

Model

GAS SALES AGREEMENT

AMONGST

**OIL AND NATURAL GAS CORPORATION LIMITED,
PRABHA ENERGY LIMITED
&
INDIAN OIL CORPORATION LIMITED**

(AS SELLER(s))

AND

(AS BUYER)

DATED _____

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GAS SALES AGREEMENT

PREAMBLE

This Gas Sales Agreement (hereinafter referred to as the “**Agreement**”) is executed on _____ (“**Effective Date**”) at _____

AMONGST:

Oil and Natural Gas Corporation Limited, a company incorporated under the Companies Act, 1956, having its registered office at Deen Dayal Urja Bhawan, 5 Nelson Mandela Marg, Vasant Kunj, New Delhi – 110070 (hereinafter referred to as “**ONGC**” which expression shall, unless, repugnant to the context or meaning hereof, include its successors and permitted assigns);

AND

Prabha Energy Limited, a company incorporated under the Companies Act 1956¹, having its registered office at 12A, Abhishree Corporate Park, Opp. Swagat Bungalows BRTS Bus Stop, Bopal Ambli Road, Ambli, Ahmedabad – 380058 Gujarat, (hereinafter referred to as “**PEL**” which expression shall, unless, repugnant to the context or meaning hereof, include its successors and permitted assigns)

AND

Indian Oil Corporation Limited, company incorporated under the Companies Act 1956, having its registered office at IndianOil Bhavan, G-9, Ali Yavar Jung Marg, Bandra (East), Mumbai - 400 051, (hereinafter referred to as “**IOCL**” which expression shall, unless, repugnant to the context or meaning hereof, include its successors and permitted assigns)

(ONGC, PEL and IOCL are collectively hereinafter referred to as “**Sellers**” and individually as a “**Seller**” as the context may require under this Agreement)

AND

_____, a company incorporated under the [Companies Act 1956/Companies Act 2013], having its registered office at _____, (hereinafter referred to as “**Buyer**” which expression shall, unless, repugnant to the context or meaning hereof, include its successors and permitted assigns).

The Seller and the Buyer are hereinafter also referred to as, individually, a “**Party**” and, collectively, the “**Parties**”

WHEREAS:

- A. Buyer is a company engaged in the business of _____ and desires to purchase Gas from the Sellers at the Delivery Point.
 - B. Sellers are engaged in, *inter alia*, the exploration and production of crude oil and natural gas.
 - C. Sellers are parties to the contract for exploration and production of coal bed methane awarded by the Government of India (“**GoI**”) dated 26.07.2002 in respect of North Karanpura (“**Upstream E&P Contract**”). The Sellers desire to sell and supply Gas to be available from the Gas Field in accordance with the Upstream E&P Contract to Buyer in the quantities and subject to the terms stated herein.
- _____

- D. The Parties wish to record the terms and conditions upon which Sellers shall sell and deliver Gas to Buyer and Buyer shall purchase Gas from Sellers in accordance with the terms and conditions of this Agreement.

It is hereby agreed as follows:

1. Definitions and Interpretation

1.1. Definitions

“**Affected Party**” has the meaning given to such term in Clause 15.1.

“**Affiliate**” means, from time to time, any Person which: (a) is directly or indirectly controlled by a Party, (b) directly or indirectly, controls a Party or (c) is, directly or indirectly, controlled by a Person which also, directly or indirectly, controls a Party. For the purposes of this definition, “**control**” means the right to cast more than 50% (fifty percent) of the votes exercisable at an annual general meeting of such Party (or its equivalent) or ownership of more than 50% (fifty percent) of the equity share capital of or other ownership interests in such entity, or the right to direct the policies or operations of such entity. Provided that a Person controlled by government/sovereign entity shall not be considered to be an Affiliate of a Party merely because they are under common Control of government/sovereign entity (and shall not benefit from any rights or become liable for any obligations under this Agreement unless expressly stated otherwise)

“**Agreement**” means this Agreement for the sale and purchase of Gas, including the Schedules annexed hereto.

“**Associated Person**” means in relation to a Party or any Government Official, any Person who is an agent, servant, representative, director, officer or employee of such Person.

“**Basic Term**” means the period from the Effective Date until the End Date.

“**Bribery Acts**” mean anti-bribery or anti-corruption laws under relevant jurisdiction, as may be applicable to the Parties, which has as its objective, the prevention of corruption including, (a) the Prevention of Corruption Act, 1988; (b) in relation to the offence of abetment, the Bharatiya Nyaya Sanhita, 2023.

“**British Thermal Unit**” or “**Btu**” mean the quantity of heat required to raise the temperature of one (1) avoirdupois pound of pure water from 59°F (fifty-nine degrees Fahrenheit) to 60°F (sixty degrees Fahrenheit) at an absolute pressure of 14.696 psi (fourteen decimal six nine six pounds per square inch).

“**Business Day**” means each Monday, Tuesday, Wednesday, Thursday and Friday excluding any public holiday in the state of Jharkhand as stated in the Official Gazette and but does not include days on which scheduled commercial bank(s) is/are closed in the state of Jharkhand.

“**Buyer**” has the meaning given to such term in the preamble to this Agreement.

“**Buyer Conditions Precedent Satisfaction Certificate**” has the meaning given to such term in Clause 4.6 (a) of this Agreement.

“**Buyer’s Facilities**” shall mean:

(a) in case Buyer is an end user, all the facilities and equipment of Buyer which are located downstream from the Delivery Point and are used in relation to Gas offtake and utilization including cascades and the plant where Gas purchased under this Agreement is to be consumed.

(b) in case Buyer is a re-seller or CGD entity, the cascades to be used by Buyer for off-take of Gas at Delivery Point

“**City Gas Distribution**” means the interconnected network of Gas pipelines and the associated equipment used for transporting Gas downstream of city gas station, from a bulk high-pressure

transmission main to the medium pressure distribution grid and subsequently to the service pipes supplying Gas to domestic, industrial and commercial segments and CNG stations situated in the Geographical Area.

“**Commissioning Period**” has the meaning given to such term in Clause 4.1 of this Agreement.

“**Conditions Precedent**” has the meaning given to such term in Clause 4.2 of this Agreement.

“**Contract Month**” means the period commencing at 06:00 hours on the first day of a calendar month and ending at 06:00 hours on the first day of the following calendar month, except the first Contract Month shall commence at 06:00 hours on the Start Date and end at 06:00 hours on the first day of the following calendar month, and the last Contract Month shall end on the date of expiration or termination of this Agreement.

“**Contract Quarter**” means the period commencing at 06:00 hours on the first day of a Quarter and ending at 06:00 hours on the first day of the following Quarter, except the first Contract Quarter shall commence at 06:00 hours on the Start Date and end at 06:00 hours on the first day of the following Quarter, and the last Contract Quarter shall end on the date of expiration or termination of this Agreement.

“**Contract Year**” means the period commencing at 06:00 hours on the first day of April of one calendar year, except the first Contract Year shall commence at 06:00 hours on the Start Date and end at 06:00 hours on the first day of April immediately following the Start Date, and the last Contract Year shall end on the date of expiration or termination of this Agreement.

“**Conditions Precedent Satisfaction Certificate**” has the meaning given to such term in Clause 4.6.

“**Daily Contract Quantity**” or “**DCQ**” has the meaning given to such term in Clause 7.1.

“**Daily Nominated Quantity**” or “**DNQ**” has the meaning given to such term in Clause 9.1.

“**Delivery Point**” means the outlet flange of Sellers’ delivery facilities located ex- NK#6, North Karanpura (NK-CBM-2001/1) Block, CBM Asset (Jharkhand),

“**Effective Date**” has the meaning given to such term in the preamble to this Agreement.

“**End Date**” has the meaning given to such term in Clause 3.3.

“**Expert**” has the meaning given to such term in Clause 22.2 (c).

“**Extension Period**” has the meaning given to such term in Clause 3.1.

“**First Billing Period**” has the meaning given to such term in Clause 16.3

“**Force Majeure**” has the meaning given to such term in Clause 15.1.

“**Fortnight**” means:

- (a) a period commencing on the 1st (first) day of a calendar month and ending on the 15th (fifteenth) day of such calendar month; and
- (b) a period commencing from the 16th (sixteenth) day of the calendar month and ending on the last day of such calendar month,

provided that the first Fortnight shall begin on the Start Date and the last Fortnight shall end on the End Date, and the term “**Fortnightly**” shall be construed accordingly.

“**Gas**” means wet natural gas, dry natural gas, all other gaseous hydrocarbons, and all substances contained therein (including sulphur, carbon dioxide and nitrogen but excluding helium), which are produced from oil or natural gas wells including coal bed methane blocks, excluding those condensed or extracted liquid hydrocarbons that are liquid at normal temperature and pressure conditions (and

including the residue gas remaining after the condensation or extraction of liquid hydrocarbons from the gas).

“Gas Fields” means North Karanpura Block in respect of which development plans have been approved in accordance with the terms of the Upstream E&P Contract and from which Sellers has the right to produce Gas.

“Gas Price” has the meaning given to such term in Clause 8.1.

“Gas Price Ceiling” means the ceiling price of domestic natural gas as notified by Petroleum Planning and Analysis Cell (PPAC) or any other authority as appointed by the GoI in this regard, from time to time, pursuant to Ministry of Petroleum and Natural Gas notification O-22013/27/2012-ONG-D-V (Vol-II) dated 21.3.2016 on “Marketing including pricing freedom for the gas to be produced from discoveries in Deepwater, Ultra Deepwater and High Pressure – High Temperature areas”.

“Geographical Area” shall have the meaning provided to such term under the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Regulations, 2008.

“GoI” has the meaning given to such term in the Recitals to this Agreement.

“Governmental Authority” means any local, regional, state, federal or central government, governmental agency, department, ministry, commission, board, bureau or any other administrative or regulatory authority or instrumentality in India.

“Government Official” means, whether appointed, elected or otherwise, any:

- (a) officer or employee of a government or any department, agency or instrumentality of a government;
- (b) person acting in an official capacity or exercising a public function for or on behalf of a country or territory (or any subdivision of such a country or territory) or a government or any department, agency, enterprise or instrumentality of a country or territory (or any subdivision of such a country or territory) or a government;
- (c) officer or employee of a company or business which is majority owned or controlled by a government;
- (d) officer, employee or agent of a public international organisation such as the World Bank or United Nations.

“Government Owned Party” means a Party either that is controlled by a Governmental Authority (as the term “control” is defined in the definition of Affiliate above) or in which a Governmental Authority is the largest shareholder.

“Gross Calorific Value” or **“GCV”** means the quantity of heat, expressed in Kcal, produced by the complete combustion of 1 (one) Standard Cubic Meter of Gas, with the air at the same temperature and pressure as the Gas and the products of combustion are cooled to original temperature and the water formed by combustion is condensed to liquid state.

“Indian Rupees” or **“INR”** means the lawful currency of India.

“JOA” means joint operating agreement executed by and between the Sellers.

“Law” means all federal, national, central, state, municipal and/or local legislation, ordinances, rules, regulations, statutes, bylaws, administrative requirements, notifications published in official gazettes, registration requirements, permits and other laws of any Governmental Authority, orders of any court, tribunal or any other judicial body, and any other instrument or pronouncement having the force of law as may be issued and be in force from time to time.

“**Letter of Credit**” has the meaning given to such term in Clause 17.1.

“**Liquidated Damages**” shall mean mutually agreed genuine pre-estimated loss and damage likely to be suffered and incurred by the Party entitled to receive the same and are not by way of penalty.

“**Longstop Date**” has the meaning given to such term in Clause 4.6.

“**Make Up Gas**” has the meaning given to such term in Clause 10.3 (a).

“**MMBtu**” means one million (1,000,000) British Thermal Units.

“**MSCM**” means one thousand (1,000) SCM of Gas;

“**NCV**” or “**Net Calorific Value**” means the quantity of heat, expressed in Kcal, produced by the complete combustion of 1 (one) Standard Cubic Meter of Gas, with the air at the same temperature and pressure as the Gas.

