/CWP well drilling obligation, and such wells can be completed as part of the same drilling campaign as the Samudra Manthan-supported well. However, the scheme funding shall only be released once the MWP/ CWP well drilling obligation has been fulfilled by the E&P operator.

9.3 Eligibility Verification

- 9.3.1** Prior to appraisal of any well proposal by the TAB, the TAB may require DGH to verify and confirm that the operator holds a valid and active lease/ license for the relevant block.
- 9.3.2** DGH shall also verify the latest status of the block's MWP/ CWP, identify any outstanding obligations or pendency in accordance with these guidelines. The proposals satisfying these conditions or otherwise covered by an approved exemption under these guidelines shall be treated as eligible and taken up by the TAB for appraisal.
- 9.3.3** DGH will also verify that the acreage is not subject to legal, environmental, defense, regulatory or operational restrictions or disputes and should not have been notified as ineligible by DGH.

9.4 Funding Norms and Caps

TABLE 6: FUNDING NORMS AND CAPS (COMPONENT 2A)

WELL CATEGORY	NUMBER	SCHEME FUNDING CAP
Stratigraphic Wells	4	Lower of: • 100% of actual cost; • ₹1,350 crore per well
Deepwater / ultra-deepwater wells (partially funded)	56	Lower of: • 50% of actual well cost • ₹675 crore per well
Total Scheme funded wells	60	

9.4.1 Scheme funding for an eligible well shall be restricted to the amount determined in accordance with the guidelines under this Component and shall, under no circumstances, exceed the applicable funding ceiling specified in Table 6.

9.5 Eligible cost elements

9.5.1 Scheme funding indicatively shall cover components as detailed in Annexure I.

9.5.2 There shall be no automatic escalation of Scheme funding on account of cost overrun, delay or change of scope. Operational risks cannot be transferred to government strictly. Expenditure beyond the approved cap shall be borne entirely by the operator. This shall be read in line with Clause 1.13 in Annexure I.

9.6 Application, Appraisal and Well Award

9.6.1 Application

- a) The proposals for Scheme funded wells under Samudra Manthan shall be invited by the TAB. DGH may provide necessary secretarial support to TAB for the proposal process.

- b) Eligible operators will submit proposals for Scheme funded well drilling, containing the proposed well location, geological rationale, well design, cost estimate and execution schedule. The operator shall engage an independent third-party technical agency of repute for the vetting of well location and design. An illustrative proposal format is at Annexure II.
- c) Indicatively, the proposal for Scheme funded well(s) drilling should, inter alia, include:
 - (i) block details including details of valid lease/ license details,
 - (ii) contractual status and status of MWP/CWP;
 - (iii) geological rationale, prospect description, Geological Chance of Success;
 - (iv) proposed well location and supporting geological and geophysical interpretation;
 - (v) well design, drilling program and operational plan submitted in the form of an industry-standard EDP (Executive Drilling Program)
 - (vi) estimated well cost and funding requirement;
 - (vii) execution schedule including planned spud and completion dates;
 - (viii) resource potential, risk assessment and post-discovery development pathway;
 - (ix) well integrity and process safety standards, HSE plan, regulatory approval status and data submission plan.
 - (x) Any other requirements as mandated by TAB or EC
 - (xi) Technical Assessment Board (TAB) may, at its own discretion, define techno-commercial evaluation criteria for the wells eligible for funding under the Scheme within an indicative acreage area.
- d) TAB may also define the i) number of Scheme-funded wells within an eligible block; ii) a cap on number of Scheme-funded wells per unit area (i.e. number of wells / '000 sq kms); iii) a cap on number of Scheme-funded wells per operator.
- e) All proposals submitted by Operators to the TAB shall also be submitted to DG, DGH for information. The same shall also be placed as a specific agenda item in the next Management Committee meeting of the block.
- f) Operators shall keep DGH fully in the loop in their communications with TAB.

9.6.2 Appraisal

- a) TAB will undertake techno-commercial evaluation in accordance with the evaluation criteria notified by TAB for the purpose. This may include assessment elements such as the geological and geophysical basis, chance of success, well design, drilling program, cost and execution considerations, and such other parameters as may be considered relevant.
- b) The TAB may also draw upon an independent review by a technical agency, to undertake the appraisal and evaluation. On the request of the TAB, DGH may appoint the technical agency, any other consulting firm and/or suitably procure analytical tools to support data-backed techno-commercial evaluation by the TAB.
- c) A techno-commercially qualified proposal alone does not give any entitlement or legal consideration to any operator to have Scheme funding under the scheme. Final decision will be with the competent authority within the Government.
- d) Non-consideration or non-recommendation of a well by TAB also does not prevent the operator from drilling the well. The operator may plan and undertake drilling at its own risk and cost.

9.6.3 Well Award

- a) The Executive Committee shall undertake the final appraisal of the proposal for the Scheme funding based on the recommendations of the TAB, subject to the number of wells and availability of funds under the Component. Subsequent to EC's appraisal, expenditure sanction will be processed for the approval of the Minister, PNG.
- b) Following selection of a well, MoPNG shall issue a sanction letter to the operator – specifying details such as the approved well location, technical scope, applicable Scheme funding related details, target implementation schedule, reporting requirements and other conditions.
- c) Upon award of a well under Samudra Manthan, the well shall be drilled and completed at the earliest possible time.
- d) Post completion, the TAB shall review the well completion report and other prescribed parameters and make its recommendation for release of the final tranche of funds.
- e) In case of well complications resulting in unsuccessful completion of well, due to reasons beyond the control of the Operator, the Scheme funding will be based on TAB's review and recommendations.

- f) Suitable drilling data to be submitted and integrated with NDR. Data ownership and IP rights shall be as per concurrent NDR data policy regulations.

9.7 Payment and Disbursement

- 9.7.1** Scheme funding for an approved well shall be released against the achievement of pre-defined physical milestones in the drilling program. The milestones applicable to each well, the evidence required to establish achievement of each milestone and the percentage of Scheme funding attributable to each milestone are set out in Annexure III.
- 9.7.2** There shall be two payment milestones for every approved well, as follows (the EC, on the recommendation of the TAB, may modify these milestones suitably):
- a) Milestone 1 – Drilling Progress: drilling has been progressed to 40% of the TAB-approved well design depth as per the Sanction letter.
 - b) Milestone 2 – Well Completion and Final Testing: The well has been completed and made ready for further operations, or completed, plugged and abandoned, as applicable, in accordance with the approved program; and the well completion report has been submitted to, and approved by, TAB.
- 9.7.3** The share of Scheme funding attributable to Milestone 1 shall be 40% of the approved Scheme funding, and the balance 60% shall be released on completion of Milestone 2, as detailed in Annexure III.
- 9.7.4** On achievement of a milestone, the operator shall raise a claim and submit to DGH in the prescribed format, along with the prescribed supporting documents specified for that milestone in Annexure III. No claim shall be raised, and no amount released, in anticipation of a milestone.
- 9.7.5** TAB review shall not be required for sanction of Scheme funding under Milestone 1.
- 9.7.6** DGH shall actively supervise the well drilling process and provide monthly reports to the EC and the TAB.
- 9.7.7** DGH shall facilitate raising of all the claims online. All payments will be made as per applicable payment mechanism as approved by the Government. DGH shall complete the claim verification and payment as detailed in Annexure VI.

9.7.8 The operator shall appoint the IOE in consultation with DGH. DGH may also engage a suitable technical agency to support it in verifying payment claims and the supporting documentation.

9.7.9 Payments shall be subject to availability of funds, administrative approval, expenditure sanction and compliance with applicable financial and procurement rules.

9.8 Scheme Funding Recovery on Successful Commercial Discovery

9.8.1 Financial support for Unsuccessful Wells as defined in Section 5.1.3 shall not be recoverable by the Government.

9.8.2 Where a Government supported well results in a Successful Commercial Discovery as defined in Section 5.1.4, Scheme funding extended for that well shall become recoverable from the operator's revenue.

9.8.3 Thus, recovery of the Scheme funding will be triggered after the discovery has moved beyond technical success, has demonstrated commercial viability and has commenced Commercial Production.

9.8.4 Recovery of Scheme funding shall commence after seven years of Commercial Production or recovery of 50% of operator's exploration and development cost whichever is earlier, without inflation indexation or time-value adjustment. Recovery of Scheme funding shall be made from operator revenue in annual installments. This is in addition to any obligations that the operator shall have under the Revenue Sharing Contract.

9.8.5 The exact recovery modality shall be notified by DGH with DG, DGH and EC's approval.

9.8.6 For determining the operator's exploration and development cost under Section 9.8.4, only costs directly attributable to the project shall be considered.

9.8.7 The costs claimed by the operator shall be based on self-declaration by the operator and supported with a certification by a statutory auditor. DGH shall ensure that the self-declaration and certification by the statutory auditor are available.

9.9 Audit and Compliance

9.9.1 The operator shall produce the underlying records for verification and audit when required by DGH. The operator shall remain responsible for the accuracy, completeness, timeliness

and verifiability of the information submitted, and any amount found to be unsupported, mis-stated or otherwise ineligible shall be adjusted against subsequent disbursements or recovered from the operator.

9.9.2 All cost and physical progress reports submitted by the operator in respect of a Scheme funded well shall be certified by a statutory auditor, confirming that the expenditure claimed has actually been incurred, is directly attributable to the Scheme funded well and is supported by auditable records.

9.9.3 In the event of discontinuation of drilling operations on a Scheme funded well before completion of the approved drilling program (other than for bona fide technical, safety or force majeure reasons accepted by the TAB), sustained failure to achieve the approved milestones, or utilization of Scheme funds for ineligible purposes, the Executive Committee may, for reasons recorded in writing, suspend further disbursements and direct to recover the Scheme funding already released from the operator. Completion, plugging and abandonment of a well in accordance with the approved drilling program shall not, by itself, constitute discontinuation for this purpose.

9.10 **Monitoring and Reporting**

9.10.1 Guidelines as set out in Chapter 14 shall apply for the Component.

9.11 **Change Control, Cost Revision and Corrective Action**

9.11.1 Any deviation whatsoever from the approved well location or well design shall require recommendation of the TAB and the approval of the Executive Committee. A revised expenditure sanction will not be needed if there is no change in the funding requirements.

9.11.2 Any material deviation from the execution timelines or approved cost, reporting obligations or data-submission requirements shall require recommendation of the TAB and the approval of the Executive Committee / competent authority.

9.11.3 A minor deviation, i.e. a deviation without financial implications, made with bona fide intent, may be effected by the operator / implementing entity without requiring prior approval, subject to DGH being informed of such deviation. DGH may, on a case-to-case basis, seek clarifications on any such deviation, which shall be addressed by the operator / implementing entity. DGH shall keep the EC apprised of such minor deviations. The

operator shall table this deviation in the next, immediate Management Committee meeting as a specific agenda for information and discussion.

- 9.11.4** The operator shall submit a separate material variance report where the forecast well cost is different from the approved well cost, or where a material change in the well design, drilling program, schedule or contracting strategy is proposed.

9.12 **Data Integration and Other Details**

- 9.12.1** All geological, drilling, logging, coring, testing and well completion data generated through Scheme funded wells shall be submitted to DGH and integrated into the National Data Repository in accordance with applicable confidentiality and data-access norms. NDR to verify the same periodically and raise notices where not submitted.
- 9.12.2** International partnerships for National Oil Companies may also be encouraged, to strengthen deepwater technical expertise, improve drilling success rates and accelerate capability development.
- 9.12.3** Detailed award mechanisms, safeguards and transparency provisions for Component 2A, beyond what is prescribed herein, may be notified separately with the approval of the competent authority.

CHAPTER 10: COMPONENT 2B: INFRASTRUCTURE- LED DEEPWATER PRODUCTION AND EXPLORATION



10.1 Scope of the Component

- 10.1.1** A number of offshore discoveries by various operators in their respective blocks, including in key basins like Mahanadi, Kutch, etc., remain stranded or commercially unviable on a standalone basis. Individually, these discoveries cannot justify the high capital investment required for dedicated evacuation, pipeline and processing facilities.
- 10.1.2** This Chapter sets out guidelines for Scheme support in the form of viability gap funding (VGF) for enablement of Common Infrastructure that would aggregate production from multiple discoveries across blocks, thereby reducing duplication in field-development costs and accelerating first oil or first gas.
- 10.1.3** Common hub infrastructure support under this Component is envisaged initially for the Mahanadi basin with token funding for Kutch. In subsequent phases, and subject to funding and applicable requirements, support may be extended to other basins.
- 10.1.4** Participating E&P operators across these basins to undertake consultations and finalize the overall execution plan for this component, including the Detailed Project Report (DPR).

10.2 Eligibility

- 10.2.1** Eligible infrastructure: Infrastructure developed for the shared use of two or more field developments for the aggregation, evacuation, processing, storage, delivery or measurement of hydrocarbons shall be considered as eligible infrastructure.
- 10.2.2** The approved DPR shall define the terminal point separating development-specific facilities from Common Infrastructure. Common Infrastructure, for which VGF may be granted, may illustratively include:
- a) subsea gathering manifolds, shared flowlines and tie-in systems;
 - b) risers, trunk and export pipelines;
 - c) shared subsea compression and boosting systems;
 - d) central processing platforms or hubs;
 - e) shared power, controls, communications and chemical systems;
 - f) shared FPSOs, FSOs, MOPUs or other floating facilities;
 - g) FLNG, offloading and associated gas-evacuation facilities;

- h) shore-reception and processing facilities; and
- i) any other infrastructure or facility intended for shared or common use by multiple operators or projects.

10.2.3 Ineligible infrastructure: Exploration, appraisal, development or production wells, including operator-specific subsea production systems, field facilities and other infrastructure located upstream of the defined terminal point or any other infrastructure / facility not intended for shared / common use.

10.3 **Implementation Structure**

10.3.1 Development of the Common Infrastructure shall be undertaken by the Implementing Entity (detailed in Section 10.4) in accordance with the approved project plan, sanction terms and implementation arrangement.

10.3.2 DGH shall actively supervise implementation, verify milestone achievement and eligible expenditure for processing disbursements, while the IAB shall provide techno-commercial review and oversight, prior to PIB appraisal.

10.3.3 The detailed division of responsibilities is provided in Table 3.

10.4 **Concept of Common Hub Infrastructure**

10.4.1 **Implementing Entity and Operator Participation**

- a) A separate SPV/JV shall be incorporated (or any other dedicated implementation entity) to own and construct the Common Infrastructure. This may comprise operator(s) holding valid blocks within the basin concerned, where the proposed Common Infrastructure would enable monetization of their discoveries.
- b) Any participating operator /the SPV/JV incorporated / implementation entity for common infrastructure / any other entity as proposed by participating operators shall act as the Nodal Operator for day-to-day operations, maintenance, HSE and other compliances on behalf of the participating operator / the SPV/JV incorporated / implementation entity, unless the competent authority approves another entity based on the project structure and technical appraisal.
- c) The participating operators shall agree on the ownership, equity participation and capacity commitments (detailed below) in the Common Infrastructure as part of the

structuring of the implementing entity/ SPV/JV and prior to commencement of construction.

- d) The operators shall keep DGH informed of all developments in this regard and also place matters for the information/approval of the management committee of the blocks where needed.

10.4.2 Infrastructure Design and Capacity Determination

- a) Common Infrastructure may be designed and implemented in phases and shall be designed as a modular system capable of phased expansion.
- b) The design may preserve standardized tie-in interfaces and expansion provisions so that future discoveries can connect without disproportionate modification of the commissioned infrastructure.
- c) The capacity of the Common Infrastructure may be determined based on the approved Field Development Plan(s) and confirmed production profiles of participating operators, which may be vetted by an Independent Owner's Engineer (IOE).
- d) The initial capacity may be sized based on the production profiles and FDP timelines of the initial participating operators, with their development schedules aligned to determine the aggregate capacity requirement and commissioning timeline. It may also be sized to balance utilization, future expansion and the lowest viable toll, with additional capacity triggered through FDP approvals and confirmed capacity commitments.
- e) Construction of the Common Infrastructure shall commence only after execution of the required participation/equity arrangements, achievement of financial and technical readiness, and approval of the sanctioned project.

10.4.3 Open Access, Capacity Allocation and Regulated Tariff Framework

- a) The Common Infrastructure shall be operated on principles of fair and non-discriminatory access, subject to availability of capacity, technical compatibility and the approved terms of the project in accordance with the PNG Rules.
- b) Capacity Allocation: Capacity may be allocated based on the committed requirements of participating operators, subject to technical feasibility and agreed access conditions. Any unutilized capacity may be made available to other operators seeking access to

the Common Infrastructure in the future, with a view to ensuring efficient utilization of the infrastructure.

- c) Capital Contribution / Upfront Charge: This may be linked to each operator's committed capacity as a proportion of the total capacity after adjusting for VGF.
- d) Fixed Cost Recovery: Fixed costs incurred after commissioning to maintain the infrastructure in operating condition over its useful life, including any sustaining capex, major replacement, refurbishment etc. may be indicatively apportioned among participating operators based on their committed capacity.
- e) Tariff – O&M Charges: The ongoing cost of operating and maintaining the Common Infrastructure, such as utilities, manpower, routine maintenance and other operating expenses etc. may indicatively be recovered from users based on actual operating costs and usage/throughput.
- f) The implementing entity shall prepare annual tariff calculations based on approved capital cost, project life, equity or capacity shares, actual O&M expenditure and applicable VGF, which shall be certified and made available for audit.
- g) The sharing of infrastructure and tariff shall be determined in pursuance of Chapter VIII of PNG Rules, by the participating operators of the implementing entity.

10.5 Application, Appraisal and Project Award

10.5.1 The proposal(s) for development of Common Infrastructure shall be examined and approved in the following sequence:

- a) IAB shall undertake preliminary scrutiny and appraisal of the proposal for completeness, eligibility, operator commitments and consistency with the Scheme, along with technical details like basin configuration, production data, tie-in feasibility, infrastructure design, cost assumptions and the viability gap funding requirement. The viability gap funding determination shall follow the standard guidelines issued by Government of India. DGH may be consulted for inputs, if any. The proposal, together with the IAB's recommendations, shall thereafter be placed before the EC for appraisal and subsequently submitted to the Public Investment Board (PIB) seeking a viability fund for the project.

- b) Public Investment Board (PIB) – The proposal shall be submitted, in the appropriate format, to the PIB for appraisal in accordance with the approved Scheme framework. Changes arising from the PIB appraisal shall be incorporated into the proposal prior to final approval.
- c) Approval and Sanction – Following PIB appraisal, the proposal (including any modifications required) shall be submitted for expenditure sanction by the Minister, PNG.

10.5.2 The implementing entity shall procure engineering, equipment, construction, marine installation, project-management and other EPC packages, whether as an integrated EPC contract or through split contracts, through transparent and competitive processes, except where an alternative procurement route has been duly approved.

10.6 **Payment and Disbursement**

10.6.1 Claims shall be submitted by the implementing entity to DGH.

10.6.2 Funding shall be released to the entity specified in the sanction order subject to completion of milestones (an illustrative example is detailed in Table 7) which shall be finalized in the DPR in consultation with IAB.

10.6.3 All payments will be made as per applicable payment mechanism as approved by the Government. The disbursement of payments shall be governed by Annexure VI.

10.6.4 Payments shall be subject to availability of funds, administrative approval, expenditure sanction and compliance with applicable financial and procurement rules.

TABLE 7: ILLUSTRATIVE MILESTONES FOR COMPONENT 2B

TRANCHE	STAGE GATE	MINIMUM EVIDENCE
First – 25% of Scheme funding	Engineering, procurement and construction – 25% physical progress as per approved DPR	• Approved Detailed Project Report (DPR) • Approved Field Development Plan (FDP) of participating operators including committed production volumes • FEED completion report; • Copy of the expenditure sanction order • Certificate of incorporation of the SPV/JV • Operator commitment/participation agreements; • Financial Closure documents showing execution of required equity/financing arrangements • Certificate of minimum 25% physical progress from IOE • Key statutory and regulatory approvals • Executed contracts for EPC packages
Second – 25% of Scheme funding	Engineering, procurement and construction – 50% physical progress as per approved DPR	• Certificate of minimum 50% physical progress from IOE • Audited statement of project cost, with supporting cost reconciliation • Statement of funding received and utilized in previous milestone, together with reconciliation against eligible expenditure
Third – 25% of Scheme funding	Engineering, procurement and construction – 75% physical progress as per approved DPR	• Certificate of minimum 75% physical progress from IOE • Audited statement of project cost, with supporting cost reconciliation • Statement of funding received and utilized in previous milestone, together with reconciliation against eligible expenditure
Fourth – 25% of Scheme funding	Commissioning and final completion – 100% physical progress	• Commissioning report certified by IOE; • Project completion certificate confirming completion of the sanctioned scope;

TRANCHE	STAGE GATE	MINIMUM EVIDENCE
	as per approved DPR	- Audited statement of final project cost, with supporting cost reconciliation; - Statement of funding received and utilized, together with reconciliation against eligible expenditure; - Final Project Report

10.7 Audit and Compliance

- 10.7.1** The financial records including assets, liabilities, revenues, expenditures and contracts of the Common Infrastructure as prepared by the JV shall be kept separate from the individual field-development accounts of participating operators.
- 10.7.2** The implementing entity shall establish integrated project controls covering schedule, cost, procurement, interfaces, risks, change orders, quality, HSE and commissioning readiness. It shall submit periodically physical and financial progress reports to the DGH and PSMU, in the prescribed format.
- 10.7.3** The project accounts, O&M expenditure, tariff calculations, VGF utilization and procurement shall remain subject to audit, and any independent evaluation directed under the Scheme.
- 10.7.4** Receipt of VGF shall not relieve the Implementing Entity or the E&P operator or other participating entity of its obligations, liabilities or responsibilities under applicable laws, regulations, approvals and contractual arrangements, including those relating to health, safety and environment, statutory clearances, asset integrity, abandonment and decommissioning.
- 10.7.5** The Implementing Entity shall maintain separate books, bank records, asset registers, contracts, invoices, measurement records and utilization records for the project, for the period prescribed under applicable rules and the sanction order.
- 10.7.6** All activities shall comply with applicable laws, petroleum contracts, regulatory approvals, environmental and maritime requirements, HSE standards, procurement rules, financial rules and Government directions.

10.7.7 Project documents shall include appropriate provisions for confidentiality, data sharing, intellectual property, cyber security, insurance, force majeure, dispute resolution, termination, decommissioning and transfer or disposal of assets.

10.7.8 In the event of abandonment of the project, sustained failure to achieve the approved milestones, or utilization of Scheme funds for ineligible purposes, the Executive Committee may, for reasons recorded in writing, suspend further disbursements and recover the Scheme funding already released from the Implementing Entity.

10.8 **Monitoring and Reporting**

10.8.1 DGH shall actively engage and monitor the implementation of the common infrastructure project. Implementing Entity shall keep DGH fully in the loop in their communications with IAB.

10.8.2 Monitoring and reporting shall cover the following:

- a) Engineering, procurement, fabrication, installation, construction and commissioning progress in line with approved DPR;
- b) approved cost, committed cost, actual expenditure, forecast cost and Scheme funding utilization;
- c) operator FDP status, committed production, equity subscription and capital contribution compliance;
- d) capacity, expected utilization and tie-in readiness;
- e) HSE performance, incidents, and corrective actions;
- f) schedule variance, cost variance, key risks, disputes and change requests;
- g) commissioned throughput, operational availability, O&M cost and tariff billing; and
- h) progress towards first oil or first gas, and monetization of connected discoveries.

10.8.3 Project information and operational progress shall be integrated with the Samudra Manthan Offshore Operations Monitoring System (SM-OOMS), to the extent prescribed by the DGH and PSMU.

10.8.4 PSMU shall present consolidated progress to the Executive Committee on a periodic basis as decided, and to the Empowered Steering Committee in accordance with the Scheme review cycle.

10.9 Change Control, Cost Revision and Corrective Action

10.9.1 A minor deviation, i.e. a deviation without financial implications, made with bona fide intent, may be effected by the operator / implementing entity without requiring prior approval, subject to DGH being informed of such deviation. DGH may, on a case-to-case basis, seek clarifications on any such deviation, which shall be addressed by the operator / implementing entity. DGH shall keep the EC apprised of such minor deviations.

10.9.2 For any other deviation, the Implementing Entity shall submit a change request to the IAB. IAB shall examine and provide recommendations to the EC. Any material change to project scope, route, design, capacity, capacity phasing, cost, schedule, contracting strategy, financing, equity, Nodal Operator or tariff mechanism shall require EC approval prior to implementation.

10.9.3 The change request shall state the reason, technical justification, cost and schedule impact, effect on operator commitments, tariff, project returns and risks, together with the proposed mitigation.

10.9.4 There shall be no automatic increase in Scheme funding because of cost escalation, delay, lower utilization or change in operator commitments. Any revision shall require recommendation of the IAB and the approval of the Executive Committee / competent authority.

10.9.5 Where progress falls materially behind the approved schedule or cost, the Implementing Entity shall submit a time-bound corrective-action plan. Further release of funds shall be done by DGH and shall remain linked to acceptance and implementation of the corrective measures.

CHAPTER 11: COMPONENT 2C: OIL & GAS MANUFACTURING AND SERVICES ZONE(S)



11.1 Scope of the Component

- 11.1.1** This component envisages financial support for the development of one or more Oil & Gas Manufacturing and Services Zone(s) with plug-and-play infrastructure, common utilities, technology and testing beds, certification facilities and an integrated services ecosystem to attract domestic as well as global manufacturers and service providers across the Exploration and Production value chain.
- 11.1.2** As deep-water exploration grows in the world, this component envisages India as a key global manufacturing-fabrication yard and a state-of-the-art service ecosystem as compared to competitive geographies.

11.2 Eligibility

- 11.2.1 Infrastructure Eligibility:** Funding under the component may be provided for the following indicative categories of infrastructure, which MoPNG may revise and modify from time to time based on industry requirements, technological developments, project needs and approval of the competent authority:
- a) **Trunk Infrastructure:** Basic enabling infrastructure within the zone (bulk power supply and internal distribution, water supply and distribution etc.)
 - b) **Common Infrastructure:** Shared facilities for use by units within the zone (warehouses, administrative buildings etc.)
 - c) **Maritime and Logistics Infrastructure:** Infrastructure supporting movement and handling of oil and gas equipment (berthing facilities, load-out jetties etc.)
 - d) **Sector-specific Facilities:** Oil-and-gas-specific common facilities (testing, calibration and certification laboratories, skill-development centers etc.)
 - e) **Any other facility essential to facilitate manufacturing** related to upstream oil and gas value chain

- 11.2.2** Suitable locations for setting up the manufacturing / services zone(s) shall be identified and evaluated by the Infrastructure Appraisal Board (IAB). Additionally, any other private entity, CPSE or state government or a consortium or JV of such entities, may also propose suitable locations for the zone(s)
- 11.2.3** The IAB may screen and shortlist locations for the zone(s) basis various objective criteria namely land availability and readiness, port and logistics connectivity, accessibility, availability of utilities, E&P industry demand, Oil and Gas industry demand, economies of scale, statutory clearances, skilled manpower and overall technical and financial viability.
- 11.2.4** The location-selection criteria, indicative implementation model, indicative financial structure and the Detailed Project Report format shall be finalized by IAB in consultation with MoPNG (DPIIT for BHAVYA - BHARAT AUDYOGIK VIKAS YOJANA) and the State Government concerned, where necessary.
- 11.2.5** IAB shall complete the screening and shortlisting within 60 days from the date of its first meeting. List of shortlisted locations shall be presented by IAB with the key considerations to EC for necessary decisions and directions.
- 11.2.6** The zone may be developed independently at a new location or through convergence with the BHAVYA scheme of DPIIT.
- 11.3** **Implementation Entity and its Responsibilities**
- 11.3.1** Once a location has been identified, a company, consortium, SPV, JV, or other entity selected or formed or approved under this component shall act as the implementing entity for the development of the identified zone. DGH shall supervise the implementing entity in the execution of these activities.
- 11.3.2** The implementing entity shall undertake the concept design, planning, development, management, marketing (allotment), operation, and maintenance of the identified zone in consultation with MoPNG, concerned State Governments and other relevant stakeholders.
- 11.3.3** The implementing entity shall be responsible for securing the required land and obtaining all applicable statutory, regulatory, environmental and other approvals.

11.3.4 The implementing entity shall be responsible for:

- a) Concept design and planning;
- b) Preparation and implementation of the approved DPR and master plan;
- c) Securing funding and financing with appropriate structuring;
- d) Procurement and construction of the approved infrastructure;
- e) Coordination with Central and State Government authorities;
- f) Securing land and facilities for eligible manufacturers and service providers;
- g) Set up, operation and maintenance of common infrastructure;
- h) Compliances, submission of physical and financial progress reports;
- i) All incidental activities essential for project implementation; and
- j) Marketing of the zone to potential and suitable tenants including the global manufacturing companies, oil field services companies, rig operators, testing labs, other companies focused on oil and gas manufacturing and services.