“**Offtake Quantity**” means the quantity of Gas in SCMD offtaken by the Buyer on a day in accordance with the procedures of this Agreement.

“**Operator**” means the entity appointed as the operator under the terms of the Upstream E&P Contract, from time to time. At the date of execution of this Agreement, PEL is the Operator under the Upstream E&P Contract.

“**Party**” and “**Parties**” has the meaning given to such terms in the preamble to this Agreement.

“**Participating Interest**” means, in respect of each Sellers entity, the undivided share, expressed as a percentage, of such Sellers’ participation in the rights and obligations under the JOA and the relevant Upstream E&P Contract, being, at the date of this Agreement, 55% for ONGC, 25% for PEL and 20% for IOCL, or, if such percentages are modified, as may be notified from time to time by the Sellers.

“**Person**” means any natural person, firm, proprietorship, corporation, company, voluntary association, partnership, limited liability partnership, joint venture, trust, competent authority or other entity including either Party, their Affiliates and Associated Persons.

“**Planned Maintenance**” means any maintenance activities scheduled at Buyer’s Facilities or Sellers’ Facilities in accordance with the requirements of any applicable equipment manufacturer or otherwise in accordance with the owner or operator of such facilities duty to act as a Reasonable and Prudent Operator, that may temporarily restrict capacity to consume, produce, deliver or transport Gas (as the case may be) in Buyer’s Facilities or Sellers’ Facilities.

“**QMGO Charges**” has the meaning given to such term in Clause 10.2 (b).

“**Quarter**” means each of the following periods as the context requires: 1 April until 30 June; 1 July until 30 September; 1 October until 31 December; and 1 January until 31 March (all dates inclusive) and “**Quarterly**” shall be construed accordingly.

“**Quarterly Contract Quantity**” means, for each Contract Quarter, the quantity of Gas equal to the sum of the DCQs of the relevant Contract Quarter.

“**Quarterly Offtake Quantity**” means the sum of the Offtake Quantities for each day of the relevant Contract Quarter.

“**Quarterly Shortlifted Quantity**” means, for each Contract Quarter, the difference, if positive, between: (a) the Take or Pay Quantity for such Contract Quarter; and (b) the Quarterly Offtake Quantity for such Contract Quarter. If the result is a negative number, the Quarterly Shortlifted Quantity for such Contract Quarter shall be deemed to be 0 (zero).

“**Quarterly Supply Quantity**” shall have the meaning given to such term in Clause 11.2.

“**Reasonable and Prudent Operator**” means a person seeking in good faith to perform its contractual

obligations and, in the process of doing so and in the overall conduct of its whole undertaking exercising that degree of diligence, skill, prudence and foresight which can reasonably and ordinarily be expected from a skilled and experienced operator engaged in the same type of undertaking under the same or similar circumstances complying with all applicable Laws, and any reference to the standard of a Reasonable and Prudent Operator means such degree of diligence, skill, prudence and foresight as aforesaid.

“Recovery Period” means, subject to Clause 10.4, the period specified in Clause 3.4 of this Agreement.

“Restricted Party” means any person who is identified from time to time by any government or legal authority under applicable trade sanctions, export controls, anti- money laundering, non-proliferation, anti-terrorism and similar laws as a person with whom trade or financial dealings and transactions by either Sellers and/or their Affiliates are prohibited or restricted. In respect of the Sellers, any person who is placed on any holiday list or blacklist declared from time to time by the Sellers, shall also be a Restricted Party.

“RFP” has the meaning given to such term in Clause 1.2 (r);

“RFP Process” means the process of selecting buyers of Gas from the Gas Fields provided in the Request for Proposal No ONGC/RFP/CBM/NK/05 issued by the Sellers dated [23.05.2025].

“SBI” means the State Bank of India.

“SCMD” means SCM per day.

“Second Billing Period” has the meaning given to such term in Clause 16.3.

“Sellers” has the meaning given to such term in the preamble to this Agreement.

“Sellers Conditions Precedent Satisfaction Certificate” has the meaning given to such term in Clause 4.6(b) of this Agreement.

“Sellers’ Facilities” means the facilities of the Sellers upstream of the Delivery Point and includes the reservoirs in the Gas Fields and any platforms, pipelines, wells, plant, machinery or any other equipment or facilities used or to be used from time to time by Sellers to produce, gather, receive, process, compress, store, treat, transport, meter, test, or deliver Gas at the Delivery Point for sale to Buyer.

“Sellers’ Representative” means ONGC, one of the constituent parties of the Seller nominated/declared as Sellers’ representative, from time to time, for representing all the Sellers for the purposes of this Agreement.

“Shortfall Quantity” means, for each Contract Quarter, the difference, if positive, between: (a) the Quarterly Supply Quantity for such Contract Quarter; and (b) the quantity of Gas supplied by the Sellers during such Contract Quarter. If the result is a negative number, the Shortfall Quantity for such Contract Quarter shall be deemed to be zero (0).

“Specifications” means the Gas quality specifications set out in Schedule 3.

“Standard Cubic Meter” or **“SCM”** means the quantity of Gas that occupies a volume of 1 (one) cubic meter at a temperature of 15°C (fifteen degrees Celsius) under an absolute pressure of 1.0332 Kg/Cm².

“Start Date” has the meaning given to such term in Clause 3.2.

“Take or Pay Quantity” has the meaning given to such term in Clause 10.2 (a).

“Taxes” means any and all present or future statutory taxes, levies, duties, cess, charges, withholdings and imposts, or any similar charges or levies enacted, imposed by a court or judicial order or demanded by any Governmental Authority (or asserted by such Governmental Authority to be owing or to become owing in the future) from time to time including sales tax, value added tax, goods and services tax, excise duty, customs duty, local body tax, entry tax, advance tax, additional tax, octroi duty, works contract tax,

construction cess, service tax and stamp duty, but shall not include any corporate or income taxes. For the avoidance of doubt, if any of the foregoing are enacted, imposed or demanded (by a provisional or final demand) by such Governmental Authority, court or judicial authority but the enactment or imposition or demand of which is subject to a challenge as to their validity, efficacy, effect, or amount, such charges or levies shall nonetheless constitute Taxes unless and until a court of competent jurisdiction shall have determined by a final order or judgment (against which no appeal may be brought, or, if any appeal shall have been brought, the appeal shall have been disposed of) that the charges or levies are invalid or ineffective for any reason including that the legislative provision or enactment pursuant to which such charge or levy has been brought or levied is invalid or ineffective or such charge or levy was not made or levied effectively by the Governmental Authority.

“United States Dollars” or “USD” means the lawful currency of the United States of America.

“Weighted Average Gas Price” means in respect of any Contract Quarter, the USD per MMBtu price (on GCV basis) equal to the quotient of: (a) the aggregate of the product of the Gas Price applicable on each day of such Contract Quarter; and the DCQ for such day in the Contract Quarter; and (b) the sum of the DCQs for each day of such Contract Quarter.

1.2. Interpretation

Within this Agreement:

- (a) references to Recitals, Clauses and Schedules shall mean Recitals to, Clauses of and Schedules to this Agreement unless expressly stated otherwise;
- (b) references to the singular shall include the plural and vice versa unless the context provides otherwise;
- (c) references to any gender shall include a reference to the other gender;
- (d) references to other agreements or to any statute, rule or regulation or instrument (excluding, unless otherwise agreed, a standard not having the force of law) shall mean the same as amended, modified or replaced from time to time;
- (e) references to a Party in this Agreement or any other document or agreement includes its successors in title and permitted transferees and assignees;
- (f) the words “include” and “including” shall be deemed to be qualified by a reference to “without limitation”;
- (g) all references to a time shall mean reference to Indian Standard Time (IST) unless expressly stated otherwise;
- (h) Clause and Schedule headings are for ease of reference only;
- (i) Reference to any quantity of Gas in this Agreement shall be in SCMD;
- (j) Reference to SCMD means SCMD on Gross Calorific Value (GCV) basis;
- (k) Reference to MMBtu means MMBtu on Gross Calorific Value (GCV) basis;
- (l) any word or phrase defined in the body of this Agreement and not defined in Clause 1.1 (*Definitions*) shall have the meaning assigned to it in such definition wherever appearing throughout this Agreement, unless the contrary is expressly stated or the contrary clearly appears from the context;
- (m) uncapitalized “day”, “week”, “month”, and “year” shall refer to calendar day, week, month, or year, respectively with reference to the Gregorian Calendar;
- (n) “agree” or “agreement” refer to an agreement in writing and “consent” means consent in

writing;

- (o) times during any day stated in this Agreement shall be Indian Standard Time based on a 24 hour clock;
- (p) the Parties have participated jointly in the drafting of this Agreement; accordingly, in the event an ambiguity or a question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the Parties, and no presumption or burden of proof shall arise favouring or disfavouring any Party by virtue of the authorship of any provisions of this Agreement;
- (q) if there is an inconsistency between the main body of the Agreement and any Schedule, the provisions of the main body of this Agreement shall prevail to the extent of the inconsistency;
- (r) if there is an inconsistency between the terms of Request for Proposal (“**RFP**”) pursuant to which this Agreement has been executed and this Agreement, the provisions of this Agreement shall prevail to the extent of the inconsistency; and
- (s) the Schedules to this Agreement are an integral part of this Agreement and a reference to this Agreement includes a reference to the Schedules.
- (t) If the Buyer and the Seller(s) mutually agree to any addendum to this Agreement, such addendum shall only modify those terms and conditions of the Agreement that are expressly addressed therein. All other provisions of this GSA shall remain in full force and effect, unaltered by the addendum, except to the extent expressly amended by such addendum. The execution of an addendum shall not be construed as a waiver of any other rights or obligations under this Agreement.
- (u) No waiver of any provision or right under this Agreement shall be effective unless the same is in writing and signed by duly authorized representatives of the Parties. No default or delay by any Party in exercising its rights hereunder shall generate as a waiver thereof. No waiver by any Party of any one or more defaults by the other Party in the performance of this Agreement shall operate as a waiver of any future defaults, whether of a like or different character.

2. Sale and Purchase

2.1. Gas Sale and Purchase

The Sellers agree to sell and deliver at the Delivery Point, and Buyer agrees to purchase, receive and take Gas at the Delivery Point and, if not taken, pay the QMGO Charges in accordance with, and subject to, the terms and conditions of this Agreement.

2.2. Source

The Sellers shall fulfill its Gas supply obligations towards the Buyer subject to the availability of Gas in the Gas Fields. Nothing in this Agreement shall require or be construed as an obligation on Sellers to sell or make available Gas to Buyer at the Delivery Point other than Gas produced from the Gas Fields, including any Make Up Gas.

The Buyer acknowledges that Gas under this Agreement may be supplied in a commingled stream. However, the Parties agree that the Gas supplied under this Agreement shall conform to Specifications.

2.3. Purpose

The Buyer shall use or allow the use of Gas purchased by it pursuant to the terms of this Agreement for the purpose of _____, as mentioned in the bid submitted by the Buyer pursuant to the RFP Process

3. Commencement of Supply, Term and Start Date

3.1. Basic Term and Extension Period

Upon execution by both Parties, and unless terminated otherwise in accordance with the provisions of this Agreement, the Agreement shall, subject to Clause 4.3, be in full force and effect from the Effective Date and shall remain in full force and effect until the End Date (“**Basic Term**”).

No later than 6 months prior to the completion of the Basic Term, subject to the availability of Gas and the Sellers’ ability to supply, the Parties may mutually agree to extend the Basic Term for a period of time on the same terms and conditions (such period of time, commencing on the first day immediately following the last day of the Basic Term and ending upon the expiration of the last day of such period of time agreed between the Parties, hereinafter called the “**Extension Period**”).

3.2. Start Date

Subject to Clause 4.2 below, the Parties shall achieve the start date by 90 days from date of Notification of Award (NOA) (“**Start Date**”).

The supply of Gas, under this Agreement, at the Delivery Point by the Sellers to the Buyer at the Delivery Point shall commence from the Start Date.

Sellers shall ensure that Sellers’ Facilities shall be capable and ready to commence Gas supply by no later than the Start Date and Buyer shall ensure that Buyer’s Facilities shall be capable and ready to offtake Gas by no later than the Start Date.

3.3. End Date

The “**End Date**” shall be 3rd anniversary of the Start Date or the last day of the Extension Period, as the case may be. In case this Agreement is terminated earlier in accordance with its terms, the date on which such termination becomes effective, shall be considered as End Date.

3.4. Recovery Period

The Recovery Period will mean the period commencing at the end of the Basic Term or Extension Period, as the case may be, and continuing for a number of days equal to lesser of:

- (a) The number of days determined by dividing: the aggregate of Make Up Gas not taken as of the end of the Basic Term or Extension Period, if applicable; by 70% (seventy percent) of DCQ in effect immediately prior to the end of the Basic Term or Extension Period, if applicable. If the aforesaid calculation above results in a fraction of a day, then the result shall be rounded up to a whole day; and
- (b) 90 days.

4. Commissioning Period and Conditions Precedent

4.1. “Commissioning Period” shall mean the period beginning from the Effective Date and ending on the Start Date.

4.2. The Parties shall be required to fulfill their respective conditions precedent (“Conditions Precedent”) as provided for in Clauses 4.4 and 4.5, as applicable, during this Commissioning Period. These Conditions Precedent will have to be fulfilled by the respective Parties prior to the

Start Date. Provided that in case the Parties have fulfilled their respective Conditions Precedent and have submitted their CP Satisfaction Certificates (or waived the Conditions Precedent in accordance with this Agreement), the Parties may mutually agree to a start date which is earlier than the Start Date specified above in Clause 3.2 by way of issuance of a written notice to one another and the same will form an integral part of this Agreement. For the avoidance of doubt, if an earlier start date is agreed upon between the Parties in accordance with this Clause 4.2, for the purpose of this Agreement, the Start Date will be such earlier date.

- 4.3. Clauses 1, 3, 4, 19.2 to 19.5, 20, 21, 22, 23, 24, 25 shall come into full force and effect as of the Effective Date. The Parties recognize and agree that the other provisions of this Agreement (other than those specified in this Clause 4.3) shall not become effective until the Start Date (or if permitted under Applicable Law, waived by the Party other than the Party who is required to fulfil such a condition).

4.4. **Buyer's Conditions Precedent:**

- (a) Buyer shall complete the setting up and commissioning of the Buyer's Facilities including making cascades ready, within 90 days from the date of issuance of Notification of Award (NoA) pursuant to RFP Process.
- (b) Buyer will provide the Seller(s) with an irrevocable letter of credit issued in favour of the Seller(s) by a scheduled bank in India acceptable to Seller(s), in accordance with Clause 17 of this Agreement

4.5. **Sellers' Condition Precedent:**

Sellers shall have completed the setting up and commissioning of the Sellers' Facilities.

- 4.6. Within 3 (three) Business Days of the satisfaction (or waiver of the Conditions Precedent by the Party entitled to waive) of the Conditions Precedent,

- (a) the Buyer shall deliver to the Sellers, a certificate to the effect that all of the Buyer's Conditions Precedent (the "**Buyer Conditions Precedent Satisfaction Certificate**") have been satisfactorily completed; and
- (b) Sellers shall deliver to the Buyer, a certificate to the effect that all of the Sellers' Conditions Precedent have been satisfactorily completed (the "**Sellers Conditions Precedent Satisfaction Certificate**"),

The Buyer CP Satisfaction Certificate and the Sellers CP Satisfaction Certificate shall collectively be referred to as the "**Conditions Precedent Satisfaction Certificates**" and individually as the "**Conditions Precedent Satisfaction Certificate**". The Parties shall ensure that the respective Conditions Precedent Satisfaction Certificate are provided to one another on or prior to the Start Date. In case, the Parties are not able to achieve their respective Conditions Precedent by the Start Date, the defaulting Party will have an additional period of 45 days after the Start Date ("**Longstop Date**") to fulfil the respective Conditions Precedent, failing which this Agreement will stand terminated without any further actions from either of the Parties, unless the Parties mutually agree to extend the Long Stop Date before end of the longstop date. The determination of Quarterly Contract Quantity, Quarterly Shortlifted Quantity, Quarterly Supply Quantity and Shortfall Quantity shall exclude any relevant period falling within the Commissioning Period, notwithstanding any provision hereof to the contrary.

- 4.7. In the event the Conditions Precedent of the Buyer are not achieved on or before the Start Date due to failure of the Buyer (unless waived by the Sellers and if such waiver is permitted under Applicable Law), then notwithstanding anything contained in this Agreement, the Take or Pay obligations of the Buyer shall commence from the Start Date, including for the period up to the

Longstop Date.

- 4.8. For the avoidance of doubt, the obligations of the Sellers under Clause 11 of this Agreement will not be applicable in the period between the Start Date and the Long Stop Date (including any extensions to the Long Stop Date pursuant to Clause 4.6 above).
- 4.9. Subject to Clause 4.7 and 4.9 of this Agreement, neither Party shall have any liability, whatsoever, to the other Party as a result of the termination pursuant to Clause 4.6.

5. Scope

(a) Scope of Sellers' Obligations

From and after the Start Date, Sellers shall, subject to and in accordance with the terms of this Agreement (including Clause 4.9):

- (i) sell and make available for delivery to Buyer, Gas at the Delivery Point from the Gas Fields on a daily basis not exceeding the DCQ for the relevant day, at the Gas Price and subject to the terms and conditions of this Agreement;
- (ii) deliver the Gas to Buyer at the Delivery Point for onward transmission to Buyer's Facilities.

Sellers' obligation to make Gas available to Buyer at the Delivery Point is limited to making available a quantity of Gas equal to the lower of the DCQ or the DNQ for the applicable day, unless otherwise specified under this Agreement.

(b) Scope of Buyer's Obligations

From and after the Start Date, Buyer shall:

- A. purchase from Sellers and pay for, or pay for if not taken (as specified in Clause 10 of this Agreement), Gas in the quantities of each Sellers' Participating Interest share or in the proportion from each of the Sellers, as instructed by the Sellers' Representative and at the Gas Price subject to the terms and conditions of this Agreement;
- B. Buyer shall take delivery of Gas purchased under this Agreement at the Delivery Point;
- C. Buyer agrees and undertakes to intimate Sellers in writing of any change in the transportation arrangement during the Basic Term, Extension Period (if applicable) and during the Recovery Period.
- D. keep valid all necessary statutory / regulatory compliances and approvals necessary under the Applicable Laws for the Gas offtake during the Basic Term, Extension Period (if applicable) and during the Recovery Period,

For the avoidance of doubt, Sellers shall have no liability beyond the Delivery Point in relation to delivery of the Gas.

(c) Intended use of Gas and resultant obligations

- A. *If the Buyer is a City Gas Distribution (CGD) entity, it shall ensure that:*
 - (i) it shall only sell Gas purchased under this Agreement only to its consumers in the Geographical Area, as permitted under applicable Law;
 - (ii) keep valid all necessary statutory / regulatory compliances and approvals necessary under the Applicable Laws for the Gas offtake during the Basic Term, Extension Period (if applicable) and during the Recovery Period.

B. *If the Buyer is an entity which has its facilities located within a Geographical Area, it shall ensure that:*

- (i) all the necessary statutory/regulatory compliances and prior permissions/approvals from the relevant entities, governmental and regulatory authorities for the proposed gas usage, including from the Petroleum and Natural Gas Regulatory Board (PNGRB);
- (ii) keep valid all necessary statutory / regulatory compliances and approvals necessary under the Applicable Laws for the Gas offtake during the Basic Term, Extension Period (if applicable) and during the Recovery Period.

C. *If the Buyer is a reseller, it will:*

- (i) sell Gas purchased under this Agreement (or commit to do any of the foregoing) only to its customers at or downstream of the Buyer's Facilities;
- (ii) keep valid all necessary statutory / regulatory compliances and approvals necessary under the Applicable Laws for the Gas offtake during the Extension Period (if applicable) and during the Recovery Period.

D. *If the Buyer is in the nature of other end consumers (other than the scenarios mentioned in A. and B. above), the Buyer will:*

- (i) sell (or purport to sell) or transfer title to any other person in any manner whatsoever to the Gas purchased under this Agreement (or commit to do any of the foregoing); or
- (ii) keep valid all necessary statutory / regulatory compliances and approvals necessary under the Applicable Laws for the Gas offtake during the Extension Period (if applicable) and during the Recovery Period.

(d) Change in use of Gas:

A. *If the Buyer is an end consumer including an entity which is an authorized CGD entity:*

The Buyer, unless otherwise prohibited under applicable Law, will be permitted to change the end use/ purpose of Gas usage as specified in Clause 2.3 during the Basic Term and/or Extension Period and the Recovery Period with 14 (fourteen) day prior written intimation to the Sellers.

B. *If the Buyer is a trader/ resellers:*

The Buyer will be permitted to change the purpose of Gas usage under Clause 2.3, unless the same is not permitted under applicable Law.

- (e) Rates of Delivery: Gas shall be offtaken by the Buyer at uniform hourly rates. The Parties shall cooperate in implementing, to the extent reasonably practicable, even delivery rates so as to facilitate smooth performance of deliveries.

6. Transfer of Title and Risk

- 6.1. Sellers shall make all Gas supplied hereunder available to Buyer at the Delivery Point, in accordance with and subject to the terms and conditions of this Agreement. Buyer shall ensure receipt, offtake and transportation of Gas from the Delivery Point to the Buyer's Facilities.
- 6.2. Title in and risk of loss in relation to the Gas delivered hereunder shall pass from the Sellers to Buyer at the Delivery Point on delivery of such Gas to the Buyer.

7. Quantities

- 7.1. The "**Daily Contract Quantity**" or "**DCQ**" shall be the quantity of Gas in SCMD specified in Schedule 2, which quantity may be subject to modification pursuant to the provisions of this Agreement.

- 7.2. Gas made available by the Sellers to the Buyer hereunder shall be made available at the Delivery Point at an operating pressure in the range 240 Kg/Cm²g. If during a day, Sellers makes available Gas upstream of the Delivery Point at a pressure in the range 240 Kg/Cm²g up to DNQ flow rate, then Sellers will have fulfilled its obligation to make available the Daily Nominated Quantity for such day.

8. Gas Price

- 8.1. For each Contract Month, the gas price (the “**Gas Price**”) in USD/MMBtu (GCV) will be as specified in Schedule 1. The above Gas Price in USD/MMBtu would be converted to Gas Price in INR/MMBtu on monthly basis at the RBI reference exchange rate of the month, previous to the month during which the supply of Gas is made. The RBI reference exchange rate of the month would be calculated by taking the average of the RBI reference exchange rates for all the days in the relevant period/ month for which the rate is available on the website of RBI or of the Financial Benchmarks India Pvt Ltd (FBIL).
- 8.2. The Gas Price throughout the Extension Period (if applicable) and during the Recovery Period shall be calculated by the Sellers on a GCV basis and shall be notified to Buyer each calendar month in the invoices issued under Clause 16. Provided however that in case the Government of India directs and notifies that the calculation of Gas Price shall be on Net Calorific Value (“**NCV**”) basis, then the Gas Price shall be calculated on NCV basis from the date of such direction/notification.
- 8.3. The Gas Price shall be exclusive of Taxes. Buyer shall assume full and exclusive liability for Taxes as provided in Clause 20.
- 8.4. Sellers shall bear any royalty, as applicable, arising under the Upstream E&P Contract on Gas sold to Buyer under this Agreement.