11.4 **Convergence with BHAVYA (BHARAT AUDYOGIK VIKAS YOJANA)**

- 11.4.1** DPIIT's BHAVYA scheme may be sought for part funding of base industrial infrastructure, given the scale and sector-specific nature of the proposed zone, subject to the applicable scheme guidelines and DPIIT's approval.
- 11.4.2** Funding under Samudra Manthan may be used to meet the additional eligible infrastructure requirement not covered under BHAVYA or other Central and State Government schemes.
- 11.4.3** Project-level assistance shall be determined by the Executive Committee basis recommendations of the IAB, basis the DPR, appraisal of eligible costs, availability of funding from other schemes like BHAVYA etc.
- 11.4.4** It may be noted that non-availability of anticipated assistance from BHAVYA / another scheme shall not automatically create additional liability under Samudra Manthan.

11.5 Role of State Governments

- 11.5.1** May facilitate the identification and availability of suitable land for the zone and coordinate with the relevant State agencies for land-use approvals, external connectivity and access to essential utilities.
- 11.5.2** May facilitate time-bound processing of statutory, regulatory and other approvals falling within the State Government's jurisdiction
- 11.5.3** May participate in finalizing the location, implementation model, financial structure and DPR, including identification of the State Government's contribution and convergence with applicable State schemes and programs.

11.6 Appraisal and Project Award

- 11.6.1** Proposals for identified locations may be submitted to IAB (through DGH) by eligible companies, entities, consortia, SPVs or JVs through an Expression of Interest, Request for Proposal, or any other transparent selection mechanism.
- 11.6.2** National Oil Companies (NOCs), State Government entities and joint ventures constituted by them shall also be eligible to submit proposals for identified locations.
- 11.6.3** The proposal for development of the zone may include:
 - a) details of the proposed location and land availability; master plan and proposed infrastructure configuration; likely manufacturing / services industries / sectors to consider, the Project Report, cost estimates and implementation schedule;
 - b) industry demand and market assessment;
 - c) the proposed implementation structure; proposed physical and financial milestones;
 - d) the funding plan, including funding proposed under BHAVYA, State Government contribution, Samudra Manthan funding and other sources;
 - e) the procurement and contracting strategy; statutory approvals and clearances required;
 - f) the operations, maintenance and allotment framework; and
 - g) Marketing plan for marketing the zone to global and Indian manufacturers and services companies.

- 11.6.4** The Infrastructure Appraisal Board shall undertake techno-commercial appraisal of the proposal considering the commercial attractiveness of the location and long-term sustainability of the identified location. IAB may recommend convergence with BHAVYA scheme of DPIIT.
- 11.6.5** The recommendations of the IAB shall be submitted to the Executive Committee.
- 11.6.6** The Executive Committee shall undertake the final appraisal of the proposal for the Scheme funding based on the recommendations of the IAB, subject to the availability of funds under the Component and availability of funds under schemes like BHAVYA specifically.
- 11.6.7** Subsequent to EC's appraisal, expenditure sanction will be processed for the approval of the Minister, PNG.
- 11.7** **Payment and Disbursement**
- 11.7.1** During the implementation phase, DGH shall actively verify milestone achievement and eligible expenditure for processing disbursements, while the IAB shall provide techno-commercial review and oversight.
- 11.7.2** The detailed division of responsibilities is provided in Table 3.
- 11.7.3** Funding shall be released to the designated implementing entity on a milestone-linked and reimbursement basis, subject to verification of eligible expenditure, physical progress and compliance with the approved DPR and sanction conditions, illustratively shown in Table 8.
- 11.7.4** There shall be no automatic escalation of Scheme funding on account of cost overrun, delay or change of scope. Any expenditure beyond the approved Scheme funding shall be borne entirely by the implementing entity.
- 11.7.5** All payments will be made as per applicable payment mechanism as approved by the Government.
- 11.7.6** The disbursement of payments shall be governed by Annexure VI.

11.7.7 Payments shall be subject to availability of funds, administrative approval, expenditure sanction and compliance with applicable financial and procurement rules.

TABLE 8: INDICATIVE MILESTONES FOR COMPONENT 2C

INDICATIVE MILESTONE	FUNDING RELEASE	CONDITION/DOCUMENT
<u>MILESTONE 1</u> 25% physical construction of zone as per approved DPR	25%	• Approved Detailed Project Report (DPR); • Sanction Letter and implementation plan; • Incorporation/designation documents of the selected developer; • Certificate confirming at least 25% physical progress issued by IOE; • Statutory Auditor certified statement of expenditure incurred; • Physical and financial progress report against the approved DPR and implementation schedule; • Summary of major works/contracts awarded, and expenditure incurred against them.
<u>MILESTONE 2</u> 50% physical construction of zone as per approved DPR	25%	• Certificate confirming at least 50% physical progress issued by IOE; • Statutory Auditor certified statement of expenditure incurred; • Physical and financial progress report against the approved DPR and implementation schedule; • Summary of major works/contracts awarded, and expenditure incurred against them.

INDICATIVE MILESTONE	FUNDING RELEASE	CONDITION/DOCUMENT
<u>MILESTONE 3</u> 100% physical construction of zone as per approved DPR	50%	• Project Completion Certificate confirming 100% of physical construction as per approved DPR; • Statutory Auditor certified statement of total expenditure; • Commissioning report certified by IOE; • Reconciliation of Scheme funding released, eligible expenditure and unutilized amount, if any; • Final Project Report

11.8 Audit and Compliance

11.8.1 The implementing entity shall maintain separate accounts and records for funding received under Samudra Manthan and shall comply with procurement requirements, audit provisions and reporting obligations.

11.8.2 Assets created wholly or partly with Scheme funding shall not be sold, transferred, mortgaged or repurposed outside the approved framework without the prior approval of the Executive Committee.

11.8.3 In the event of abandonment of the project, sustained failure to achieve the approved milestones, or utilization of Scheme funds for ineligible purposes, the Executive Committee may, for reasons recorded in writing, suspend further disbursements and recover the Scheme funding already released from the implementing entity.

11.9 Monitoring and Reporting

11.9.1 DGH shall actively engage and monitor the development of the zone in consultation with the IAB and submit reports to both the IAB and MoPNG. Operators / Implementing Entity shall keep DGH fully in the loop in their communications with IAB.

11.9.2 The IAB shall review the progress of the zone at periodic intervals (quarterly)

11.9.3 Post-commissioning, the Implementing Entity shall report annually to DGH, for a period of five years, on outcome indicators including allotment/ occupancy levels, investment attracted, number of units operational, employment generated and manufacturing/ services output from the zone.

11.9.4 Monitoring and reporting shall cover the following:

- a) Engineering, procurement, fabrication, installation, construction and commissioning progress in line with approved DPR;
- b) approved cost, committed cost, actual expenditure, forecast cost and Scheme funding utilization;
- c) HSE performance, incidents, and corrective actions;
- d) schedule variance, cost variance, key risks, disputes and change requests;

11.9.5 Project information and operational progress shall be integrated by DGH with the Samudra Manthan Offshore Operations Monitoring System (SM-OOMS).

11.9.6 PSMU shall present consolidated progress to the Executive Committee on a periodic basis as decided, and to the Empowered Steering Committee in accordance with the Scheme review cycle.

11.10 Change Control, Cost Revision and Corrective Action

11.10.1 Guidelines as set out in Section 10.9 of Component 2B shall apply.

PART C:

GENERAL GUIDELINES





CHAPTER 12: COMPLIANCE AND CHANGE CONTROL

- 12.1** The provisions of this Chapter shall apply to all Components and Sub-Components under Samudra Manthan.
- 12.2** All activities shall comply with applicable laws, petroleum contracts, regulatory approvals, environmental and maritime requirements, HSE standards and Government directions.
- 12.3** Wherever any clearance, approval or extension of time is required for undertaking Scheme funded activities, the operator or implementing entity may approach the Government, which shall facilitate the same in accordance with applicable rules and the extant guidelines of the relevant regime.
- 12.4** Contracts shall include appropriate provisions for confidentiality, data sharing, intellectual property, cyber security, insurance, force majeure, dispute resolution, termination and decommissioning.
- 12.5 Change control**
- a) No material variation in scope, capacity, cost, location, technology, implementation model, recovery modality or funding cap shall be implemented without appraisal and recommendation by the relevant Board (TAB/ DAB/ IAB) and prior approval of the EC/ competent authority under the Scheme's governance framework.
 - b) A documented change request stating the reason, technical justification, and cost/schedule/risk impact shall be submitted seeking approval before implementation.
 - c) All deviations and change requests under Components 2A, 2B and 2C shall be routed through DGH.
- 12.6 Technology.** The framework for the Promotion and Participation including identification, evaluation and deployment of appropriate technologies across the Scheme components is set out in Chapter 17.

- 12.7 Corrective action.** Where progress falls materially behind the approved schedule or cost, the Implementing Entity/operator concerned shall submit a time-bound corrective-action plan; further disbursement shall remain linked to acceptance and implementation of corrective measures.
- 12.8 Withholding and recovery.** Government may withhold, suspend, reduce or recover funding in cases of material misrepresentation, diversion or misuse of funds, ineligible expenditure, persistent non-performance or breach of expenditure sanction conditions, subject to due process and applicable rules.
- 12.9 Records.** All implementing agencies/entities shall maintain separate books of accounts, contracts, invoices, measurement/utilization records and technical data for the period prescribed under applicable rules and the relevant sanction order and shall remain subject to audit and any independent evaluation directed under the scheme.
- 12.10 Legal and Court-Ordered Expenditure.** Legal expenses incurred in connection with implementation of Samudra Manthan, and expenditure arising pursuant to any order or direction of a competent court, may be booked, as advised by the Executive Committee. Legal expenses up to INR 20 Cr shall be booked with the approval of Secretary, PNG and beyond INR 20 Cr with the approval of Minister, PNG.
- 12.11 Appointment of Independent Owner's Engineer.** Where an IOE is to be appointed by an operator/implementing entity, the IOE shall be appointed in consultation with DGH, and the appointment criteria shall be intimated to the relevant board for that particular sub-component, for information. The operator/implementing entity shall keep DGH/PSMU informed at regular intervals of the IOE selection process.
- 12.12** The appraisal, review, approval and other processing timelines applicable to the respective Components shall be governed by Annexure IV.
- 12.13** The indicative steps and process flow for all the sub-components (based on the operational guidelines, repeated for clarity) have been provided in Annexure VIII.



CHAPTER 13: ENVIRONMENT, HEALTH, SAFETY AND SUSTAINABILITY

- 13.1** This Chapter consolidates, at the scheme level, the health, safety and environment (HSE) safeguards, and the sustainability safeguards, that apply across all components;
- 13.2** Component-specific HSE conditions may be additionally embedded in the respective tender, contract, sanction and appraisal documents. The provisions detailed in this Chapter shall apply to all Components and Sub-Components under Samudra Manthan.
- 13.3** **Regulatory compliance:** All survey, drilling, infrastructure and industrial activity under the scheme shall comply with applicable environmental, coastal, forest and maritime laws, the terms of the relevant petroleum contracts and HSE standards administered by DGH/Gol, the concerned regulatory authorities and Government directions in force from time to time.
- 13.4** **Fast-track, single-window clearances:** MoPNG shall, in coordination with the Ministry of Environment, Forest and Climate Change, Ministry of Defence, Ministry of Home Affairs, Ministry of External Affairs and other concerned Ministries/Departments and authorities, facilitate a digital single-window mechanism, with parallel processing, wherever feasible, and defined timelines, for submission, coordination and tracking of environment, forest, Coastal Regulation Zone (CRZ), security, vessel and crew clearances required for survey and drilling operations. Such processing shall be subject to applicable statutory requirements and procedures of the concerned Ministries/Departments and authorities.
- 13.5** **Well-integrity and process safety:** Drilling and well-completion activity supported under Component 2A shall be subject to prescribed well integrity, blowout prevention, process safety and emergency response standards, monitored through SM-OOMS and reported by operators as part of the well-completion report.
- 13.6** **Scheme funding and Blowout Costs:** The Government of India shall not pay for blowout control costs from Samudra Manthan funds under any circumstances.
- 13.7** **Oil-spill preparedness and decommissioning:** Operators and implementing entities shall maintain oil-spill contingency arrangements consistent with applicable national and maritime frameworks and shall provide for eventual decommissioning of wells and

infrastructure in accordance with contractual and regulatory requirements; decommissioning provisions shall be built into relevant contracts.

13.8 Marine and coastal ecosystem safeguards: Survey, Drilling and Infrastructure activity shall be planned and executed to minimize disturbance to marine ecosystems, fisheries and coastal livelihoods, and shall incorporate environmental clearance conditions relating to seasonal restrictions, discharge standards and biodiversity safeguards, as applicable to the specific basin and activity.

13.9 Sustainability of reserve accretion: The scheme is designed to accelerate addition of new reserves, accelerate discovery and monetization of offshore reserves while supporting India's broader energy transition and emission reduction commitments; reprocessing under Component 1C and open access infrastructure under Component 2B are, in particular, intended to improve resource use efficiency and reduce the incremental environmental footprint of exploration and production.