9. Nominations

- 9.1. The Buyer shall no later than the 22nd (twenty second) day of each Month inform the Sellers about the estimated quantity of Gas it seeks to offtake from the Delivery Point for each day of the immediately succeeding Month (“**Daily Nominated Quantity (DNQ)**”). Due to operational exigency, subject to Sellers’ confirmation, Buyer may modify DNQ to be higher than DCQ on a case to case basis upto 100% of DCQ.
- 9.2. If the Buyer fails to provide DNQ, then the prevailing DCQ assigned to the Buyer in the tender would be considered as that month’s DNQ.
- 9.3. The Sellers shall no later than the 25th (twenty fifth) day of each Month confirm to the Buyer, subject to Sellers’ operational flexibility and if not, the quantity that it is able to supply for each day of the immediately succeeding Month.

10. Take or Pay Obligations

- 10.1. Commissioning Period and Recovery Period: The provisions of this Clause 10 shall not apply in respect of the Commissioning Period and the provisions of Clauses 10.2 to 10.3 shall not apply in respect of the Recovery Period.
- 10.2. Take or Pay Obligation
- (a) In each Contract Quarter, Buyer shall be obliged to take and pay for, or pay for if not taken, a quantity of Gas at least equal to 70% (seventy percent) of the Quarterly Contract Quantity less the sum of the following quantities for each day during such Contract Quarter (but without double counting any of the following quantities):

1. any quantity of Gas up to the DNQ for the relevant day and which Buyer was prevented from purchasing and taking by reason of Force Majeure; plus
2. any quantity of Gas up to the DNQ for the relevant day that Sellers failed to make available for delivery unless such failure was: (i) caused by Buyer's failure to comply with the terms of this Agreement; or (ii) due to the exercise of Sellers' right to suspend Gas deliveries pursuant to Clause 19; plus
3. any quantity of Gas up to the DNQ for the relevant day that Buyer would have purchased and taken but which Buyer rejected in accordance with Clause 13 because it failed to meet the Specifications; plus
4. any quantity of Gas up to the DCQ for the relevant day which a Party did not nominate or schedule due to Planned Maintenance pursuant to Clause 14.

(collectively, the "**Take or Pay Quantity**")

For the avoidance of doubt, during a period of Force Majeure and Planned Maintenance, in case the Buyer offtakes any quantities of Gas from the Sellers, such quantities of Gas will not be deducted under points 1 and 4 above respectively while computing the Take or Pay Quantity. The deduction will be only to the extent of quantities of Gas which the Buyer was prevented from offtaking due to Force Majeure or Planned Maintenance.

- (b) If, in any Contract Quarter, Buyer fails to take the Take or Pay Quantity for such Contract Quarter, then the Sellers shall compute the Quarterly Minimum Guaranteed Offtake Charges ("**QMGO Charges**") which shall be an amount equal to the product of:
 - (A) the Weighted Average Gas Price applicable during such Contract Quarter; and (B) the Quarterly Shortlifted Quantity for such Contract Quarter. Provided, however, that in case Gas available with Sellers is less than Take or Pay Quantity and: (i) Buyer offtakes entire Gas available, then Buyer shall pay only for the actual supply of Gas; (ii) Buyer offtakes Gas quantities which is less than the quantities available with the Sellers then Buyer will pay for the quantities made available by the Sellers.
- (c) The Quarterly Shortlifted Quantity, for which QMGO Charges have been computed by the Sellers, will be the basis for determining the Make Up Gas which may be supplied to the Buyer in accordance with Clause 10.3 below.
- (d) The Buyer shall be liable to pay all Taxes, charges and levies, as may be applicable, on the QMGO Charges, in the same manner as payable for the actual sale of Gas. The invoice for the QMGO Charges shall be raised in accordance with Clause 16 of this Agreement.

10.3. Make Up Gas

- (a) The quantity of Gas equal to any Quarterly Shortlifted Quantity for which the QMGO Charges has been computed and paid by the Buyer shall constitute "**Make Up Gas**" accrued during the Contract Quarter in which such Quarterly Shortlifted Quantity arose.
- (b) If Buyer has accrued a right to Make Up Gas in any Contract Quarter, then in the subsequent Contract Quarters, once the Buyer has first taken the Take or Pay Quantity for the relevant Contract Quarter, Buyer shall, subject to availability of Gas, have the right to receive a credit for all Make Up Gas quantities taken above the Take or Pay Quantity for the relevant Contract Quarter, calculated in accordance with Clause 10.3 (c) below. Provided however, the Buyer's right to receive the Make Up Gas quantities shall subsist only for 4 (four) subsequent Contract Quarters and if the Buyer fails to nominate the Make Up gas within such time period, the right over such Make Up Gas will expire.

The order in which the credit for such Make Up Gas shall be applied shall be the same order in which the Make Up Gas was accrued. Except as expressly provided in Clause 10.4, Sellers shall have no liability for failure to supply Make Up Gas. Once the Buyer has received a credit for any quantity of Make Up Gas, Buyer's right to such Make Up Gas is extinguished.

- (c) In any Contract Quarter, Buyer shall pay for all quantities of Gas taken as Make Up Gas at the Gas Price applicable when the Make Up Gas is taken, and shall pay all other amounts (including Tax) payable under this Agreement in respect of Gas deliveries, provided that, at the end of such Contract Quarter, Buyer shall receive from the Sellers a credit for an amount equal to the Make Up Gas taken during that Contract Quarter multiplied by the lower of:
 - (i) the Weighted Average Gas Price for such Contract Quarter during which Make Up Gas is delivered; and
 - (ii) the Weighted Average Gas Price in the Contract Quarter in which the payment was made pursuant to the Quarterly Shortlifted Quantity and that gave rise to the Make Up Gas right.

The credit received by Buyer under this Clause 10.3 (c) shall be applied against amounts due from Buyer under the first invoice of the subsequent Contract Quarter or, if in excess thereof, against subsequent invoices.

For such Make Up Gas delivered, Buyer shall have no rights to any amount previously paid in respect of the Quarterly Shortlifted Quantity above the Gas Price prevailing at the time the Make Up Gas is delivered.

10.4. Recovery Period

- (a) If at the end of the Basic Term and/or Extension Period, as the case may be, there is any Make Up Gas remaining that has not been taken by Buyer during the Term and/or Extension Period, as the case may be, then, in addition, the Recovery Period will be provided to allow Make Up Gas to be delivered by the Sellers to the Buyer, subject to availability, at a daily rate of up to the highest DNQ which was in effect during the last 4 (four) Contract Quarters immediately prior to the end of the Basic Term and/or Extension Period, as the case may be, provided that there shall be no Recovery Period if this Agreement is terminated by Sellers pursuant to Clauses 15.6, 19 or 25. Buyer shall have no further rights to take Gas during the Recovery Period after it has taken such remaining Make Up Gas, and after such remaining Make Up Gas has been delivered, the Recovery Period shall be deemed to have expired. For the avoidance of doubt, the delivery of the Make Up Gas during the Recovery Period shall be subject to the Sellers' availability of Gas from the Gas Fields.
- (b) All Gas supplied during the Recovery Period shall be Make Up Gas. The Sellers shall not be liable for any shortfall or Buyer for take-or-pay obligations and the provisions of Clauses 10.2 and 10.3 shall not apply to the supply of Gas during such period.
- (c) The Gas Price that shall apply to all Gas delivered during the Recovery Period shall be the relevant Gas Price as in effect at the time of Gas delivery. During the Recovery Period, Buyer shall pay for all Gas, pursuant to Fortnightly invoices, at the relevant Gas Price and shall pay all other amounts payable under this Agreement in respect of Gas deliveries.

Buyer shall receive a credit against each Fortnightly invoice for Gas taken as Make Up Gas during the Recovery Period for an amount equal to the Make Up Gas taken during that Fortnight multiplied by the lower of:

- (i) the Gas Price applicable during such Fortnight; and
- (ii) the Weighted Average Gas Price previously paid in respect of the Quarterly Shortlifted Quantity that gave rise to the Make Up Gas right.

For such Make Up Gas delivered, Buyer shall have no rights to any amount previously paid in respect of the Quarterly Shortlifted Quantity above the Gas Price prevailing at the time the Make Up Gas is delivered. The order in which the credit for such Make Up Gas shall be applied shall be the same order in which the Make Up Gas was accrued.

- (d) If Buyer fails to nominate any Make Up Gas or Make Up Gas has been scheduled by Sellers during the Recovery Period and such quantity has not been taken by the Buyer, then the Sellers shall have no further obligations whatsoever towards such Make Up Gas quantity and Sellers shall not be required to deliver such Make Up Gas or make any payment, credit, refund or other adjustment to Buyer in respect of any such quantity of Make Up Gas.
- (e) If, upon the expiry of the Recovery Period, Buyer has failed to take any remaining Make Up Gas, then Buyer shall forfeit any and all rights to such remaining Make Up Gas, and Sellers shall not be required to deliver such Make Up Gas or to make any payment, credit, refund or other adjustment to Buyer in respect of any such outstanding Make Up Gas.

11. Sellers' Supply Obligations-Deleted

12. Measurement

Gas shall be sold on the basis of quantity measurement and quality determination as set out in Schedule 4. The quantity of Gas offtaken by the Buyer each day is the Offtake Quantity.

13. Quality

- 13.1. Gas delivered under this Agreement shall meet the Specifications set out in Schedule 3. Buyer shall use all reasonable endeavours to accept delivery of any Gas that does not meet the Specifications but, if after using its reasonable endeavours the Buyer is unable to accept such Gas, then Buyer may reject Gas which does not meet such Specifications.
- 13.2. The rejection of Gas not meeting Specifications shall be the sole remedy available to the Buyer under this Agreement for a failure by the Sellers to supply Gas that does not meet Specifications.
- 13.3. If, however, the Buyer knowingly or unknowingly accepts Gas not meeting the Specifications, the Buyer shall be obligated to pay the Sellers the Gas Price applicable for such Gas at the time. The Sellers will have no further obligations towards the Buyer in respect of such Gas.

14. Planned Maintenance

- 14.1. Sellers may designate up to 20 days of Planned Maintenance on Sellers' Facilities during each Contract Year commencing from the Start Date. The Sellers shall be entitled to reduce (including down to zero (0)) its Gas scheduling under Clause 9 for each day of Planned Maintenance.
- 14.2. Buyer may designate up to an aggregate of 20 (twenty) days of Planned Maintenance on Buyer's Facilities during each Contract Year commencing from the Start Date. Buyer shall be entitled to reduce (including down to zero (0)) its Gas nominations under Clause 9 for each day of Planned Maintenance. For the avoidance of doubt, there shall be no separate earmarked period of Planned Maintenance for the transporter's facilities, in case the Gas is being offtaken using Gas transporter and through pipelines, and the Buyer and its transporter shall coordinate to coincide the Planned Maintenance for the Buyer's facilities and transporter's facilities.

- 14.3. A Party shall not designate more than 2 (two) periods of Planned Maintenance in a Contract Year. Planned Maintenance days shall be whole days. If a Contract Year is less than 365 (three hundred sixty five) days or 366 (three hundred and sixty six) days in case of a leap year, the number of days allowance in Clauses 14.1 and 14.2 above shall be proportionately reduced, provided that in such reduction, any fraction of a day shall be rounded up to a whole day. If a Party desires to take partial shutdown days for Planned Maintenance, then each such day when there occurs a partial shutdown, the same shall be considered 1 (one) whole day for the purpose of computation for Planned Maintenance days.
- 14.4. The Parties shall: (i) with respect to the first Contract Year, no later than 30 (thirty) days after the Start Date, and (ii) for any other Contract Year, no later than 30 (thirty) days in advance of the start of such Contract Year, deliver to the other Party a Planned Maintenance schedule setting forth each Party's Planned Maintenance requirements for the immediately following Contract Year. Following the delivery of the Planned Maintenance schedules pursuant to the preceding sentence, the Parties agree to meet promptly to discuss in good faith such Planned Maintenance requirements with a view to reaching an agreement between the Parties as to the timing and duration of any Planned Maintenance periods for the applicable Contract Year; provided, however, if the Parties fail to timely reach agreement on the timing and duration of any such Planned Maintenance, the owner and/or operator of each such facility may schedule such Planned Maintenance in its sole discretion.
- 14.5. If it becomes necessary or desirable for the Parties to change the schedule of any Planned Maintenance established under Clause 14.4 above, then Sellers or Buyer, as applicable, shall give the other Party not less than 30 (thirty) days' notice of the days on which such Party shall carry out any such Planned Maintenance, and the Parties will discuss in good faith and use all reasonable endeavours to reach an agreement on such changes to the schedule of Planned Maintenance.
- 14.6. The Parties shall use all reasonable endeavours to synchronise Planned Maintenance among Buyer's Facilities and Sellers' Facilities.