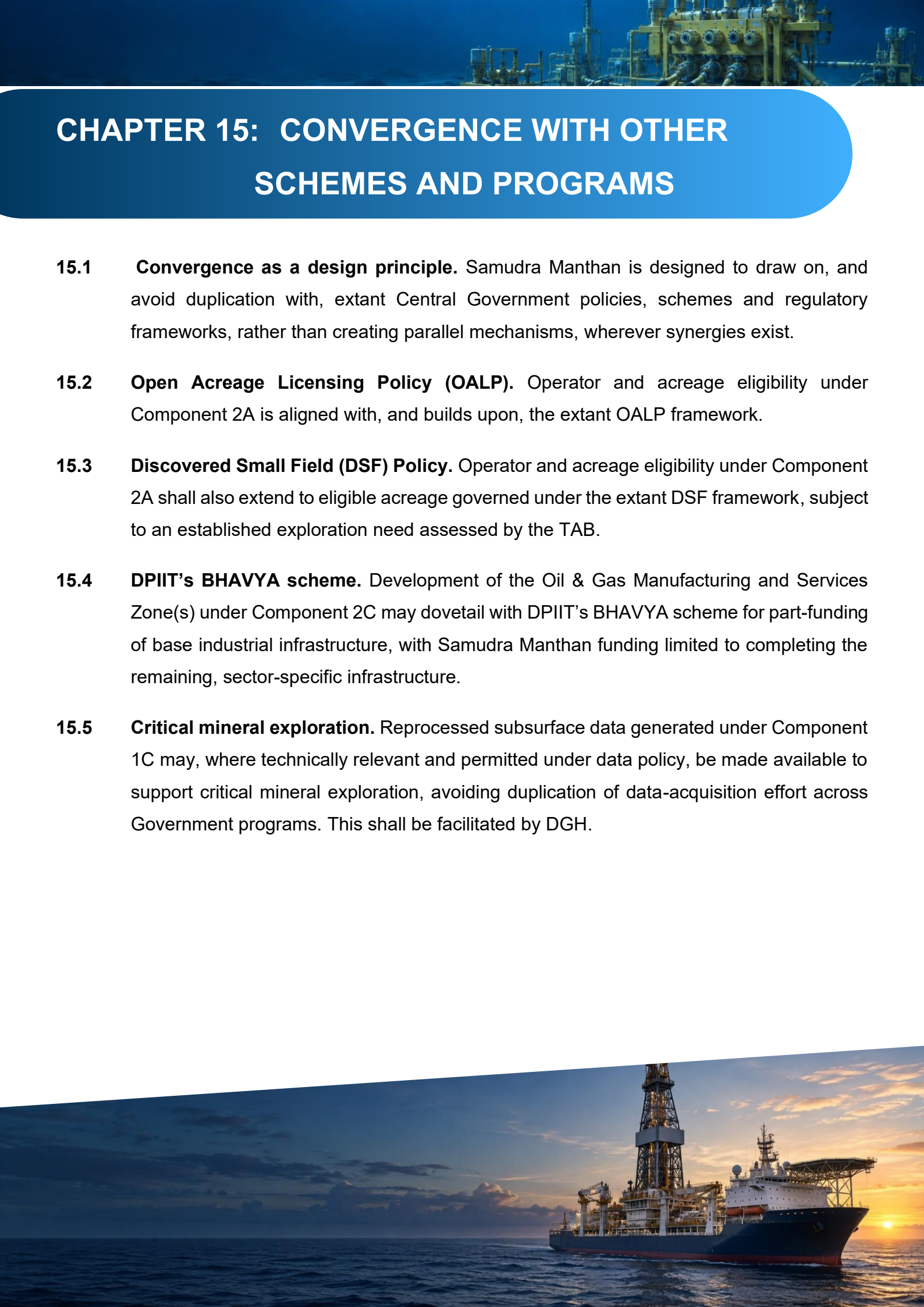


CHAPTER 14: MONITORING, REPORTING AND HUMAN RESOURCES

- 14.1 Samudra Manthan Offshore Operations Monitoring System (SM-OOMS):** Within six months of notification of the operating guidelines, DGH shall procure, deploy and operationalize SM-OOMS as a secure, centralized digital platform for all the components and sub-components under the Samudra Manthan scheme for real-time monitoring of offshore survey and drilling activity, and a Single Window Clearance Portal for time-bound, single-window processing of all the necessary statutory and security clearances required for offshore operations (resource/project approvals, security/maritime clearances, environment/safety approvals and enabling clearances), routed simultaneously to all concerned authorities. DGH shall also suitably brand SM-OOMS.
- 14.2** SM-OOMS shall support modules for seismic data capture, drilling progress, well status, operational performance, safety and well-integrity monitoring, with operational data transmitted at prescribed frequencies, including real-time where feasible; operators shall submit prescribed data and reports through the platform in standardized formats (refer Annexure V).
- 14.3** All operators and implementing entities shall submit periodic progress reports to DGH in the formats and vide mechanisms notified by DGH. DGH shall operationalize the above SM-OOMS as per notified timelines to facilitate monitoring and supervision.
- 14.4 Training and Human Resource Development**
- 14.4.1** Manpower at PSMU and DGH:
- a) DGH in consultation with PSMU may propose the manpower requirements for implementation of Samudra Manthan, including deployment within the PSMU and DGH. Such manpower shall be appointed post concurrence of the EC.
 - b) DGH/PSMU shall be staffed with domain specialists in exploration and basin modelling, geosciences, seismic data analysis, drilling and well engineering, reservoir engineering, HSE and digital/AI analytics, supplemented by subject-matter experts engaged on a need basis.

- 14.5** Sectoral skilling: Training centers for deepwater E&P skills, equipment operation and service capability shall form part of the common facilities envisaged under the Oil & Gas Manufacturing and Services Zone(s) at Component 2C, so that domestic personnel and service providers can be ready in step with the scale up of offshore activity.
- 14.6** International partnerships and expert engagement: International partnerships for National Oil Companies and engagement of internationally renowned experts on the TAB, DAB and IAB shall be used, among other things, to transfer deepwater technical expertise and strengthen domestic capability across geosciences, drilling engineering and AI-enabled subsurface analytics.
- 14.7** Capacity building of appraisal and monitoring functions. DGH / PSMU may engage consulting firms, analytical tools and technical auditing capacity to support data-backed decision making by the Boards and to build institutional capability for milestone verification, tariff review and evaluation over the scheme period.





CHAPTER 15: CONVERGENCE WITH OTHER SCHEMES AND PROGRAMS

- 15.1 Convergence as a design principle.** Samudra Manthan is designed to draw on, and avoid duplication with, extant Central Government policies, schemes and regulatory frameworks, rather than creating parallel mechanisms, wherever synergies exist.
- 15.2 Open Acreage Licensing Policy (OALP).** Operator and acreage eligibility under Component 2A is aligned with, and builds upon, the extant OALP framework.
- 15.3 Discovered Small Field (DSF) Policy.** Operator and acreage eligibility under Component 2A shall also extend to eligible acreage governed under the extant DSF framework, subject to an established exploration need assessed by the TAB.
- 15.4 DPIIT's BHAVYA scheme.** Development of the Oil & Gas Manufacturing and Services Zone(s) under Component 2C may dovetail with DPIIT's BHAVYA scheme for part-funding of base industrial infrastructure, with Samudra Manthan funding limited to completing the remaining, sector-specific infrastructure.
- 15.5 Critical mineral exploration.** Reprocessed subsurface data generated under Component 1C may, where technically relevant and permitted under data policy, be made available to support critical mineral exploration, avoiding duplication of data-acquisition effort across Government programs. This shall be facilitated by DGH.





CHAPTER 16: PUBLIC-PRIVATE COLLABORATION

- 16.1** Public-private collaboration is an organizing principle of the scheme. Scheme funding is designed as catalytic capital to de-risk early-stage, high-uncertainty investment, and is expected to crowd in operator-led investment across the exploration-to-production value chain.
- 16.2** Components 1B and 1C: The Multi-Client Agency co-invests with Government and recovers its investment through non-exclusive data licensing, aligning commercial incentives with basin-wide, neutral data coverage.
- 16.3** Component 2A: Government partially underwrites drilling risk while operators retain majority capital exposure and full operational responsibility, preserving commercial discipline.
- 16.4** Component 2B: Scheme funding is limited to common infrastructure, while all upstream field development, tie-ins and production facilities remain operator-financed, accessed on a non-discriminatory, tolling basis.
- 16.5** Component 2C: Scheme funding is limited to infrastructure development for manufacturing and services zones.
- 16.6** Post-Samudra Manthan exploration and development activity is expected to be sustained through operator-led investment under the eased regulatory and fiscal framework established by the scheme, without continued budgetary funding.





CHAPTER 17: PROMOTION, PARTICIPATION AND ENGAGEMENT BY OIDB

- 17.1** OIDB (Oil Industry Development Board) shall carry out extensive promotion, participation and engagement activities for Samudra Manthan.
- 17.2** Samudra Manthan is conceived not merely as a funding instrument but as a national movement in offshore exploration. To widen participation beyond operators and contractors, the Scheme shall institute a data-partnership facility and three participation clubs. Together, these will democratize access to data and knowledge, develop a talent pipeline, and harness the experience of companies, professionals, technology firms and upstream companies into the exploration effort.
- 17.3** **SAMPADA LABS:** A national Data Partners Lab, to be known as the SAMPADA Lab (**SA**mudra **MA**nthan **PA**rtnership for **D**ata **A**nalytics Lab), shall be established by the **OIDB** (**O**il **I**ndustry **D**evelopment **B**oard). The Lab shall provide a supervised and cyber-secure digital environment, anchored to the National Data Repository (NDR), in which the partners can undertake data crunching, data interpretation using advanced technologies, tools, and curated artificial intelligence, digital and machine learning techniques. **OIDB shall facilitate setting up of cloud-based SAMPADA LABS across the country for promoting indigenous tech.**
- 17.4** **Embedding the SAMPADA Lab outcomes within Component 1**
- a) Example: Under Component 1C (NDR Data Reprocessing & AI Tools Implementation), empaneled players may be engaged through dedicated packages and may even be embedded within NDR across the following use cases (non-exhaustive).
 - b) **Reprocessing of legacy 2D/3D datasets** held in the NDR using modern, AI-assisted algorithms to extract fresh value from data already paid for
 - c) **Seismic data conditioning and enhancement** – denoising, regularization, resolution uplift and merging of vintage surveys
 - d) **AI/ML-assisted interpretation** – automated horizon and fault detection, seismic facies classification and basin modelling support

- e) **Lead and prospect screening and ranking**, generating drill-ready location inputs for downstream use under the Scheme
- f) **Automated quality control** of seismic deliverables and digital curation of datasets flowing into the NDR
- g) **Generative AI for basin details** and prospectivity and analogous basins/ prospects identification
- h) **Well Location Selection:** Capability may also be drawn into the drilling side of the Scheme. Operators proposing deepwater and ultra-deepwater wells for funding support may, at their option, deploy tools of empaneled start-ups in developing the subsurface basis and candidate well locations for their proposals, and the technical appraisal process may draw upon validated start-up outputs as an additional input.
- i) Curated NDR datasets shall be made available through the Lab on an easy-access, published-entitlement basis: free of charge to students and academic and research institutions, and at highly subsidized, cost-recovery rates to new age technology firms (MSME/ Start-ups). Fees shall recover administration and operations only and shall not be treated as a source of revenue, consistent with established international repository practice.
- j) DGH shall ensure that data confidentiality is maintained at all times. The Lab shall operate wholly within the extant NDR data policy, which may be suitably modified by the competent authority to accommodate the SAMPADA Lab. Participants shall execute DGH listed data-security and confidentiality measures.

17.5 Participation Clubs: Three clubs will also be formed and housed within **OIDB**.

17.6 Samudra Manthan Club for Students with membership open exclusively to students of geosciences, petroleum engineering, data science and similar disciplines. The Club shall operate through college/ university campus chapters and may organize suitable modules including e-learning, field exposure and NDR, student data hackathons, etc. The Club will create early awareness of offshore exploration as a career and a steady pipeline of young talent into the E&P sector. A token membership of **INR 10 (ten rupees) per month** shall

be charged and students shall have view access to Curated NDR datasets, downloading rights on specific data and a raft of free tools for academic/educational access.

- 17.7 Basin Masters Club** will be established for **the key prolific basins** to promote basin modelling and to further the understanding of the basins. Membership shall be open to students, geoscientists (both industry professionals and superannuated professionals), technology players and upstream companies. Each chapter shall build and maintain a basin model, integrating legacy knowledge with the newly acquired data, and shall conduct modelling workshops, peer reviews and publication of basin play books. An annual Basin Modelling Workshop may also be undertaken. The club will also enable knowledge base that improves prospectivity assessment. Registration details and modalities will be notified subsequently.
- 17.8 VEDHAN Club for promotion of drilling and well technologies.** Membership shall be open to students, drilling and field professionals (both industry professionals and superannuated professionals), technology players and upstream companies. The Club will focus on deepwater drilling and other technologies, automation, tools and equipment, reduction of non-productive time, and HSE. VEDHAN will focus on drilling technologies, tools, rigs, drill bits, downhole tools, casing, tubular, cementing units, wellhead, BOPs, etc. Key activities will include masterclasses, technology demonstrations, development of best practices. Registration details and modalities will be notified subsequently.
- 17.9 Operationalization:** The SAMPADA Lab and the three Clubs shall be anchored by **OIDB**. A digital platform shall host the registrations, chapter pages, event calendars, etc. DGH may define membership criteria, fee, etc. for the Clubs.





CHAPTER 18: GRIEVANCE REDRESSAL MECHANISM

- 18.1 Nodal point.** PSMU shall function as the nodal point for receipt and redressal of grievances relating to scheme implementation including delays in appraisal, disbursement, clearances or tendering from operators, MCAs, implementing entities and other stakeholders.
- 18.2** PSMU shall maintain a centralized record of grievances received across all Scheme components and track their resolution status. DGH shall be responsible for addressing and resolving grievances, in coordination with the respective implementing entities, as required.
- 18.3 Channels.** Grievances may be lodged in writing to PSMU, through the grievance module of SM-OOMS once operationalized, or through the Centralized Public Grievance Redress and Monitoring System (CPGRAMS), as applicable.
- 18.4 Timelines.** PSMU shall acknowledge the grievance and outline the proposed course of examination within a reasonable time of receipt and shall endeavor to resolve or substantively respond within 30 days, consistent with prevailing Central Government grievance-redressal norms.
- 18.5 Escalation.** Grievances not resolved at the PSMU/ DGH level, or raising a policy or inter-ministerial issue, shall be placed before the Executive Committee, and where unresolved, escalated to the Empowered Steering Committee.
- 18.6 Commercial and contractual disputes.** Disputes arising under specific contracts, tenders, orders or SPV/JV arrangements shall be addressed through the dispute resolution mechanisms recorded in the relevant contract or agreement without prejudice to a party's right to also raise the matter through the grievance channels in this Chapter. DGH may actively engage with the parties to facilitate an amicable resolution of such disputes.



The background features a dark blue gradient with intricate, wavy, golden-yellow lines that resemble topographical contours or fluid motion. Several small, bright golden-yellow dots are scattered throughout, some of which are connected by thin, vertical golden lines, creating a sense of depth and light trails.