15. Force Majeure

- 15.1. Definition: The term "**Force Majeure**" means any event or circumstance or combination of events or circumstances that: (1) prevent or delay the affected Party (the "**Affected Party**") from performing in whole or in part its obligations pursuant to the terms of this Agreement; (2) are unforeseen and not within the Affected Party's reasonable control; and (3) are unavoidable by the exercise of due diligence by the Affected Party acting as a Reasonable and Prudent Operator under the relevant circumstances. Subject to satisfaction of the conditions specified in items (1), (2), and (3) above, Force Majeure shall include the following:
- (a) any act of God, including any storm, flood, drought, lightning, earthquake, tidal wave, tsunami, cyclone or other natural disaster;
 - (b) fire, accident, loss or breakage of facilities or equipment, structural collapse or explosion;
 - (c) pandemic, epidemic, plague or quarantine;
 - (d) air crash, shipwreck, or train wreck;
 - (e) acts of war (whether declared or undeclared), sabotage, terrorism or act of public enemy (including the acts of any independent unit or individual engaged in activities in furtherance of a programme of irregular warfare), acts of belligerence of foreign enemies (whether declared or undeclared), blockades, embargoes, civil disturbance, revolution, rebellion or insurrection, exercise of military or usurped power, or any attempt at usurpation of power;

- (f) strike, lockout or other industrial disturbances which are not due to the breach of any labour agreement by the Affected Party;
- (g) radioactive contamination or ionizing radiation;
- (h) loss, failure, impediment, restriction in output or deliverability of reservoirs in the Gas Fields;
- (i) any loss, impediment, restriction, withdrawal, non-renewal, cancellation or termination of the Upstream E&P Contract;
- (j) any unlawful or discriminatory delay, modification, denial or refusal of any Governmental Authority to grant or renew, or any revocation of any required permits, clearances, or approvals;
- (k) any act/action or inaction of a Governmental Authority or compliance with such acts, directly affecting the ability of Buyer or Sellers to perform its obligations under this Agreement;
- (l) the expropriation or compulsory acquisition by any Governmental Authority of any assets, including shares, of Buyer or Sellers, excluding in the case of a Government Owned Party any such acquisition of that Party's assets by any Governmental Authority;
- (m) any decision, direction or order of a Governmental Authority, court or judicial authority pursuant to the terms of the Upstream E&P Contract; or
- (n) any failure in cascades which are being used for Gas deliveries under this Agreement on account of Force Majeure provided that such Force Majeure impacts the delivery of Gas quantities to the Buyer.

15.2. Limitations and Exclusions:

- (a) Notwithstanding anything to the contrary in this Clause 15, Force Majeure shall not include:
 - (i) any event or circumstance affecting facilities other than Sellers' Facilities or Buyer's Facilities;
 - (ii) the breakdown or failure of machinery operated by the Affected Party to the extent caused by (1) normal wear and tear which could have been avoided by the exercise of reasonable care and diligence, (2) the failure to comply with the manufacturer's recommended maintenance and operating procedure (or, in the absence of manufacturer recommendations, failure to perform maintenance in accordance with the standard of a Reasonable and Prudent Operator), or (3) the non-availability at appropriate locations of standby equipment or spare parts in circumstances where reasonable prudence and foresight would have required that such equipment or spare parts be made available;
 - (iii) the inability or the failure of the Party claiming Force Majeure to make payment of any money when due in accordance with this Agreement or the inability or the failure of the Party claiming Force Majeure to raise any financing required in connection with the performance of such Party's covenants or obligations set out in this Agreement;
 - (iv) changes in market conditions, including changes that directly or indirectly affect the demand for or price of Gas or any other commodity or goods produced or loss of customers or loss of market share; any event or circumstance, which makes the performance of this Agreement uneconomic or commercially impracticable or the financial hardship or the inability of a Party to make a profit or receive a satisfactory

rate of return from its operations;

- (v) any event or circumstance, which comprises or results from any willful misconduct or gross negligence of the Affected Party or any act or omission by the Affected Party, which could have been prevented or overcome by the exercise of diligence by the Party claiming Force Majeure;
- (vi) where Buyer is the Affected Party, an executive act of any Governmental Authority unless such executive act (1) is generally applicable to all public and private entities doing business in India, and (2) was not undertaken by the Governmental Authority principally to benefit Buyer.

15.3. Notice and Reporting:

- (a) The Affected Party shall as soon as reasonably practicable after the date of commencement of the event of Force Majeure, but in any event no later than 4 (four) days after such commencement date, notify the other Party in writing of such event of Force Majeure and provide the following information:
 - (i) reasonably full particulars of the event or circumstance of Force Majeure and the extent to which any obligation will be prevented or delayed;
 - (ii) such date of commencement and an estimate of the period of time required to enable the Affected Party to resume full performance of its obligations; and
 - (iii) all relevant information relating to the Force Majeure and full details of the measures the Affected Party is taking to overcome or circumvent such Force Majeure.
- (b) The Affected Party shall, throughout the period during which it is prevented from performing, or delayed in the performance of, its obligations under this Agreement, upon request, give or procure access to examine the scene of the Force Majeure including such information, facilities and sites as the other Party may reasonably request in connection with such event. Access to any such facilities or sites shall be at the risk and cost of the Party requesting such information and access.

15.4. Mitigation Responsibility:

- (a) The Affected Party shall use all reasonable endeavours, acting as a Reasonable and Prudent Operator, to circumvent or overcome any event or circumstance of Force Majeure as expeditiously as possible, provided, however, that the settlement of strikes or differences with employees shall be within the discretion of the Party having the difficulty, and relief under this Clause 15 shall cease to be available to the Affected Party claiming Force Majeure if it fails to use such reasonable endeavours during or following any such event of Force Majeure.
- (b) The Affected Party shall have the burden of proving that the circumstances constitute valid grounds of Force Majeure under this Clause 15 and that it has exercised reasonable diligence efforts to remedy the cause of any alleged Force Majeure.
- (c) The Affected Party shall notify the other Party when the Force Majeure has terminated or abated to an extent which permits resumption of performance to occur and shall resume performance as expeditiously as possible after such termination or abatement.

15.5. Consequences of Force Majeure:

Provided the Affected Party has complied and continues to comply with the obligations of this Clause 15, and subject to the further provisions of this Agreement, the obligations of the Parties under this Agreement to the extent performance thereof are prevented or impeded by the event of Force Majeure shall be suspended and the Parties shall not be liable for the non-performance thereof for the duration of the period of Force Majeure.

The Basic Term of this Agreement shall not be extended due to an event of Force Majeure.

15.6. Force Majeure Events exceeding 60 (sixty) days:

If an event or series of events (alone or in combination) of Force Majeure occur and continue for a period in excess of 60 (sixty) consecutive days, then either Party may serve a termination notice on the Affected Party, following which the Parties shall meet to discuss means to mitigate the impediments caused by the Force Majeure event.

If the Force Majeure event or series of events is not remedied within 15 (fifteen) days of the Affected Party's receipt of the relevant termination notice, then this Agreement shall automatically terminate on the 15th (fifteenth) day following the Affected Party's receipt of such termination notice.

Without prejudice to any liability of the Parties which accrued as of the date of termination of this Agreement, termination under this Clause 15.6 shall be without liability of either Party for damages arising out of such termination.

16. Invoicing

16.1. Sellers' Representative shall raise invoices and shall electronically or through facsimile deliver invoices to the Buyer for the Gas sold. Electronically delivered Fortnightly invoices should carry a digital signature. Invoices shall specify the Gas Price and Taxes and the total amount due and payable by Buyer. Buyer shall make payments in full to the Sellers at the respective account(s) of Seller(s) designated by notice to Buyer.

16.2. Prior to the first invoice being raised by the Sellers' Representative under this Agreement, the Buyer shall intimate the Sellers' Representative the nature of supply (Interstate or Intra State along with location) to enable the Sellers' Representative to raise invoice showing CST / VAT as applicable. During the Basic Term and/or Extension Period and/or Recovery Period, as the case may be, if the nature of supply (Interstate or Intra State along with location) alters, then the Buyer will intimate the Sellers' Representative within 30 days prior to raising of the fortnightly invoice. In case of failure on the part of the Buyer to intimate the nature of sale within time or in case of incorrect information resulting in additional tax liability (including interest and penalty), the same shall be on account of the Buyer.

16.3. Invoices shall be raised Fortnightly (unless otherwise required by Law) for the Gas delivered in SCM or MMBtu, commencing with the Fortnight in which the Start Date occurs. The Fortnightly invoice shall specify the following:

- (a) The Gas quantity for the applicable billing period;
- (b) The details of the Gross Calorific Value (GCV) to derive Gas sold during a billing period;
- (c) The details of the Net Calorific Value (NCV) of Gas, if applicable;
- (d) Price of the Gas as set forth in Schedule 1 of the Agreement;
- (e) Applicable Taxes on the above.
- (f) Break up of payment to be made to each individual Seller and the corresponding bank

account details of each Seller.

The billing period means a period of consecutive days beginning at 06.00 hours from a day and ending at 06.00 hours on the first day of the immediately following billing period as under:

“First Billing Period” means the 1st to 15th day of the Contract Month; and

“Second Billing Period” means the 16th to last day of the Contract Month

- 16.4. In addition to invoices, Sellers’ Representative shall raise credit /debit notes as may be required from time to time. For avoidance of doubt the last invoice shall be raised promptly following the End Date.
- 16.5. In relation to Take or Pay obligations as set forth in Clause 10.2 above, the QMGO Charges (and any interest payable on such charges under this Agreement) shall be billed on quarterly basis and will form a part of the invoice, which is to be issued by the Sellers’ Representative to the Buyer, for the last Billing Period for the relevant Contract Quarter. The payment of entire QMGO Charges shall be made by Buyer to the Sellers’ Representative only, and will be retained by Seller’s Representative as deposit until the same is either used for make up gas or the make up right expires.
- 16.6. Sellers’ Representative shall raise credit notes in respect of any Make Up Gas in accordance with Clause 10.3. The value of any such credit note delivered by Sellers’ Representative in accordance with this Clause 16 shall be set off against the monies due and payable by Buyer to the Sellers under this Agreement.
- 16.7. If it is determined that there is some correction or adjustment required in the Gas Price which was paid by the Buyer, in respect of an invoice raised for any Fortnight, the Sellers’ Representative shall promptly furnish to the Buyer a correction invoice in respect of such Fortnight and its corresponding invoice, which shall include the details of such correction and copies of the documentary proof giving rise to such correction.
- 16.8. The Sellers shall calculate the Gas Price of the Gas delivered at the Delivery Point in accordance with Clause 8 and Schedule 1 of this Agreement, based on the calorific value of Gas delivered during the billing period where appropriate measurement facilities are in place and functioning. In case of non-functioning of measurement facilities, the Sellers shall calculate the Gas Price based on the average calorific value of Gas in the immediately previous billing period where the calorific value has been verified. Gas Price shall be subsequently adjusted to reflect actual calorific value of Gas once actual calorific value is determined.
- 16.9. For the avoidance of doubt, all invoices to be raised by the Sellers and all amounts payable by Buyer to the Sellers in relation to this Agreement shall be in INR or in USD (if applicable).

17. Security

- 17.1. No later than 30 days prior to the Start Date, Buyer shall provide the Sellers’ Representative with an irrevocable letter of credit issued in favour of the Sellers and Sellers’ Representative by a scheduled bank in India acceptable to Sellers’ Representative. Such letter of credit shall be renewed or replaced with a new letter of credit at least 21 (twenty one) days prior to the expiry of the preceding letter of credit (with each such letter of credit being a **“Letter of Credit”**).
- 17.2. Each Letter of Credit shall be for a term of not less than 12 (twelve) calendar months and shall, at all times, be for an amount equal to the product of:
 - (A) the Gas Price applicable in the calendar month in which such Letter of Credit is issued; and
 - (B) a quantity of Gas equal to 45 (forty five) days of the DCQ and; any Taxes to such quantity of Gas.

The Letter of Credit shall be in a format as specified in Schedule 5. Sellers' Representative may seek revision in the face value of the Letter of Credit, after every 6 (six) month interval during the Basic Term and/or Extension Period (if applicable) and/or the Recovery Period, in case of any increase in the Gas Price by 10% (ten percent) or more and Buyer shall provide the same within 15 days Business Days of such demand from Sellers' Representative or within any other period which may be mutually agreed between the Parties. Buyer shall bear all charges payable to the bank issuing the Letter of Credit. If the Letter of Credit is encashed for 3 (three) or more times in a Contract Year due to any reason attributable to the Buyer, then the Buyer shall maintain a Letter of Credit of 125% (One Hundred and Twenty Five percent) value of the original Letter of Credit amount to provide higher payment security.

- 17.3. If Buyer fails to pay any amount due under the terms of this Agreement to Sellers within the period specified in this Agreement, including but not limited to the QMGO Charges payable under this Agreement, the relevant Sellers may, without prejudice to any other rights and remedies available under this Agreement or under Law, draw upon the Letter of Credit for payment of such amounts due and payable under any invoices and or interest charges raised under this Agreement. Recourse against the Letter of Credit shall be without limitation to any other right or remedy of the relevant Sellers in relation to the payment default. Buyer shall, upon the drawdown of any amount by the relevant Sellers, ensure that the value of the Letter of Credit is automatically reinstated forthwith to its original face value. Whenever any Seller intends to draw upon the Letter of Credit, ONGC shall take necessary steps for invocation/encashment/drawing up of the Letter of Credit.
- 17.4. If the Letter of Credit is not renewed or replaced before 21 (twenty one) days prior to its stated date of expiry, then the relevant Sellers shall have the right to draw down the Letter of Credit in full before it expires and retain such drawl proceeds as security against any and all amounts then or thereafter owed by Buyer under this Agreement, without any interest accruing to Buyer.
- 17.5. Notwithstanding any provisions of this Clause 17 and even though the preferred mode of payment security for the Sellers is provision of a Letter of Credit, as an alternate option, Buyer may opt to provide payment security by way of bank transfer of the same amount as determined at Clause 17.2 above. However, such deposit will not be considered as advance payment and will not carry any interest. It is clarified that payment security shall be provided either in form of Letter of Credit or bank transfer (through electronic transfer) and a combination of both will not be allowed. If the Buyer opts to submit payment security in the form of bank transfer, then all references to Letter of Credit/ LC/ payment security will mean the bank transfer as provided under this Clause 17.5.
- 17.6. The bank charges, commissions, etc. required to maintain the payment security as per above provisions shall be borne solely by the Buyer.

18. Payment

- 18.1. Buyer shall pay the amount due in the invoice to Sellers to the designated bank accounts specified in the relevant invoice(s) for all Gas delivered and any applicable charges during any Billing Period (the amount invoiced as due for that Billing Period) by: (i) 22nd day of the current Contract Month in case of the First Billing Period; and (ii) 7th day of the succeeding Contract Month in case of the Second Billing Period ("Due Date").
- 18.2. Interest on overdue payments shall accrue as of and including the Due Date for payment and ending on but excluding the date of payment. Delay in payment will attract interest @ State Bank of India (SBI) Base Rate plus 6% per annum compounded quarterly for each day payments are overdue until paid.

- 18.3. If Buyer disputes any invoice, then Buyer shall provisionally make the payment in full (without any setoff or counterclaim) and may notify the disputed amount to relevant Sellers entity within 30 (thirty) days of receipt of the relevant invoice. If a dispute is decided in favour of Buyer, the relevant Sellers entity shall refund the overpayment within 7 (seven) Business Days following resolution of the dispute.
- 18.4. Buyer shall arrange remittance of the amounts due under any invoice, as the case may be, on or before the due date specified herein via electronic transfer or telegraphic transfer to the bank(s) and account(s) designated from time to time by the Sellers in the invoice(s). Buyer shall provide (by facsimile transmission or by e-mail to a designated officer of Sellers) at the time of any such payment, details of Buyer's payment at the time of any such payment. The cost, if any, of such electronic transfers or telegraphic transfer shall be borne by the Buyer.
- 18.5. If either or both of Buyer's banks and/or Sellers' banks are closed on the due date the payment will be made on the day previous to the aforesaid due date. If Buyer's banks and/or Sellers' banks are closed for 2 (two) consecutive days or more, any payment due on the first day shall be made on the day prior to the due date of payment and any payment due on the second day or following day shall be made on the first Business Day following such closure. In case of unscheduled closure of either or both Buyer and/ or Sellers' banks on the Due Date, the payment will be made on the following Business Day.
- 18.6. Notwithstanding anything contained in Clause 18.5 above, in case payment due date falls on Saturday which is not a Business Day for either of the Buyer's or Sellers' bank, payment shall be made on immediately preceding Business Day for the banks of both Buyer and Sellers whereas when payment due date falls on Sunday, payment shall be made on immediately following Business Day for the banks of both Buyer and Sellers.
- 18.7. In case of non-receipt of payment within due dates specified in Clauses 18.1 and 18.2, Sellers shall recover the same from the Letter of Credit provided to Sellers.
- 18.8. In case of credit notes, the same shall be set off against future invoices issued by Sellers and in case no invoice is left to be raised by Sellers, Sellers shall make the payment of the credit note amount after adjusting any amount payable by Buyer, within 7 (seven) Business Days from the date of issue of the final credit note.

19. Suspension and Termination

- 19.1. Suspension: Without prejudice to any other rights and remedies, Sellers may suspend delivery of Gas, upon two (2) days' notice to Buyer, in any of the following circumstances:
- (a) Buyer's failure to make any payments in full when due and payable by the Buyer;
 - (b) Buyer's failure to establish, maintain or renew the Letter of Credit as required herein;
 - (c) Where suspension is required due to Law or in the event of any defect or unsafe operation in the Buyer's Facilities or downstream of the Delivery Point;
 - (d) Buyer's breach of its representations set out in Clause 23.2 and Anti Bribery and Anti-Money Laundering obligations set out in Clause 24 and 25 respectively;
 - (e) Buyer's breach of the limitations set forth in Clause 5(c) and (d);
 - (f) the occurrence of any termination event under Clause 19.2 (and without, for the avoidance of doubt, any need to await the expiry of any notice, cure or grace period provided for therein); or
 - (g) if the Buyer, its Affiliates or associated persons become a Restricted Party.

Upon and for the duration of such suspension, Sellers shall be relieved of their obligation to make Gas available for delivery to Buyer under this Agreement, but Buyer shall not be discharged of any of its obligations under this Agreement including Buyer's obligations under Clause 10 to take and pay for, or pay for if not taken a quantity of Gas at least equal to the Take or Pay Quantity for the relevant Contract Year. Sellers shall resume delivering Gas as soon as reasonably practicable following the cure of the events listed above and in any case within 48 (forty eight) hours of such cure. For the avoidance of doubt, during the suspension period, Sellers will be relieved of all its Gas supply obligations under this Agreement.

19.2. Termination for Buyer's Default: Sellers may forthwith terminate this Agreement in the following circumstances:

- (a) Buyer fails to pay any amount which is due in full within 30 (thirty) days after the due date of such payment;
- (b) A petition is filed with the court having jurisdiction or an order is made or an effective resolution is passed for the dissolution, liquidation, or winding up of Buyer;
- (c) Buyer becomes insolvent (in cases where Insolvency and Bankruptcy Code, 2016 is applicable, Buyer shall be deemed insolvent when the application seeking initiation of corporate insolvency resolution process in respect of Buyer is admitted by the adjudicating authority) or is adjudged bankrupt or makes an assignment for the benefit of its creditors or does not pay or is in Sellers' reasonable opinion expected to be unable or unwilling to pay its debts as the same become due;
- (d) A receiver is appointed for the whole or significant part of the assets or undertaking of Buyer;
- (e) Buyer ceases or threatens to cease to carry on its business or a major part thereof or a distress, execution or other process is levied or enforced or sued upon or against any significant part of the property of Buyer and is not discharged until 90 (ninety) days;
- (f) If Buyer is adjudged bankrupt or enters into an agreement with its creditors or takes advantage of any law for the benefit of debtors;
- (g) Buyer has passed a resolution to apply to a competent court for liquidation;
- (h) Buyer fails to remedy, within a period of 15 (fifteen) days following suspension of this Agreement in accordance with Clause 19.1(b), its obligation to establish, maintain or renew a Letter of Credit as required herein;
- (i) Buyer transfers its interest in this Agreement without satisfying the requirements of Clause 23.1;
- (j) Buyer breaches a material term of this Agreement including Clause 23.15 and such breach is not cured within 30 (thirty) days following notice of such breach from Seller;
- (k) Buyer fails to offtake Gas at any time after the Start Date, without providing any reasons thereof and without there being any Force Majeure, for a period of 30 consecutive days, despite the Sellers making Gas available for offtake;
- (l) Buyer fails to fulfill its Conditions Precedent, as set forth in Clause 4 above, till the Longstop Date;
- (m) Buyer uses Gas for activities which are anti-national or anti-social activity or against public interest;
- (n) In case the source of offtake is non-connected, the Buyer fails to offtake the Gas from the Delivery Point in accordance with the terms of this Agreement.

- (o) Buyer fails to fulfill its obligations as set forth in Clause 5 above, including obtaining all the necessary statutory/regulatory compliances and prior permissions/approvals from the relevant entities, governmental and regulatory authorities for the proposed gas usage, including from the Petroleum and Natural Gas Regulatory Board (PNGRB)

19.3. Termination for Sellers' Default: Buyer may forthwith terminate this Agreement in the following circumstances:

- (a) A petition is filed with the court having jurisdiction or an order is made or an effective resolution is passed for the dissolution, liquidation, or winding up of Sellers;
- (b) Sellers become insolvent (in cases where Insolvency and Bankruptcy Code, 2016 is applicable, Sellers shall be deemed insolvent when the application seeking initiation of corporate insolvency resolution process in respect of Sellers is admitted by the adjudicating authority) or is adjudged bankrupt or makes an assignment for the benefit of its creditors or does not pay or is in Buyer's reasonable opinion expected to be unable or unwilling to pay its debts as the same become due;
- (c) A receiver is appointed for the whole or significant part of the assets or undertaking of Sellers;
- (d) Sellers cease or threaten to cease to carry on their business or a major part thereof or a distress, execution or other process is levied or enforced or sued upon or against any significant part of the property of Sellers and is not discharged until 90 (ninety) days;
- (e) If Sellers are adjudged bankrupt or enter into an agreement with its creditors or takes advantage of any law for the benefit of debtors;
- (f) Sellers have passed a resolution to apply to a competent court for liquidation;
- (g) Sellers fail to fulfill their Conditions Precedent, as set forth in Clause 4 above, till the Longstop Date;
- (h) If for reasons other than Force Majeure or the fault of Buyer, Sellers fail to deliver any quantities of Gas to Buyer for 45 (forty five) consecutive days.

19.4. Other Termination: Sellers shall have the right to terminate this Agreement upon five (5) days' notice to Buyer (or such shorter period as may be necessary in the circumstances) upon: (i) termination of the Upstream E&P Contract or cancellation of any; or (ii) termination all of the applicable petroleum mining leases; or (iii) any reduction in availability of Gas deliverable hereunder, including adverse reservoir behavior in the Gas Field, which in the Sellers's opinion as a prudent operator was not reasonably foreseeable. Any such termination of this Agreement shall be without liability to either Party and will be binding on the Buyer for all intents and purposes.