PART D:

ANNEXURES

ANNEXURE I: ILLUSTRATIVE WELL DRILLING COST (UNDER COMPONENT 2A) & ELIGIBLE EXPENDITURE

- 1. Standard Cost Categories for Deepwater / Ultra-Deepwater Well Authorization for Expenditure (AFE)**
 - 1.1.** The following cost taxonomy is the structure for all AFEs submitted under Samudra Manthan.
 - 1.2.** Finance/ technical auditors, engaged by DGH shall verify claimed line items against these categories. Line-item wise budget is for indicative purpose only.
 - 1.3.** The line-item wise estimation should be used only as an indicative cost and shall be reimbursed as long as total eligible cost is within prescribed limits subject to audit.
 - 1.4.** In a multi-well campaign, attributable costs shall be allocated to the Scheme funded well.
 - 1.5. Rig and Vessel Costs**
 - 1.5.1. Drillship or semi-submersible rig day rate (from spud to rig release)
 - 1.5.2. Standby rate during planned non-drilling periods
 - 1.5.3. Marine spread vessels: anchor handling tug supply (AHTS) vessels, platform supply vessels (PSVs)
 - 1.5.4. Dynamic positioning fuel and vessel fuel costs
 - 1.5.5. ROV (Remotely Operated Vehicle) day rates for subsea inspection
 - 1.5.6. Helicopter transportation to rig (personnel and essential equipment)
 - 1.5.7. Rig mobilization and demobilization costs (pro-rated to the specific well where part of a multi-well campaign)
 - 1.6. Casing, Cementing & Wellhead Costs**
 - 1.6.1. Subsea Wellhead and High-Pressure Housing (HPH)
 - 1.6.2. Conductor casing (30" or 36") installation at seafloor

- 1.6.3. Surface casing, intermediate casing, production casing
- 1.6.4. Liner hangers and liners (where applicable)
- 1.6.5. Cementing services and materials (cement, additives, spacers)
- 1.6.6. Float equipment, centralizers, stage tools
- 1.6.7. Wellhead equipment (tree stump, casing head, tubing head)
- 1.6.8. Wellhead pressure tests and verification

1.7. Drilling Fluids & Solids Control

- 1.7.1. Water-Based Mud (WBM) or Synthetic/Oil-Based Mud (SBM/OBM), Non-damaging Drilling Fluids (NDDF) materials – as per approved mud program
- 1.7.2. Completion fluids and kill pills
- 1.7.3. Barite, bentonite, chemical additives, lost-circulation materials
- 1.7.4. Solids control equipment (shale shakers, centrifuges, degassers)
- 1.7.5. Cutting transport and offshore disposal costs
- 1.7.6. Deepwater cold-temperature hydrate inhibition additives (MEG or THI)

1.8. Downhole Tools

- 1.8.1. Polycrystalline Diamond Compact (PDC) or roller-cone drill bits
- 1.8.2. Under-reamer assemblies and specialized drilling tools
- 1.8.3. Downhole Measurement While Drilling (MWD) and Logging While Drilling (LWD) tools
- 1.8.4. Rotary Steerable System (RSS) rental

1.9. Directional Drilling Services

- 1.9.1. Directional drilling engineering and planning

- 1.9.2. Anti-collision analysis and monitoring
- 1.9.3. MWD/LWD tool rentals and data acquisition
- 1.9.4. Survey management and reporting

1.10. Formation Evaluation & Data Acquisition

- 1.10.1. Wireline logging runs (resistivity, porosity, density, sonic, image tools)
- 1.10.2. Formation pressure testing (MDT/RCI) and fluid sampling
- 1.10.3. Sidewall coring (rotary or percussion) and analysis
- 1.10.4. Conventional core cutting, preservation, transport, and laboratory analysis
- 1.10.5. Wellbore seismic (Vertical Seismic Profiling, check-shot surveys)
- 1.10.6. Mud logging – gas chromatography, total gas monitoring, lithology description
- 1.10.7. Data transmission and remote operations center (ROC) costs

1.11. Well Testing & Completion

- 1.11.1. Well Testing: downhole and surface test equipment
- 1.11.2. Well test burner boom, test flare systems
- 1.11.3. Well test data acquisition: choke manifold, flow measurement, separator
- 1.11.4. Completion design execution: perforating, stimulation, screen installation
- 1.11.5. Tubing and completion string
- 1.11.6. Temporary plugs for suspended wells
- 1.11.7. Wellhead tree installation (where applicable)

1.12. HSE, Regulatory & Certification

- 1.12.1. Environmental Impact Assessment (EIA) associated costs

- 1.12.2. Well control training and certification of crew (IWCF/IADC)
- 1.12.3. Third-party well control audits
- 1.12.4. DGH reporting compliance costs
- 1.12.5. Marine survey and weather monitoring services
- 1.12.6. Emergency evacuation drills

1.13. Contingency

A contingency of up to 10% of the total direct drilling costs may be included in the AFE (as defined in RSC) to cover unforeseen subsurface or operational events. Contingency shall NOT be a blanket provision – the AFE shall itemize the risk drivers justifying the contingency amount. Contingency funds released in actuals require supporting documentation. Any unused contingency is NOT payable. E&P company or operators shall not pass the operational risks to government. Contingency shall, however, be within the limit of ₹675 crore/ Well for 56 wells and ₹1,350 crore/ Stratigraphic Well, as approved in the scheme. Material or high-value contingency claims may also be reviewed by a suitable independent cost, technical or financial expert engaged by DGH/PSMU before the claim is processed for payment.

1.14. Ineligible / Excluded Costs

The following costs are expressly EXCLUDED from Scheme funding and will be disallowed from any CLAIM:

- 1.14.1. Full Corporate overhead, head office costs
- 1.14.2. Financing costs, interest on loans, or bank charges
- 1.14.3. Costs of personnel not directly engaged in the specific well operation
- 1.14.4. Costs incurred after the formal Rig Release Date
- 1.14.5. Any cost exceeding the corresponding AFE line item (subject to Deviation Report process)
- 1.14.6. Penalties, fines, or statutory levies arising from Operator non-compliance

1.14.7. Losses from speculation in foreign exchange

1.14.8. Costs of lobbying, public relations, entertainment, or gifts

ANNEXURE II: ILLUSTRATIVE FORMAT FOR SUBMISSION OF PROJECT/ FUNDING PROPOSAL

(For use, as applicable, by Operators under Component 2A, a lead operator/consortium under Component 2B, or the nodal entity under Component 2C, adapted to the component-specific contents)

1. Applicant/operator details (name, PAN/CIN, registered address, block/basin, PSC/RSC reference, contact particulars of authorized signatory).
2. Component and sub-component under which funding is sought (2A/2B/2C).
3. Technical description (geological rationale, well location/design or infrastructure configuration, capacity, technology, basin/field data as applicable).
4. Field Development Plan / survey design status and relevant statutory approvals obtained or pending.
5. Cost estimate (component-wise), proposed Scheme funding sought, and basis of eligible-cost computation with reference to the applicable funding cap.
6. Implementation schedule with key milestones proposed for milestone-linked disbursement.
7. Co-investment/financing plan, including operator equity, debt and, where applicable, VGF requirement and its basis.
8. Compliance declaration – eligibility conditions, absence of blacklisting/debarment, and undertaking to comply with these guidelines and applicable law.
9. List of enclosures (technical reports, cost estimates, FDP/pre-FEED/FEED documents, statutory approvals, financial statements, performance-security instruments, as applicable).
The concerned appraisal body (TAB/DAB/IAB) and DGH/PSMU may prescribe a detailed, component-specific proposal template incorporating the above elements, and may seek clarifications or additional information under these guidelines.

ANNEXURE III: INDICATIVE MILESTONES FOR COMPONENT 2A

TRANCHE	MILESTONE / TRIGGER EVENT	% OF ELIGIBLE FUNDING PER WELL	DOCUMENTATION REQUIRED
1	40% Drilling Depth Achieved: Well drilled to at least 40% of the TAB-approved well design depth.	40%	Daily Drilling Reports up to the milestone; depth/progress report (Plan vs Actual) IOE certified well depth confirmation note
2	Well Completion, Testing and Rig Release: well has been either completed for further operations or plugged and abandoned, as applicable	60%	IOE certified Well Completion Report including drilling, logging, coring and testing results as applicable Plugging and Abandonment Report, as applicable; Formation Evaluation Report, Rig Release Certificate
	TOTAL	100%	

ANNEXURE IV: INDICATIVE TIMELINES FOR APPRAISAL, APPROVAL AND DISBURSEMENT

1. Component 1: Offshore Data Acquisition, Processing and Interpretation

Activity	Timeline
Review/appraisal by DAB	Within 30 working days, on receipt of request for suggestions / inputs
Tender award by DGH	Within 45 working days of receipt of technical and financial bids, with a maximum of 60 days

2. Component 2A: Offshore Exploration Acceleration

Activity	Timeline
Acreage Eligibility verification by DGH	Within 7 working days of receipt of proposal
Techno-commercial appraisal by TAB	Within a maximum of 30 working days of receipt of finalized proposal from DGH

3. Component 2B: Infrastructure-Led Deepwater Production and Exploration

Activity	Timeline
Appraisal by IAB	Within 30 working days of receipt of the proposal
PIB appraisal	As per applicable PIB timeline

4. Component 2C: Development of Oil & Gas Manufacturing and Services Zone(s)

Activity	Timeline
Appraisal by IAB	Within 60 working days of receipt of the proposal

5. Common Timelines

Activity	Timeline
Clarifications sought by concerned authority	Within 10 working days
Response to clarification by applicant	Within 10 working days
Grievance redressal	Within 30 days

- Reviews and approvals by different authorities may be undertaken concurrently, wherever feasible, to expedite processing.
- Any request for extension of a prescribed timeline shall be intimated to the authority concerned at least seven days prior to expiry of the applicable timeline, along with reasons and justification for seeking such extension.
- Where the prescribed timeline has elapsed without a decision or recorded justification for the delay, the applicant may escalate the matter to the next higher authority for appropriate action.
- Expiry of a prescribed timeline shall not, by itself, constitute deemed approval of the proposal.
- Post approval of the competent authority, the decisions will be conveyed to the relevant company within ten working days.



ANNEXURE V: SAMUDRA MANTHAN OFFSHORE OPERATIONS MONITORING SYSTEM (SM-OOMS) AND SINGLE WINDOW CLEARANCE MECHANISM

Two separate independent systems shall be finalized and hosted by DGH

1. Samudra Manthan Offshore Operations Monitoring System (SM-OOMS)

- 1.1 A dedicated Samudra Manthan Offshore Operations Monitoring System (SM-OOMS) shall be established as the centralized digital platform of the Scheme to monitor offshore exploration and production activities, enabling real-time monitoring of offshore survey and drilling operations and providing continuous operational visibility to the governance bodies constituted under the Scheme.
- 1.2 The System shall be hosted on secure digital infrastructure, with role-based access controls, to ensure data management and operational transparency.
- 1.3 The System shall incorporate digital monitoring capabilities comparable to industry-standard offshore operations monitoring platforms, supporting dedicated modules for monitoring of seismic data acquisition, processing, interpretation, well drilling progress, and the infrastructure development progress.
- 1.4 The E&P operators and implementing agencies shall submit the prescribed operational data and reports through the platform in standardized formats, with built-in validation to ensure completeness and consistency of data.
- 1.5 Within six months from the notification of the operational guidelines, the DGH shall initiate the procurement, deployment and operationalization of the System and shall implement and manage it.
- 1.6 Outputs of the System shall support milestone-linked disbursements, monthly reviews of the Executive Committee, the quarterly reports to the Empowered Steering Committee, and the periodic evaluations prescribed under the Scheme.

2. Single Window Clearance Mechanism

- 2.1 Offshore operations under the Scheme require clearances from multiple Ministries and Departments such as environmental, forest, coastal regulation zone, state governments, as well as from Ministry of Defence and the Ministry of Home Affairs in respect of vessels, drillships, etc. and their crew.
- 2.2 In order to reduce time lags and promote Ease of Doing Business, a digital single-window system shall be instituted exclusively for oil and gas operations, providing for parallel processing and tracking of approvals, supported by defined timelines and escalation mechanisms. This will also provide operators with a single point of submission and tracking of applications with visibility of the status of each clearance.



ANNEXURE VI: CENTRAL NODAL AGENCY AND PAYMENT DISBURSEMENT

1. DGH is the designated Central Nodal Agency (CNA) for the scheme implementation.
2. Funds under Samudra Manthan shall flow in accordance with the extant guidelines prescribed by the Department of Expenditure, Ministry of Finance, for Central Sector Schemes, implemented through the Treasury Single Account model.
3. All disbursements shall be made digitally through the Public Financial Management System (PFMS). The payments shall be milestone-linked, as finalized against each sub-component, and released only upon verification of claims, deliverables and eligible expenditure. The entities receiving funds under the scheme shall be registered on the Public Financial Management System, suitably as required and prescribed.
4. DGH shall be responsible for ensuring quality and quantity of all components under the scheme. DGH may also engage a suitable agency to support it in verifying progress, supporting documentation and payment claims.
5. Upon receipt of an invoice, DGH shall review the same and communicate any queries, deficiencies or clarifications to the vendor/beneficiary within 21 working days.
6. The vendor/beneficiary shall submit its response and requisite clarifications/documents within 10 working days of receipt of such communication.
7. Upon receipt of the response, DGH shall communicate any further queries, if any, within 15 working days. Once no further queries or clarifications remain outstanding and the claim is accepted, the invoice shall be processed and accorded for approval for payment within an overall period of 30 working days from the date of receipt of the latest clarification/ suitable responses or documentations, as sought by DGH.
8. Where no query or clarification is raised, the period of 30 working days shall be calculated from the date of receipt of the complete invoice and supporting documents. Fund flow mechanisms in the PFMS will be notified separately, where required. Where any claim under the Scheme is made, following considerations are required:
9. For Consideration for specified supplies, the claim will be made by beneficiary against GST-Invoices after considering all the eligible Input Tax Credits (ITC). The claimant shall ensure that all eligible Input Tax Credit (ITC) available under the applicable GST laws has been duly availed and appropriately considered while determining the amount claimed under the Scheme. Every claim shall be supported by a certificate from a statutory auditor

certifying that the eligible ITC in respect of the relevant inward GST invoices has been duly availed and considered for the purpose of the claim, and that no cascading effect or double benefit has been claimed to the extent of such eligible ITC.

10. For Grant-in-aid / Government assistance or Subsidy / Viability Gap Funding, wherever GST is not applicable, claim will be made by the beneficiaries against a Demand Letter.