19.5. Accrued Rights: Any termination of this Agreement shall not affect any rights, obligations and liabilities which may have accrued prior to such termination.

20. Taxes and Duties

20.1. Buyer shall assume full and exclusive liability for payment of all Taxes imposed in connection with, or related to, the sale purchase or delivery of Gas under this Agreement and any payments made under this Agreement. For the avoidance of any doubt, the liability for payment of Taxes shall include any Taxes that are paid, levied or accrued and payable or assessed or demanded or imposed pursuant to any interim order, provisional assessment, revisional assessment, judicial or executive review, final assessment or any other order made at any time by any Governmental

Authority, court or judicial authority. Buyer shall be liable for fines, penalties or interest on Taxes which are required to be paid by Sellers under order made at any time by any Governmental Authority, court or judicial authority for any reason on the part of the Buyer.

- 20.2. Buyer shall be liable for and shall indemnify (and keep indemnified), protect, defend and hold harmless Sellers and its Affiliates from and against all actions, proceedings, claims and demands brought or made and all losses, damages, costs, expenses, liabilities, settlements, and judgments arising from and against or in connection with any Taxes levied against Buyer (including any failure or delay by Buyer to pay such Taxes or submit required forms, returns or documents as stated at Clause 20.3) or for which Buyer is responsible under this Agreement. Sellers may recover such sums from Buyer including all costs, expenses and charges incurred by Sellers in connection therewith.
- 20.3. Buyer shall submit to Sellers all forms, returns, and documents (duly filled in and completed in all respects), within such time as may be requested by Sellers or prescribed by any Governmental Authority, whichever is earlier, that are required to enable Sellers to comply with the requirements of the Governmental Authority and/or any order from a court or judicial authority imposing or asserting any Taxes. If Buyer fails to submit any such forms, returns or documents to Sellers within the prescribed time then Sellers shall have the right to raise necessary invoices for any differential liability for Taxes that may arise as a result of such failure of Buyer and Buyer shall make payment of such invoices within 7 (seven) Business Days.

21. Liability and Remedies

- 21.1. At, and downstream of, the Delivery Point the Buyer shall be deemed to be in exclusive possession and control of the Gas and fully liable and responsible for its arrangements, appurtenance and properties including all gas pipelines and associated infrastructure used by Buyer downstream of the Delivery Point and the Buyer's Facilities. Accordingly, the Buyer covenants and agrees to fully protect, indemnify and hold the Sellers, its Affiliates and its officers, employees and agents harmless against any and all claims, liabilities, costs, expenses, damages, or losses which may be made, asserted or brought against the Sellers whether by the Buyer, its employees or agents or by third parties, on account of damage or injury to property or person or loss of life resulting from, arising out of or in connection with the installation, presence, maintenance or operation of the intake arrangements, appurtenance and properties of the Buyer or relating to the possession and handling of any Gas supplied under this Agreement and further defend the Sellers at the Buyer's sole expense in any litigation involving the Sellers, its Affiliates and its and their officers, employees and agents in connection with matters referred to in this Clause 21.1.
- 21.2. The Sellers shall be deemed to be in exclusive possession and control of the Gas upstream of the Delivery Point(s) and fully liable and responsible for its arrangements, appurtenance and properties including the Sellers' Facilities. Accordingly, the Sellers covenants and agree to fully protect, indemnify and hold the Buyer and their officers, employees and agents harmless against any and all direct claims, liabilities, costs, expenses, damages, or losses which may be made, asserted or brought against the Buyer whether by the Sellers, its employees or agents or by third parties, on account of damage or injury to property or person or loss of life resulting from, arising out of or in connection with the operation of the intake arrangements, appurtenance and properties of the Sellers and further defend the Buyer at the Sellers' sole expense in any litigation involving the Buyer and officers, employees and agents in connection with matters referred to in this Clause 21.2.
- 21.3. The Parties recognize that, with respect to breaches of this Agreement (and acts or omissions which constitute breaches), their relationship is contractual and that neither Party shall have any

claim against the other Party in tort with respect to such breaches. Remedies set out herein are cumulative and are the exclusive remedies available to the Parties for a breach of this Agreement.

- 21.4. Neither Party shall be liable to the other Party for consequential loss, loss of profit, loss of revenue, or any special, punitive or exemplary damages, howsoever caused, including by negligence or breach of duty or any other act or omission (even in the case of willful misconduct).

21.5. Rights and Liabilities of Sellers

The rights, liabilities/ obligations of each Seller under this Agreement shall be several (and not joint or joint and several) to the extent of the quantity of Gas being supplied to the Buyer by each of the Sellers.

22. Governing Law and Dispute Resolution

- 22.1. Governing Law: This Agreement shall be governed by the laws of India.

DISPUTE RESOLUTION

- 22.2. Except as otherwise provided elsewhere in this Agreement, if any dispute, difference, question or disagreement arises between the Parties hereto or their respective representatives or permitted assignees, at any time in connection with construction, meaning, operation, effect, interpretation of the Agreement or breach thereof shall be referred to “Resolution of disputes” as provided below.
- 22.3. **Notice of Dispute and Amicable Settlement:** In the event of any difference/dispute between the Parties arising out of or in connection with this Agreement, the concerned Party shall send a Notice of Dispute specifying all points of disputes / issues, the amounts of any quantified claims, and, to the extent possible, an estimate of the monetary value of any other claims, along with the supporting document(s) to the other Party under this Agreement.
- 22.4. After receipt of a Notice of Dispute under Clause 22.3 above, the Parties shall in good faith, make all reasonable efforts to arrive at a mutually acceptable resolution to the disputes raised in the Notice of Dispute in formal meeting(s) between authorized representatives of the Parties.
- 22.5. Parties agree that any effort by either Party for arriving at the mutually acceptable resolution of the disputes is to be kept confidential by both Parties. Parties also agree to not rely up on any views expressed, admissions or suggestions made, or willingness to enter into a settlement by either Party as evidence in any forum / arbitration / AMRCD/court proceeding.
- 22.6. In case the Parties fail to amicably resolve the disputes between them within 60 days of receipt of Notice of Dispute sent under Clause 22.5 above, the following provisions of this Agreement mentioned below, as applicable, shall follow.
- 22.7. **Expert Determination:** Matters which, by the terms of this Agreement, the Parties have agreed to refer to an expert and any other matters which the Parties may agree to so refer, may be referred to a sole expert (“Expert”) who shall be an independent and impartial person of international standing with relevant qualifications and experience, appointed by mutual agreement between the Parties and who shall not, by virtue of nationality, personal connection or commercial interest, have a conflict between his/her own interest and his/her duty as an Expert. In the event that the Parties fail or are unable, to agree on an Expert within 30 (thirty) days or such longer period as may be mutually agreed by Parties, the matter shall be referred to arbitration or AMRCD, as the case may be. Any Expert appointed shall be acting as an expert and not as an arbitrator and the decision of the Expert on matters referred to him/her shall be

final and binding on the Parties and shall not be subject to AMRCD and Arbitration. The Parties intend that the Expert will primarily deal with "technical matters" (meaning matters involving issues including metering or measurement of Gas and payment disputes which are capable of determination by reference to engineering or scientific or commercial knowledge and practice). The fees and expenses of an Expert appointed by the Parties shall be borne equally by the Parties.

Arbitration

22.8. In case of failure to resolve a dispute amicably through amicable settlement under the provisions of Clauses above or where the Parties are unable to agree on appointment of an Expert within the time period specified in Clause 22.7 above, either Party may, subject to Clause 22.10 below, refer the said dispute for resolution through Arbitration under the administration of 'India International Arbitration Centre' ("IIAC"), established by an Act of the Parliament, i.e., the India International Arbitration Centre Act, 2019, in accordance with the India International Arbitration Centre (Conduct of Arbitration) Regulations ("IIAC Regulations") for the time being in force, including any subsequent modifications and amendments thereof, which regulations are deemed to be incorporated by reference in this Agreement, to the extent these regulations are not inconsistent with the provisions of this Agreement.

22.9. The Arbitration shall be conducted by an Arbitral Tribunal consisting of:

- i. For claim amount upto Rs. 2 crore, by a Sole Arbitrator, to be appointed mutually by the Parties failing which by the Chairman, IIAC, in accordance with the IIAC Regulations. It is clarified that only a Retired Judge shall be eligible to be appointed as a Sole Arbitrator under this Clause, and
- ii. For claim amount above Rs. 2 crore, by a Tribunal of three arbitrators comprised of Retired Judges. Parties to nominate one arbitrator each and the two co-arbitrators shall nominate the presiding arbitrator in accordance with the IIAC Regulations. Any arbitrator appointed under sub-clauses (i) and (ii) above that is not a member of the panel of arbitrators maintained by IIAC shall submit a declaration to abide by and conduct the arbitration proceedings in accordance with the IIAC Regulations.
- iii. The seat of Arbitration shall be at Delhi.

22.10. Parties further agree that following matters shall not be referred to Arbitration:-

- i. Any claim, difference or dispute relating to, connected with or arising out of Sellers' decision to initiate proceeding for suspension or banning, or decision to suspend or to ban business dealings with the Bidder/ Buyer;
- ii. Any claim, difference or dispute relating to, connected with or arising out of Sellers' decision under the provisions of Integrity Pact executed between Sellers and the Bidder /Buyer;
- iii. Any claim, difference or dispute which is purely amongst CPSEs/ Port Trusts/State PSEs/Government Departments/ Government Organizations or Ministries (excluding disputes concerning Railways, Income Tax, Customs & Excise Departments) and does not involve any private entity.

22.11. The total cost of Arbitration proceedings including all expenses incurred in relation thereto shall be shared equally by the Parties, subject to final award as may be passed by the Arbitral Tribunal.

Administrative Mechanism for Resolution of CPSEs Disputes (AMRCD)

22.12. Where any dispute purely involves CPSEs/ Port Trusts/State PSEs/Government Departments/ Government Organizations or Ministries (excluding disputes concerning Railways, Income Tax, Customs & Excise Departments) and which dispute has not resolved amicably between the Parties, then such dispute shall be taken up by either Party for resolution through AMRCD as mentioned in OPE OM No. 05/0003/2019- FTS-10937 dated 14th December, 2022 (as revised time to time) and the decision of AMRCD on the said dispute will be binding on both the Parties.

22.13. Adjudication by Courts:

Any dispute not covered under any other provisions of Clauses above, may be referred for final adjudication by the court and Parties agree that courts at Delhi shall have exclusive jurisdiction in respect of all matters or disputes or differences arising out of or in connection with this Agreement.

22.14. Notwithstanding the existence of any arbitration/AMRCD in terms thereof or otherwise, the Parties shall continue and be bound to continue and perform all its/his outstanding obligations in all respects under this Agreement and the Parties shall remain liable and bound in all respects under this Agreement.

23. Miscellaneous

23.1. TRANSFER OF RIGHTS & ASSIGNMENT

- (a) Neither Party shall assign any of its rights or transfer or subcontract any of its obligations under this Agreement without the prior written consent of the other Party. Any assignment not made in accordance with the terms of this Clause shall be void.
- (b) Subject to provisions below, Buyer may assign its rights and transfer its obligations under this Agreement to its Affiliate with the prior consent of the Seller, which consent shall not be unreasonably withheld. Provided that:
 - i. such Affiliate has the ability to perform all obligations of the Party under the Agreement; and
 - ii. such Affiliate expressly assumes such obligations.
 - iii. such Affiliate fulfills the techno-commercial criteria, prescribed in the bid document at the time of submission of such request.
- (c) Acceptance of request for transfer/assignment shall be subject to approval of applicable government rules/ regulations and guidelines prevailing at the time of such assignment/ transfer.
- (d) The following assignments/ transfer will not require the prior consent of the other Party:
 - i. assignment made by the Seller to the extent it assigns its interests under the Upstream E&P Contract;
 - ii. assignment by a Seller of a part of its rights and obligations (including the right to receive payment of any amount due hereunder) to an Affiliate.
- (e) The assignment of rights and obligations shall be completed within a period of thirty (30) days

from the date of receipt of consent from the other Party, unless otherwise agreed upon in writing by the Parties. If assigning party does not complete the assignment within 30 days of receipt of consent from the other Parties, then the existing GSA conditions will prevail, including off-take & commercial obligations on assigning Party.