ANNEXURE VII: EXTERNAL AGENCIES THAT MAY BE ENGAGED BY THE DIRECTORATE GENERAL OF HYDROCARBONS

Sub-component	External Agency	Scope Of Work	Reference In These Guidelines
COMPONENT 1 – Offshore Data Acquisition, Processing and Interpretation			
1A	Independent Quality-Control (QC) Agency	Carry out the quality-control functions prescribed for acceptance of 2D data	<i>Cl. 8.1.3, Cl. 8.1.6</i>
1B	Independent Quality-Control (QC) agency	Independent assessment of the reprocessing and interpretation outputs submitted by the Multi-Client Agency (MCA)	<i>Cl. 8.2.7</i>
1C	Independent Quality-Control (QC) agency	Independent assessment of reprocessing and reinterpretation outputs	<i>Cl. 8.3.7, Cl. 8.2.7</i>
COMPONENT 2 – Offshore Exploration Acceleration and Infrastructure-Led Production			
2A	Technical agency / consulting firm supporting the TAB	On the request of the Technical Assessment Board, to support the techno-commercial appraisal and evaluation of well proposals.	<i>Cl. 9.6.2</i>
2A	Cost benchmarking agency for deepwater / ultra-deepwater drilling	Development and periodic revision of dynamic benchmarks for deepwater and ultra-deepwater drilling and associated service costs, and preparation of the expenditure-estimate verification furnished by DGH to the TAB.	<i>Cl. 9.5</i>
ALL	Technical Agency / consulting firm	For the verification of invoices or payments of the scheme funding under all the components of Samudra Manthan	

ANNEXURE VIII: INDICATIVE STEPS AND PROCESS FLOW (BASED ON THE OPERATIONAL GUIDELINES AND REPEATED FOR CLARITY)

(This is indicative and the main operational guidelines should be adhered to)

1. COMPONENT 1A – 2D SEISMIC DATA ACQUISITION, PROCESSING AND INTERPRETATION

#	Step	Key details	Responsible body	Other bodies
A. Scope, survey design and appraisal				
1	Identification of survey areas, grid density and target basins	DGH shall identify the survey areas, grid density, target basins, etc. for the surveys to be undertaken	DGH	DAB Overall review and recommendations to DGH on target areas/basins, methodologies and choice of technology
2	Preparation of the project proposal, cost estimate and procurement plan	DGH shall be the Project Implementing Agency covering planning, cost estimation, tendering, bid evaluation, contract award, technical oversight, quality assurance, bill verification and payment, and integration of all resulting data within the National Data Repository (NDR).	DGH	–
3	Techno-commercial appraisal of the seismic project proposal	DGH shall present all seismic projects to the DAB for appraisal and seek their recommendations / concurrence before presenting the same to the Executive Committee for appraisal and further approval. DAB reviews/ appraises survey design, techno-commercial specifications, data-quality standards and acceptance criteria, and appraises and makes recommendations on the cost framework/ estimates/ benchmarks.	DAB	DGH

#	Step	Key details	Responsible body	Other bodies
		DGH shall present the general outline and methodology of the tenders / procurement parameters to the DAB and the EC during the appraisal.		
B. Approval, expenditure sanction and project award				
4	Decision on project funding by the Executive Committee	The Executive Committee shall undertake the final appraisal of the DGH proposed project funding based on the recommendations of the DAB, subject to the availability of funds under the Component.	EC	–
5	Accord of expenditure sanction	Subsequent to EC's appraisal, expenditure sanction will be processed for the approval of the Minister, PNG	Minister, PNG	–
6	Publication of the tender and modification pursuant to pre-bid queries	Tenders shall be invited, evaluated and awarded by DGH through a competitive bidding process through a notified electronic procurement portal. The approval of DG-DGH will be taken at every step of the tender process. DGH will make all possible efforts to expedite the tendering activities to adhere to the scheme timelines. DGH may modify and amend the scope of work and terms of reference of the individual tenders pursuant to pre-bid discussions/ queries from the participant bidders with the approval of DG-DGH and in consultation with DAB where required by DG, DGH.	DGH <i>(with the approval of DG, DGH)</i>	DAB <i>(in consultation, where required by DG, DGH)</i>
7	Evaluation of the techno-commercial bids and award of the tender	DGH shall examine and evaluate the techno-commercial bids and suitably award the tenders. DG, DGH shall be the Competent Authority for bid invitation, evaluation, approval and award of contract. DGH may constitute appropriate committees for the said purpose.	DGH <i>(DG, DGH as Competent Authority)</i>	–

#	Step	Key details	Responsible body	Other bodies
C. Execution, quality control and acceptance				
8	Mobilization and execution of the survey campaign	DGH shall specify survey campaign-wise completion timelines for each milestone.	Service Providers (Data Companies / Seismic contractors)	DGH
9	Real-time monitoring of operations, quality control and stage-wise acceptance	Quality assurance shall apply throughout survey design, vessel mobilization, acquisition, processing, interpretation and data submission. Acquired data shall pass objective criteria laid down by DGH before it is accepted. DGH and its nominated quality-control representatives shall monitor operations in real time, inspect equipment, review test results, access processing and interpretation workstations, witness key decisions and require corrective action. DGH may deploy its own representatives at the vessel, processing center and interpretation center.	DGH	Independent quality-control agency DGH may procure an independent quality-control agency to carry out necessary activities
10	Submission of deliverables and data-clearance certificate	Deliverables to be submitted progressively and in formats as specified, for NDR integration. No data shall remain on the vessel or unapproved systems after completion or demobilization. The service provider shall submit a deletion and data-clearance certificate in the format prescribed by DGH.	Service provider	–
D. Milestones, claims and disbursement				
11	Claim verification, processing and payment	All payments will be made as per applicable payment mechanisms as approved by the Government.	DGH	Financial Advisor, DGH DGH shall finalize the milestone-linked disbursement plans and

#	Step	Key details	Responsible body	Other bodies
				the cost framework in coordination with the Financial Advisor, DGH
E. Data ownership, NDR integration and access				
12	NDR integration, custodianship and assignment of intellectual-property rights	NDR shall be the custodian of all the raw data, processed data, interpretation outputs, maps, reports, models, metadata and other deliverables generated under the 2D proprietary program from the time of creation. All seismic data acquired under this component will be processed, interpreted and integrated into the National Data Repository (NDR). The service provider shall assign all intellectual-property rights in the deliverables to the DGH (NDR). The service provider shall use the data only for execution of the contract and shall not retain, publish, train commercial models on, sell, license, or otherwise use the data without prior written approval of DGH.	Service provider → NDR (DGH)	–
13	Availability of data to eligible E&P operators through the NDR	NDR shall be the custodian of the accepted data and may use, disclose or make it available through the NDR in accordance with applicable confidentiality and data-access policy.	DGH (NDR)	–
F. Change control				
14	Change control, cost revision and corrective action	A minor deviation, which doesn't have a financial implication, shall be approved by DGH.	DAB (<i>recommendation</i>)	DGH (<i>change request routed through DGH</i>)

#	Step	Key details	Responsible body	Other bodies
		Any other deviation from the approved survey design, grid density, survey area, milestone schedule or approved cost shall constitute a change requiring prior approval in accordance with the Change Control process, obtained through DGH and, where material, on the recommendation of the DAB and the approval of the Executive Committee / competent authority. DGH may modify and amend the scope of work, terms of reference and milestone list with the approval of DG, DGH and in consultation with the DAB where required within the approved project boundaries.	→ EC and competent authority (<i>approval</i>)	

2. COMPONENT 1B – 3D SEISMIC DATA ACQUISITION & OTHER TECHNIQUES

#	Step	Key details	Responsible body	Other Bodies
A. Target area identification and appraisal				
1	Proposal of target areas for 3D API	DGH will prepare the project proposal including target areas based on technical assessment, data availability, basin priority and market interest to the DAB for consideration. Multi-client agencies may also propose prospective target areas for consideration by DGH / DAB.	DGH	Multi-client agencies (MCA) DAB
2	Review of the technical proposal	DGH shall get the techno-commercial review of the proposals done by DAB with recommendations on the acceptable areas, methodologies, quality conditions, commercial aspects, etc. DGH shall present the general outline, co-funding proposal and methodology of the tenders / procurement parameters to the DAB and the EC during the appraisal.	DAB	DGH
B. Approval, expenditure sanction and selection of the multi-client agency				
3	Decision on project funding by the Executive Committee	The Executive Committee shall undertake the final appraisal of the DGH proposed project funding based on the recommendations of the DAB.	EC	–
4	Accord of expenditure sanction	Subsequent to EC's appraisal, expenditure sanction will be processed for the approval of the Minister, PNG	Minister, PNG	–

#	Step	Key details	Responsible body	Other Bodies
5	Formulation of the techno-commercial evaluation criteria and tender parameters	DGH will formulate appropriate techno-commercial evaluation criteria. The DGH may also appropriately finalize and specify the Government co-funding ceiling, marketing period, etc. in the tender, after considering survey campaign size, strategic priority, expected market demand and available budget.	DGH	DAB Recommends to DGH the data-marketing mechanism under MCM
6	Invitation of an open competitive tender for selection of the Multi-Client Agency (MCA)	DGH will undertake the tendering with suitable scope of work and techno-commercial evaluation criteria A Multi-Client Agency (MCA) shall be selected through an open competitive tender for each survey campaign undertaken on MCM. DGH may modify and amend the scope of work and terms of reference of the individual tenders pursuant to pre-bid discussions/ queries from the participant bidders with the approval of DG-DGH as well as in consultation with DAB where required.	DGH	DAB
7	Examination of the techno-commercial bids and submission of the bid recommendation	DGH shall examine the techno-commercial bids. The Committees, constituted by DGH, shall submit recommendation with the evaluated Government co-funding requirement to the DG, DGH, for approval.	Bid Committees (DGH) DG, DGH	–
8	Award of the survey campaign	DGH with approval from DG, DGH shall award the survey campaign to selected MCA.	DGH	–

#	Step	Key details	Responsible body	Other Bodies
C. Execution, quality control and acceptance				
9	Execution of the approved 3D API work and contribution of the mandatory private share	The Multi-Client Agency (MCA) shall undertake the approved work, contribute the mandatory private share of project cost and bear the commercial risk of data licensing.	MCA Undertakes 3D API and other advanced subsurface imaging techniques	–
10	Quality control and acceptance	DGH may appoint an independent agency to assess the reprocessing and interpretation outputs and the technical basis for proposed 3D areas. Successful upload and validation of all required data in the NDR shall be a condition for acceptance by DGH and final payment.	DGH NDR (DGH)	Independent agency (appointed by DGH)
D. Milestones, claims and disbursement				
11	Milestone-linked release of Government co-funding	Payments shall be milestone-linked and shall be made only for accepted work by DGH.	DGH (Central Nodal Agency)	Financial Advisor, DGH
E. Data ownership, NDR integration and licensing				
12	Data ownership, custodianship and intellectual property	Strategic ownership of national subsurface data remains with the Government through the NDR. Both raw and reprocessed data are integrated into the National Data Repository (NDR)	NDR (DGH)	–

#	Step	Key details	Responsible body	Other Bodies
13	Marketing and licensing of the data during the approved marketing period	MCA shall have exclusive, i.e. sole marketing rights to license the data it acquired, interpreted and processed to multiple E&P operators, for the period as approved. MCA shall market the seismic data to its customers in a non-discriminatory manner. Raw legacy data shall not be commercially distributed by the MCA except where expressly included in the approved survey campaign and permitted under applicable NDR policy. The standard license agreement shall be approved by DGH and governed by Indian law.	MCA	
14	Suspension / termination of marketing rights and reversion to DGH	DGH may suspend or terminate marketing rights for material breach, data-security failure, sanctions or ownership concerns, unlawful licensing, persistent reporting failure or other events stated in the contract. At the end of the marketing period, or upon earlier termination of marketing rights, all such rights shall revert to DGH without compensation.	DGH	–

F. Change control / deviations

15	Change control, cost revision and corrective action	A minor deviation, which doesn't have a financial implication, shall be approved by DGH. Any other deviation from the approved survey campaign, survey area, methodology, minimum quality conditions, milestone schedule, marketing period or approved Government co-funding ceiling shall constitute a change requiring prior approval in accordance with the Change Control process defined, obtained through DGH and, where material, on the recommendation of the DAB and the approval of the Executive Committee/ and competent authority.	DAB DGH <i>(change request routed through DGH)</i> → EC and competent authority	-
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3. COMPONENT 1C – NDR DATA REPROCESSING & AI TOOLS IMPLEMENTATION

#	Step	Key details	Responsible body	Other bodies
A. Dataset selection and reprocessing design				
1	Identification of legacy 2D and 3D datasets for reprocessing	DGH shall identify legacy 2D and 3D datasets for reprocessing based on data condition, geographic coverage, strategic relevance, imaging limitations, relationship to prospective areas and expected value from modern processing. DGH presents and seeks recommendations of DAB.	DGH	DAB Recommends to DGH prioritization of legacy NDR datasets and suitability of AI/ML tools
2	Obtaining legacy data from other Government-authorized custodians	DGH shall also obtain approved legacy data from other Government-authorized custodians; the transfer shall be documented and shall not alter the underlying ownership or confidentiality status.	DGH	–
B. Approval, expenditure sanction and selection of the multi-client agency				
3	Techno-commercial appraisal of the reprocessing proposal	DAB shall undertake techno-commercial appraisal of the proposal prepared and submitted by DGH	DAB	–
4	Decision on Scheme funding by the Executive Committee	The Executive Committee shall undertake the final appraisal of the proposal for the Scheme funding based on the recommendations of the DAB and DGH, subject to the availability of funds under the Component.	EC	–
5	Accord of expenditure sanction	Subsequent to EC's appraisal, expenditure sanction will be processed for the approval of the Minister, PNG	Minister, PNG	–

#	Step	Key details	Responsible body	Other bodies
6	Formulation of the techno-commercial evaluation criteria and tender parameters	DGH will formulate appropriate techno-commercial evaluation criteria. The DGH may also appropriately finalize and specify the Government co-funding ceiling, marketing period, etc. in the tender. DGH shall present the general outline, co-funding proposal and methodology of the tenders / procurement parameters to the DAB and the EC during the appraisal.	DGH	DAB Recommends to DGH the data-marketing mechanism under MCM
7	Determination of the contracting route and tendering of the work	DGH will undertake the tendering with suitable scope of work and techno-commercial evaluation criteria Reprocessing and reinterpretation may be tendered together with 3D seismic API where the reprocessed output is required to select or refine the 3D areas. DGH also may issue a separate scope of work for reprocessing a dataset where no new 3D survey is proposed, where rapid reprocessing is required, or where combining the scope with 3D seismic API would reduce competition or delay delivery. DGH shall clearly identify which reprocessed and interpreted products may be licensed to the MCA.	DGH	–
8	Examination of the techno-commercial bids and submission of the bid recommendation	DGH shall examine the techno-commercial bids. The Committees, constituted by DGH, shall submit recommendation with the evaluated Government co-funding requirement to the DG, DGH, for approval.	Bid Committees (DGH) DG, DGH	
9	Award of the survey campaign	DGH with approval from DG, DGH shall award the survey campaign to selected MCA/ Service Provider.	DGH	–

#	Step	Key details	Responsible body	Other bodies
C. Execution, quality control and acceptance				
10	Execution of the reprocessing work and project schedule	The Multi-Client Agency (MCA) / Service Provider shall undertake the approved work, contribute the mandatory private share of project cost and bear the commercial risk of data licensing.	MCA/ Service Provider	–
11	Quality control and acceptance	DGH may appoint an independent agency to assess the outputs. Successful upload and validation of all required data in the NDR shall be a condition for acceptance by DGH and final payment.	DGH NDR (DGH)	Independent agency (appointed by DGH)
D. AI tools and wider use of reprocessed data				
12	Deployment of AI, machine-learning and advanced analytics tools	DGH may bring in or approve AI, machine-learning or advanced analytics tools / algorithms to help with conditioning the data, detecting features, supporting interpretation, modelling basins, screening leads, ranking prospects and quality control. Empaneled players may be engaged through dedicated packages and may even be embedded within NDR	DGH	DAB OIDB – SAMPADA Lab
E. Claims and disbursement				
13	Milestone-linked payment and disbursement	Payments shall be milestone-linked and shall be made only for accepted work by DGH.	DGH (Central Nodal Agency)	Financial Advisor, DGH

#	Step	Key details	Responsible body	Other bodies
F. Data ownership, NDR integration and licensing				
14	Data ownership, custodianship and intellectual property	NDR shall be the custodian of all reprocessed, acquired, processed and interpreted outputs generated under the contract from the time of creation, irrespective of the proportion of Government and MCA funding.	NDR (DGH)	-
G. Change control				
15	Change control, cost revision and corrective action	A minor deviation, which doesn't have a financial implication, shall be approved by DGH. Any other deviation, from the approved scope, methodology, minimum quality conditions, milestone schedule, marketing period or approved Government co-funding ceiling requires prior approval, obtained through DGH and, where material, on the recommendation of the DAB and the approval of the Executive Committee/ and competent authority.	DGH DAB <i>(recommendation)</i> → EC and competent authority <i>(approval)</i>	MCA

4. COMPONENT 2A – OFFSHORE EXPLORATION ACCELERATION

#	Step	Key details	Responsible body	Other bodies
A. Evaluation criteria & invitation of proposals				
1	Definition of the techno-commercial evaluation criteria for the wells to be funded as part of the scheme	Technical Assessment Board to define the techno-commercial evaluation criteria for the wells that may be awarded funding under the scheme within an indicative acreage area TAB may also define the number of scheme funded wells within an eligible block or a cap on number of scheme funded wells per unit area (i.e. number of wells / '000 sq kms) or cap on scheme funded wells per operator	TAB	DGH Provides technical, logistical and administrative support to the TAB
2	Invitation of well-drilling proposals	Invite well proposals from E&P operators	TAB	DGH to support TAB in the proposal process
B. Application & eligibility verification				
3	Preparation and submission of the well-drilling proposal	Eligible operators to submit proposals for Scheme funded well drilling, containing key details, to the TAB, with a copy to DG, DGH for information. Operators shall keep DGH fully in the loop in their communications with TAB. Indicatively, the proposal for Scheme funded well(s) drilling should, inter alia, include: (i) block details including details of valid lease/ license details, (ii) contractual status and status of MWP/CWP; (iii) geological rationale, prospect description, Geological Chance of Success; (iv) proposed well location and supporting geological and geophysical interpretation; (v) well design, drilling program and operational plan submitted in the form of an industry-standard EDP (Executive Drilling Program) (vi) estimated well cost and funding requirement; (vii) execution schedule including planned spud and completion	E&P Operator	Independent third-party technical agency of repute

#	Step	Key details	Responsible body	Other bodies
		dates; (viii) resource potential, risk assessment and post-discovery development pathway; (ix) well integrity and process safety standards, HSE plan, regulatory approval status and data submission plan; (x) any other requirements as mandated by TAB or EC		
4	Eligibility verification – valid & active lease/ license, MWP/ CWP status and acreage restrictions	Prior to appraisal of any well proposal by the TAB, the TAB may require DGH to verify and confirm that the operator holds a valid and active lease/ license for the relevant block DGH shall verify the latest status of the block's MWP/ CWP, identify any outstanding obligations or pendency in accordance with these guidelines. The proposals satisfying these conditions or otherwise covered by an approved exemption under these guidelines shall be treated as eligible and taken up by the TAB for appraisal DGH will also verify that the acreage is not subject to legal, environmental, defense, regulatory or operational restrictions or disputes and should not have been notified as ineligible by DGH	DGH	Management Committee of the block
5	Cost benchmarks and expenditure estimate provided to TAB	DGH will facilitate choosing of appropriate cost benchmarks and providing expenditure-estimate to the TAB	DGH	–
C. Techno-commercial appraisal & recommendation				
6	Techno-commercial evaluation of the proposal	TAB will undertake techno-commercial evaluation in accordance with the evaluation criteria notified by TAB for the purpose.	TAB	Technical agency / consulting firm / analytical tools

#	Step	Key details	Responsible body	Other bodies
				On the request of the TAB, DGH may appoint the technical agency
7	Recommendation of eligible well(s) to the EC	TAB will make techno-commercial recommendations to the EC for a decision to provide scheme funding to the well.	TAB	–

D. Approval, expenditure sanction & well award

8	Funding decision by the Executive Committee	The Executive Committee shall undertake the final appraisal of the proposal for the Scheme funding based on the recommendations of the TAB, subject to the number of wells and availability of funds under the Component.	EC	–
9	Expenditure sanction	Subsequent to EC's appraisal, expenditure sanction will be processed for the approval of the Minister, PNG	Minister, PNG	–
10	Issue of Sanction Letter for the well to the operator	Following selection of a well, MoPNG shall issue a sanction letter to the operator – specifying details such as the approved well location, technical scope, applicable Scheme funding related details, target implementation schedule, reporting requirements and other conditions.	MoPNG	DGH shall actively monitor progress of drilling to facilitate payments

E. Execution & monitoring

11	Drilling and completion of the well	Upon award of a well under Samudra Manthan, the well shall be drilled and completed at the earliest possible time. DGH shall actively monitor and verify progress against the approved milestones in consultation with the Management Committee. The operator shall appoint the IOE in consultation with DGH. DGH may also engage a	E&P Operator	DGH (monitoring verification) &
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#	Step	Key details	Responsible body	Other bodies
		suitable technical agency to support it in verifying payment claims and the supporting documentation.		DGH shall actively monitor progress of drilling to facilitate payments

F. Milestones, claims & disbursement

12	Milestone achievement and raising of claim by the operator	There shall be two payment milestones for every approved well, as follows (the EC, on the recommendation of the TAB, may modify these milestones suitably): Milestone 1 – Drilling Progress: drilling has been progressed to 40% of the TAB-approved well design depth as per the Sanction letter. Milestone 2 – Well Completion and Final Testing: Well has been completed for further operations or completed, plugged and abandoned, as applicable, in accordance with the approved program, and the well completion report has been submitted to and approved by TAB. The share of Scheme funding attributable to Milestone 1 shall be 40% of the approved Scheme funding, and the balance 60% shall be released on completion of Milestone 2. <u>On achievement of a milestone</u>, the operator shall raise a claim and submit to DGH in the <u>prescribed format</u>, along with the <u>prescribed supporting documents</u> specified for that milestone in Annexure III. No claim shall be raised, and no amount released, in anticipation of a milestone. Post completion, the TAB shall review the well completion report and other <u>prescribed</u> parameters and make its recommendation for release of the final tranche of funds. <i>TAB review not needed for Milestone 1 (first 40% of scheme funding)</i>	E&P Operator <i>(raises the claim)</i> DGH <i>(claims raised to DGH)</i> TAB <i>(approval of the well completion report – Milestone 2)</i>	–
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#	Step	Key details	Responsible body	Other bodies
13	Claim verification, processing and payment	DGH shall strive to facilitate raising of all the claims online. All payments will be made as per applicable payment mechanism as approved by the Government. DGH shall complete the claim verification and payment.	DGH (Central Agency) Nodal	Financial Advisor, DGH Technical agency DGH may also engage a suitable technical agency, to support it in verifying payment claims and the supporting documentation prior to making the payments.

G. Change control

14	Deviation from approved terms: (a) well location or well design; (b) material deviation; (c) minor deviation	(a) Any deviation whatsoever from the approved well location or well design shall require recommendation of the TAB and the approval of the Executive Committee. A revised expenditure sanction will not be needed if there is no change in the funding requirements (b) Any material deviation from the execution timelines or approved cost, reporting obligations or data-submission requirements shall require recommendation of the TAB and the approval of the Executive Committee / competent authority. (c) A minor deviation, i.e. a deviation without financial implications, made with bona fide intent, may be effected by the operator / implementing entity without requiring prior approval, subject to DGH being informed of such deviation. DGH may, on a case-to-case basis, seek clarifications on any such deviation, which shall be addressed by the operator / implementing entity. DGH shall keep the EC apprised of such minor deviations.	(a) & (b): TAB (recommendation) → EC and competent authority (approval) (c): DGH (as expressly authorized by the EC)	TAB E&P Operator (material variance report)
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#	Step	Key details	Responsible body	Other bodies
		(d) In the event of discontinuation of drilling operations before completion of the approved drilling program (other than for bona fide reasons accepted by the TAB), sustained failure to achieve the approved milestones, or utilization of Scheme funds for ineligible purposes, the EC may, for reasons recorded in writing, suspend further disbursements and recover the Scheme funding already released (Section 9.9.3). All deviations and change requests under this step shall be routed through DGH.		
H. Data integration, recovery & cost verification				
15	Drilling data submission and NDR integration	All geological, drilling, logging, coring, testing and well completion data generated through Scheme funded wells shall be submitted to DGH and integrated into the National Data Repository in accordance with applicable confidentiality and data-access norms. Suitable drilling data to be submitted and integrated with NDR. Data ownership and IP rights shall be as per concurrent NDR data policy regulations.	E&P Operator (<i>submission</i>) → National Data Repository (NDR) DGH (<i>Integrates drilling data into the NDR</i>)	NDR to verify the same periodically and raise notices where not submitted.
16	Recovery of the Scheme funding on Successful Commercial Discovery	Recovery of Scheme funding shall commence after seven years of commercial production or recovery of 50% of operator's exploration and development cost whichever is earlier, without inflation indexation or time-value adjustment. Recovery of Scheme funding shall be made from operator revenue in annual installments. This is in addition to any obligations that the operator shall have under the Revenue Sharing Contract.	DGH (<i>notifies the recovery modality; recovery from operator revenue</i>)	–

#	Step	Key details	Responsible body	Other bodies
17	Determination and verification of the operator's exploration and development cost	For determining the operator's exploration and development cost, only costs directly attributable to the project shall be considered. The costs claimed by the operator shall be based on self-declaration by the operator and supported with a certification by a statutory auditor. DGH shall ensure that the self-declaration and certification by the statutory auditor are essentially available.	E&P Operator → DGH (<i>verification</i>)	Statutory auditor

5. COMPONENT 2B – INFRASTRUCTURE-LED DEEPWATER PRODUCTION AND EXPLORATION

#	Step	Key details	Responsible body	Other bodies
A. Basin consultation, detailed project report and project structuring				
1	Detailed consultations among participating operators in the basin concerned	Common hub infrastructure support under this Component is envisaged initially for the Mahanadi basin with token funding for Kutch. Participating E&P operators across these basins to undertake consultations and finalize the overall execution plan for this component, including the DPR.	Participating operators E&P	–
2	Development and Finalization of the DPR, cost estimates, procurement plan and VGF requirement	Finalization of DPR is undertaken by the Implementing Entity including the ask for viability gap funding (VGF) for enablement of Common Infrastructure. The viability gap funding determination shall follow the standard guidelines issued by Government of India. Determination of eligible infrastructure and the terminal point to be undertaken as part of the DPR.	Implementing Entity / Participating operators E&P	Independent Owner's Engineer (IOE)
3	Incorporation of the SPV/JV and agreement on ownership, equity participation and capacity commitments	A separate SPV/JV shall be incorporated (or any other dedicated implementation entity) to own and construct the Common Infrastructure. This may comprise of operator(s) holding valid blocks within the basin concerned, where the proposed Common Infrastructure would enable monetization of their discoveries. The participating operators shall agree on the ownership, equity participation and capacity commitments in the Common Infrastructure as part of the structuring of the implementing entity/ SPV/JV and prior to commencement of construction.	Participating operators E&P → SPV/ JV/ Implementing Entity	DGH and Management committee of the blocks, where needed.

#	Step	Key details	Responsible body	Other bodies
4	Designation of the Nodal Operator for day-to-day operations, maintenance, HSE and other compliances	Any participating operator /the SPV/JV incorporated / implementation entity for common infrastructure / any other entity as proposed by participating operators shall act as the Nodal Operator, unless the competent authority approves another entity based on the project structure and technical appraisal.	Participating operators / E&P Implementing Entity	-
5	Infrastructure design and capacity determination	Common Infrastructure may be designed and implemented in phases and shall be designed as a modular system capable of phased expansion. The design may preserve standardized tie-in interfaces and expansion provisions so that future discoveries can connect without disproportionate modification of the commissioned infrastructure. The capacity of the Common Infrastructure may be determined based on the approved Field Development Plan(s) and confirmed production profiles of participating operators. The initial capacity may be sized based on the production profiles and FDP timelines of the initial participating operators.	Implementing Entity	Independent Owner's Engineer (IOE) <i>(vetting of production profiles)</i>

B. Appraisal, PIB and expenditure sanction

6	Preliminary scrutiny and techno-commercial appraisal of the proposal	IAB shall undertake preliminary scrutiny and appraisal of the proposal for completeness, eligibility, operator commitments and consistency with the Scheme, along with technical details like basin configuration, production data, tie-in feasibility, infrastructure design, cost assumptions and the viability gap funding requirement. DGH may be consulted for inputs, if any. IAB appraises and makes recommendations on the cost framework (i.e. the cost heads to be reimbursed) and appraises concept, feasibility/ design	IAB	DGH <i>(Convenes the IAB and provides secretariat support)</i>
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#	Step	Key details	Responsible body	Other bodies
		basis, VGF, implementation model and cost estimates, procurement plans, SPV/JV structures and cost estimates.		
7	Placement of the proposal with IAB recommendations before the EC for approval	The proposal, together with the IAB's recommendations, shall thereafter be placed before the EC for appraisal and subsequently submitted to the Public Investment Board (PIB) seeking a viability fund for the project	EC	–
8	Submission of the proposal to the Public Investment Board (PIB) for appraisal	Public Investment Board (PIB) – The proposal shall be submitted, in the appropriate format, to the PIB for appraisal in accordance with the approved Scheme framework. Changes arising from the PIB appraisal shall be incorporated into the proposal prior to final approval.	PIB	
9	Approval and accord of expenditure sanction	Approval and Sanction – Following PIB appraisal, the proposal (including any modifications required) shall be submitted for expenditure sanction by the Minister, PNG.	Minister, PNG	–

C. Procurement and construction

10	Procurement of the EPC packages	The implementing entity shall procure engineering, equipment, construction, marine installation, project-management and other EPC packages, whether as an integrated EPC contract or through split contracts, through transparent and competitive processes, except where an alternative procurement route has been duly approved.	Implementing Entity	–
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#	Step	Key details	Responsible body	Other bodies
11	Construction after execution of participation/equity arrangements and financial closure	Construction of the Common Infrastructure shall commence only after execution of the required participation/equity arrangements, achievement of financial and technical readiness, and approval of the sanctioned project. Development of the Common Infrastructure shall be undertaken by the Implementing Entity in accordance with the approved project plan, sanction terms and implementation arrangement.	SPV/ JV/ Implementing Entity Undertakes on ground execution of the Common Infrastructure	