23.2. Representations and Warranties:

- (a) Each Party represents and warrants to the other Party that at the time of the Effective Date:
 - (i) it is duly incorporated and validly existing under the laws of its place of incorporation and has the power, capacity and authority to own its assets and to conduct its business as currently conducted and as contemplated herein;
 - (ii) this Agreement has been duly executed by it and is a legal, valid and binding document enforceable against it in accordance with its terms;
 - (iii) the execution of this Agreement does not violate any Law, or any document constituting the Party, or any permit granted to such Party or any agreement to which such Party is a party to;
 - (iv) it confirms that all its representations and warranties set forth in this Agreement are independent of each other and true, complete and correct in all respects at the time as of which such representations and warranties were made.
- (b) Each Party represents and warrants to the other Party that at the Start Date all representations and warranties set out under Clause 23.2 (a) are true and correct in all respects.
- (c) Sellers represents and warrants to Buyer that as on the Start Date it shall have the title to, or will otherwise be authorized to sell to be Gas sold under this Agreement.
- (d) Buyer represents and warrants to Sellers that:
 - (i) as of the Start Date, Buyer shall have the right to utilize the facilities/ equipment sufficient to transport the applicable DCQ (from time to time) from the Delivery Point to Buyer's Facilities and otherwise to perform all of its obligations under this Agreement;
 - (ii) during the Basic Term, Extension Period (if applicable) and during the Recovery Period, Buyer shall maintain the right to utilize the facilities/ equipment sufficient to transport the applicable DCQ (from time to time) from the Delivery Point to Buyer's Facilities and otherwise to perform all of its obligations under this Agreement;
 - (iii) Buyer possesses the necessary infrastructure, skill, experience, expertise and ability to undertake and fulfil all its obligations under this Agreement;
 - (iv) as of the Effective Date it is not insolvent, in administration, subject to liquidation proceedings, has not made an assignment for the benefit of its creditors, declared or been declared bankrupt, or had a receiver appointed in respect to the whole of any part of its assets, and there is no outstanding petition presented for the winding-up or dissolution of Buyer, and that no event has occurred which, under Law, would justify any such proceedings;
 - (v) The Buyer's Facilities shall not be operated in such a manner that would violate the health, safety and environmental norms and the surrounding areas and environment;
 - (vi) Buyer has all applicable governmental licenses, permissions, consents and authorizations from Governmental Authorities and all such approvals, licenses,

permissions, consents and authorizations are valid and effective.

- (vii) The information furnished by the Buyer in its bid and as updated on or before the Effective Date is true and accurate in all respects as on the Effective Date.
- (e) The Buyer covenants that:
 - (i) it shall ensure that all approvals, licenses, permissions, consents and authorizations that are necessary to enable it to perform its obligations under this Agreement remain valid and effective through the Basic Term, Extension Period (if applicable) and the Recovery Period;
 - (ii) it shall maintain the adequacy of the Buyer's Facilities during the Basic Term, Extension Period (if applicable) and during the Recovery Period.

The Sellers covenants that that all approvals, licenses, permissions, consents and authorizations that are necessary to enable it to perform its obligations under this Agreement remain valid and effective throughout the Basic Term, Extension Period (if applicable) and during the Recovery Period.

23.3. Laws and Approvals

- (a) In carrying out its obligations under this Agreement, each Party shall comply with all applicable Laws. A Party shall not be considered or held to be in breach of its obligations under this Agreement as a result of such compliance.
- (b) The Parties agree that the obligation of Sellers under this Agreement is subject to the continued effectiveness of the Upstream E&P Contract and the receipt and maintenance of all requisite approvals required under Law.

23.4. Confidentiality: This Agreement and all documents and information transmitted by Buyer to Sellers or from Sellers to Buyer under this Agreement ("Confidential Information") shall be deemed confidential. The receiving Party agrees to protect and guard Confidential Information and not to disclose Confidential Information, directly or indirectly, to any other person, except as may be required by Law or in accordance with this Agreement. Each Party may disclose Confidential Information to the extent that such Confidential Information is provided to Affiliates, Relevant Authorities, bona fide stock or securities exchanges in relation to any applicable listing of a Party, professional advisors, agents, auditors, insurers, bona fide potential assignees, lenders, contractors, sub-contractors and their advisors or representatives of a Party as is reasonable under the circumstances; provided that such disclosures are subject to conditions of confidentiality at least as restrictive as this Agreement. The Sellers and the Buyer may disclose Confidential Information to the Buyer's gas transporter but only to the extent reasonably required for the performance of this Agreement.

23.5. Schedules: The Schedules to this Agreement are incorporated into and made an integral part of this Agreement.

23.6. Entire Agreement: The terms of the RFP and the submissions thereunder shall be considered to be an integral part of this Agreement. However, in the event of any conflict or inconsistency between the terms of the RFP and terms contained this Agreement, the terms of this Agreement shall prevail.

Subject to this Clause 23.6, this Agreement contains the entire agreement between the Parties relating to the sale and purchase of Gas and, except for this Agreement, no prior promises, agreements, or warranties shall be of any force or effect.

23.7. Survival: Except as may otherwise be expressly provided herein, the provisions set forth under

Clause 15 (Force Majeure), Clause 17 (Security), Clause 19 (Termination), Clause 20 (Taxes and Duties), Clause 22 (Governing Law and Dispute Resolution), Clause 23.4 (Confidentiality), Clause 23.6 (Entire Agreement), Clause 23.7 (Survival), Clause 23.8 (Notices), Clause 23.9 (Waiver of Sovereign Immunity), Clause 23.10 (Amendment), Clause 23.11 (Implied Terms Excluded), Clause 23.12 (Severability), Clause 23.13 (Relationship of Parties) shall survive the termination or expiry of this Agreement to the maximum extent permissible under law, or up to the term set out under the relevant provisions of this Agreement, whichever is earlier.

- 23.8. Notices: All notices under this Agreement shall be in writing and are effective upon delivery to the applicable Party (whether by mail, fax, personal delivery or otherwise) at the address indicated below (unless changed by notice):

Seller:

Buyer:

- 23.9. Waiver of Sovereign Immunity: Each Party expressly acknowledges and agrees that this Agreement is being executed as part of a private and commercial transaction. Each Party hereby waives, to the maximum extent permitted by applicable Law, for itself and its Affiliates, and for its and their assets and revenues, any and all immunity to the extent that it may at any time exist whether on grounds of sovereignty, state immunity or otherwise, from suit, arbitration, proceeding, jurisdiction of any court, adjudication, enforcement of arbitration award, judgment, service of process upon it or any agent, execution or judgment, set off, attachment or other interim relief before judgment or on judgment or other legal process, including, without limitation, the defences of “sovereign immunity”, and “act of state”, which such Party or its respective assets or revenues may now have or may in the future have under the applicable Laws of any jurisdiction, and such Party agrees not to assert any such immunity or defences in any proceedings with respect to this Agreement or in the enforcement of any award, judgment or execution resulting therefrom or from any transactions contemplated hereby or hereunder.
- 23.10. Amendment: Any amendment, modification or supplementation to any of the clauses of the Agreement will be proposed and sent in writing by the Party proposing such amendment to the other Party. If both the Sellers and the Buyer agree to such amendment then the same shall be incorporated in the Agreement and shall become binding on the Parties as such from the date the agreement is reached, unless otherwise agreed to.
- 23.11. Implied Terms Excluded: Except as otherwise specified in this Agreement, the Parties exclude any other warranty, condition or other undertaking implied at Law or by custom (including implied warranty of merchantability or fitness) or otherwise arising other than by express written agreement between the Parties. Without limiting the generality of the foregoing, Sellers expressly does not warrant supply of Gas at any level, and Buyer acknowledges and agrees that the obligation to supply Gas will remain subject to the availability of Gas.
- 23.12. Severability: The invalidity, illegality or unenforceability of any of the terms of this Agreement in any respect for whatever reason under the Law of any jurisdiction, shall not affect or impair the validity, legality or enforceability in that jurisdiction of any other provision of this Agreement, or under the Law of any other jurisdiction of that or any other provision of this Agreement. The Parties shall make all reasonable endeavours to agree as far as possible that invalid terms shall be amended or replaced by valid terms with a similar effect in order to maintain the purpose and

continuity of this Agreement and till the amendments are carried out, such invalid terms will be inoperative in relation to the rights and obligations of the Parties under this Agreement.

23.13. Relationship of Parties

The Parties acknowledge and agree that the rights and obligations contained in this Agreement in respect of sale, purchase, entitlement, rights and remedies are purely contractual in nature and this Agreement shall constitute the entire agreement between the Parties as to the subject matter hereof. Nothing in this Agreement shall be construed to create a partnership, joint venture or association, or establish a principal and agent relationship or any other relationship of a similar nature among the Parties.

Neither Party shall, and each shall procure that its directors, officers and employees in that capacity, shall not, represent itself or otherwise hold itself out as an agent or other representative of the other Party or otherwise hold itself out as having any authority to bind the other of them unless such person is validly authorized to do so.

23.14. Change in Law

The Buyer agrees that if at any time, any element/constituent of the Gas Price as set forth in the Agreement requires any variance/change including because or on account of, any change in applicable Law (including any change in judicial/quasi-judicial interpretation or application of any Law), any directive from any Governmental Authority, changes in the policy of any Governmental Authority, decision of any court) and the same shall result in a corresponding change in the Gas Price; and, the Sellers shall by written notice of [2 (two) days] inform the Buyer of such change and the Gas Price shall accordingly stand revised to the extent, and with effect from such date as, stated in the Sellers' notice and shall be payable by the Buyer. The change in Price and the necessary adjustment shall be reflected in the subsequent invoice.

23.15. Change in Constitution

Buyer shall not change its constitution, or change its shareholding or ownership structure. Any such change is to be effected only after prior written approval for the same is granted by the Sellers, which consent shall not be unreasonably withheld, and the same is embodied in an appropriate written amendment to or assignment of this Agreement, as the case may be, duly executed and delivered by the Buyer and the Sellers. In the event, Sellers' prior written approval is not provided, then Sellers will have the right to terminate this Agreement.

24. Anti-Bribery

24.1. Each of the Parties represents and warrants to each of the other Parties that, in the past 3 (three) years prior to the Effective Date, neither it nor, to the best of its knowledge, any of its Affiliates or Associated Persons, in connection with or related to the RFP Process or this Agreement:

- (a) has engaged in any activity, practice or conduct, which will amount to corruption including but not limited to:
 - (i) paying, offering or offering to give, promising or agreeing to give, or authorising the payment (directly or indirectly through any third party) of any monies, consideration of any kind or anything of value, to (a) any Government Official in order to obtain or retain business or to influence official action, or (b) or any of the other Party's Affiliates or Associated Persons or any other Person, in each case where such activities have the purpose or effect of commercial bribery, or acceptance or acquiescence in kickbacks or other unlawful or improper means of obtaining or retaining business, or taking or refraining from taking any action as an improper inducement or a reward for any act or decision; or

- (ii) receiving, extorting or soliciting, any monies, consideration of any kind or anything of value for any undue act or decision; or
 - (b) has directly or indirectly engaged in any other acts or transactions in each case, in violation of or inconsistent with the Bribery Acts.
- 24.2. Each of the Parties further represents and warrants to each of the other Parties that, in the past 5 (five) years prior to the Effective Date, neither it nor, to the best of its knowledge, any of its Affiliates or Associated