D. Milestones, claims and disbursement

12	Milestone achievement and submission of claims	Claims shall be submitted by the implementing entity to DGH. Funding shall be released to the entity specified in the sanction order subject to completion of milestones which shall be finalized in the DPR in consultation with IAB.	Implementing Entity <i>(raises the claim)</i>	Independent Owner's Engineer (IOE) <i>(certification of physical progress)</i>
13	Verification of milestone achievement and eligible expenditure, and processing of disbursement	DGH shall actively supervise implementation, verify milestone achievement and eligible expenditure for processing disbursements. All payments will be made as per applicable payment mechanism as approved by the Government. Payments shall be subject to availability of funds, administrative approval, expenditure sanction and compliance with applicable financial and procurement rules.	DGH <i>(Central Nodal Agency)</i>	Financial Advisor, DGH

E. Open access, capacity allocation and tariff

#	Step	Key details	Responsible body	Other bodies
14	Open access and capacity allocation on commissioning	The Common Infrastructure shall be operated on principles of fair and non-discriminatory access, subject to availability of capacity, technical compatibility and the approved terms of the project in accordance with the PNG Rules. <u>Capacity Allocation</u>: Capacity may be allocated based on the committed requirements of participating operators, subject to technical feasibility and agreed access conditions. Any unutilized capacity may be made available to other operators seeking access to the Common Infrastructure in the future, with a view to ensuring efficient utilization of the infrastructure. <u>Charges</u> (Capital Contribution / Upfront Charge and O&M charges) to be suitably determined and levied	Implementing Entity / Nodal Operator	–
15	Annual determination and approval of tariff	The implementing entity shall prepare annual tariff calculations based on approved capital cost, project life, equity or capacity shares, actual O&M expenditure and applicable VGF, which shall be certified and made available for audit. The tariff shall be mutually determined in pursuance of Chapter VIII of PNG Rules, by the participating operators of the implementing entity.	Implementing Entity	–

F. Change control / deviations

16	Change control, cost revision and corrective action	A minor deviation, i.e. a deviation without financial implications, made with bona fide intent, may be effected by the operator / implementing entity without requiring prior approval, subject to DGH being informed of such deviation. DGH may, on a case-to-case basis, seek clarifications on any	Implementing Entity → IAB	DGH Executive Committee and Competent
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#	Step	Key details	Responsible body	Other bodies
		such deviation, which shall be addressed by the operator / implementing entity. DGH shall keep the EC apprised of such minor deviations. For any other deviation, the Implementing Entity shall submit a change request to the IAB. IAB shall examine and provide recommendations to the EC. Any material change to project scope, route, design, capacity, capacity phasing, cost, schedule, contracting strategy, financing, equity, Nodal Operator or tariff mechanism shall require EC approval prior to implementation. All change requests shall be routed through DGH. The change request shall state the reason, technical justification, cost and schedule impact, effect on operator commitments, tariff, project returns and risks, together with the proposed mitigation. There shall be no automatic increase in Scheme funding because of cost escalation, delay, lower utilization or change in operator commitments. Any revision shall require recommendation of the IAB and the approval of the Executive Committee / competent authority. Where progress falls materially behind the approved schedule or cost, the implementing entity shall submit a time-bound corrective-action plan. Further release of funds shall be done by DGH and shall remain linked to acceptance and implementation of the corrective measures.		Authority (if needed)

6. COMPONENT 2C – OIL & GAS MANUFACTURING AND SERVICES ZONE(S)

#	Step	Key details	Responsible bodies	Other bodies
A. Identification of locations and submission of proposals				
1	Shortlisting of location	Suitable locations for setting up the manufacturing / services zone(s) shall be identified and evaluated by the Infrastructure Appraisal Board (IAB). Additionally, any other private entity, CPSE or state government or a consortium or JV of such entities, may also propose suitable locations for the zone(s) The IAB may screen and short list locations for the zone(s) basis various objective criteria namely land availability and readiness, port and logistics connectivity, accessibility, availability of utilities, E&P industry demand, Oil and Gas industry demand, economies of scale, statutory clearances, skilled manpower and overall technical and financial viability. The location-selection criteria, indicative implementation model, indicative financial structure and the Detailed Project Report format shall be finalized by IAB in consultation with MoPNG (DPIIT for BHAVYA) and the State Government concerned, where necessary. IAB will submit the shortlisted locations along with the key considerations to EC.	IAB EC	CPSEs State Governments Private Players (or their JV/ Consortia) DPIIT MoPNG
2	Submission of the proposal by eligible entities for identified locations	Proposals for identified locations may be submitted to IAB (through DGH) by eligible companies, entities, consortia, SPVs or JVs through an Expression of Interest, Request for Proposal, or any other transparent selection mechanism.	Applicant entity (CPSEs, Private Entities, State Governments); JVs/ Consortia of these	-

#	Step	Key details	Responsible bodies	Other bodies
B. Appraisal, approval and expenditure sanction				
3	Techno-commercial appraisal of the proposal	The Infrastructure Appraisal Board shall undertake techno-commercial appraisal of the proposal considering the commercial attractiveness of the location and long-term sustainability of the identified location and may recommend convergence with the BHAVYA scheme of DPIIT, and its recommendations shall be submitted to the Executive Committee.	IAB	–
4	Decision on Scheme funding by the Executive Committee	The Executive Committee shall undertake the final appraisal of the proposal for the Scheme funding based on the recommendations of the IAB, subject to the availability of funds under the Component and availability of funds under schemes like BHAVYA specifically.	EC	IAB
5	Accord of expenditure sanction	Subsequent to EC's appraisal, expenditure sanction will be processed for the approval of the Minister, PNG	Minister, PNG	–
C. Development and construction				
6	Marketing and operation of the zone	The implementing entity shall be responsible for concept design and planning; DPR and master plan finalization, securing funding and financing with appropriate structuring; securing of land and facilities to eligible manufacturers and service providers; marketing of the zone to potential and suitable tenants (including global manufacturing companies, oil field services companies, rig operators and testing labs); set up, operation and maintenance of common infrastructure; compliances and submission of physical and financial progress reports; and all incidental activities essential for project implementation. The implementing entity shall carry out these	Implementing Entity	State Government (s) for facilitating land and other approvals DPIIT (For BHAVYA scheme) for additional funding

#	Step	Key details	Responsible bodies	Other bodies
		activities under the supervision of DGH and shall keep DGH fully in the loop in its communications with IAB.		
D. Milestones, claims and disbursement				
7	Milestone achievement and submission of claims	Funding shall be released to the designated implementing entity on a milestone-linked and reimbursement basis, subject to verification of eligible expenditure, physical progress and compliance with the approved DPR and sanction conditions.	Implementing Entity	Independent Owner's Engineer (IOE)
8	Verification of milestone achievement and eligible expenditure, and processing of disbursement	During the implementation phase, DGH shall actively verify milestone achievement and eligible expenditure for processing disbursements, while the IAB shall provide techno-commercial review and oversight.	DGH (Central Agency) Nodal	Financial Advisor, DGH IAB
E. Change control				
9	Change control, cost revision and corrective action	A minor deviation, i.e. a deviation without financial implications, made with bona fide intent, may be effected by the operator / implementing entity without requiring prior approval, subject to DGH being informed of such deviation. DGH may, on a case-to-case basis, seek clarifications on any such deviation, which shall be addressed by the operator / implementing entity. DGH shall keep the EC apprised of such minor deviations. For any other deviation, the implementing entity shall submit a change request to IAB through DGH, which shall be put up to the Executive	DGH Implementing Entity → IAB	–

#	Step	Key details	Responsible bodies	Other bodies
		Committee before implementing any material change. There shall be no automatic increase in Scheme funding because of cost escalation or delay; any revision shall require recommendation of the IAB and the approval of the Executive Committee / competent authority.		

ANNEXURE IX: Notification of the Central Sector Scheme “SAMUDRA MANTHAN”

Expl-11019(18)/21/2025-EXPL-I-PNG (E-54046)
Government of India
Ministry of Petroleum and Natural Gas
Exploration Division

3rd Floor Sanrakshan Bhawan,
10, Bhikaji Cama Place,
New Delhi –110066.
Dated: 14th September, 2026

OFFICE MEMORANDUM

Subject: Notification of the Central Sector Scheme “SAMUDRA MANTHAN”-
reg.

The undersigned is directed to convey the approval of Government of India for **SAMUDRA MANTHAN**, a Central Sector Scheme of the Ministry of Petroleum and Natural Gas (MoPNG), as follows: —

1. **SHORT TITLE AND COMMENCEMENT:** This Scheme shall be called the Samudra Manthan. It shall come into force with effect from the date of issue of this Office Memorandum, with FY 2026-27 designated as the preparatory year.

2. **DURATION AND OUTLAY:** The Samudra Manthan Scheme shall be implemented from Financial Year 2027-28 to Financial Year 2030-31 with an outlay of **₹84,084 crore**.

3. **COMPONENTS OF THE SCHEME:** The Scheme shall have the following components (and sub-components), namely:

3.1. **Component 1:** Seismic Data Acquisition, Processing and Interpretation (API) (₹28,534 crore): Directorate General of Hydrocarbons shall be the nodal implementation agency for basin-wide data API under this Component. Component-1 shall consist of the following three sub-components:

- Component 1A:** Basin-wide 2D seismic acquisition, processing and interpretation;
- Component 1B:** 3D seismic and other modern techniques, including the Multi-Client Model; and
- Component 1C:** Re-evaluation and reprocessing of existing NDR data using modern technologies and AI-enabled tools.

3.2. **Component 2:** Offshore Exploration Acceleration and Infrastructure-Led Production (₹55,200 crore): This component shall consist of the following three sub-components:

- Component 2A:** Offshore Exploration Acceleration (₹43,200 crore): support for 60 deepwater/ultra-deepwater exploratory and appraisal wells, with Government funding limited to 50% of drilling and associated costs, subject to a maximum cap of ₹675 crore per well, and subject to recovery from successful commercial discoveries. Four stratigraphic wells already approved by the Expenditure Finance Committee (OM dated 19th July 2023, file No. Expl-12016(13)/1/2021-EXPL-II-PNG) shall also be funded under the Scheme and treated as Samudra Manthan wells, governed by the Scheme's approved recovery modality;
- Component 2B:** Infrastructure-Led Deepwater Production and Exploration (₹10,000 crore): common offshore hub, evacuation and processing infrastructure for monetisation of stranded discoveries; and
- Component 2C:** Oil and Gas Manufacturing and Services Zone (₹2,000 crore): development of oil-and-gas-specific industrial infrastructure through a convergence-based model.

3.3. **Monitoring and Support Activities (₹350 crore).**

4. **EXECUTION STRATEGY:** The Scheme shall be implemented through a combination of Government agencies, E&P operators, contract/multi-client data acquisition companies and appropriate Joint Venture/Special Purpose Vehicle/other suitable models, depending on the suitability of the model for the individual component.

5. IMPLEMENTATION AND GOVERNANCE

5.1. The Scheme shall be implemented through a tiered framework comprising the Empowered Steering Committee, Executive Committee, Program Steering and Monitoring Unit (PSMU) and Directorate General of Hydrocarbons (DGH).

5.2. The Empowered Steering Committee, headed by the Cabinet Secretary, shall oversee inter-ministerial coordination and issue resolution.

5.3. The Executive Committee, headed by Secretary, MoPNG, shall undertake appraisal of proposals, budget oversight and monitoring, with support from the technical bodies constituted under the scheme.

5.4. The Program Steering and Monitoring Unit established within MoPNG shall be the nodal office for the scheme. Headed by a Scheme Director (Joint Secretary), it shall function as the Secretariat and Convener of the

Executive Committee / Empowered Steering Committee. It shall actively undertake functions related to Strategic Planning, Budgeting, Coordination, Engagement, Reporting, Monitoring, Evaluation & KPI Tracking

5.5 The Directorate General of Hydrocarbons (DGH) shall serve as the Central Nodal Agency for the scheme and the Project Implementing Agency (PIA) for the data components (Components 1A, 1B, and 1C), alongside any other responsibilities assigned by the MoPNG. In this role, DGH will be responsible for the entire project lifecycle, including cost estimation, procurement planning, bid invitation, evaluation, approval, contract award, project execution, bill verification, payment, and ongoing quality assurance. Following project appraisal, and prior to initiating procurement processes, DG, DGH will obtain the necessary administrative approvals and expenditure sanctions from MoPNG.

5.6 Eligible E&P operators / companies shall undertake approved exploration drilling, while common infrastructure as well as the manufacturing-services zone(s) shall be implemented through a suitable SPV/consortium.

6. APPRAISAL MECHANISMS: The Executive Committee shall undertake appraisal of project proposals under the Scheme, supported by the Data Appraisal Board, Technical Assessment Board and Infrastructure Appraisal Board, as applicable, constituted as technical bodies for appraisal of data, exploration and infrastructure project proposals.

7. TRANSITION OF NATIONAL HYDROCARBON DATA MANAGEMENT FUNCTION: To bring exclusive focus on data, to derive value from it and to promote basin modeling and marketing, the National Hydrocarbon Data management function, currently within the DGH, shall now be transitioned into a focused fit-for-purpose organization (or separate mechanism).

8. RISK MITIGATION: The Scheme shall incorporate exposure caps, milestone-based funding, phased implementation, independent evaluation and recovery of Government support from successful discoveries, commencing after seven years of commercial production or upon recovery of 50% of Government support, whichever is earlier. A mid-term evaluation shall be undertaken after drilling of 30 deepwater wells, with a final independent evaluation at the conclusion of Phase-I forming the basis for any decision on Phase-II.

9. POWERS OF MINISTER: Minister, MoPNG, shall have full powers to sanction expenditure and delegate such powers; modify and reallocate funds within the approved outlay and (with Department of Expenditure concurrence) for

Page 3 of 4

inter-component reallocations; approve operational guidelines and constitution, operationalisation or modification of technical bodies; and approve Scheme proposals based on the prescribed appraisal mechanism, including common hub infrastructure proposals after PIB appraisal.

10. MoPNG shall issue detailed operational guidelines, standard operating procedures, terms of reference (ToR) for governance bodies, and other implementation instructions under the Scheme separately.

11. This is issued with the approval of the competent authority.

Sachin Kumar.

[Sachin Kumar]

Under Secretary to the Government of India

011-26109603

To,

1. Director General (DG), DGH, Noida.
2. CMD/MD/CEO of all Oil and Gas companies.
3. All officers of MoPNG.
4. Pay and Account officer, MoPNG.
5. DDO, MoPNG.

Copy to:

1. PS to Hon'ble Minister of Petroleum and Natural Gas.
2. Senior PPS to Secretary, PNG.
3. PPS to Additional Secretary, PNG.
4. PPS to AS & FA.
5. Guard File.

Page 4 of 4
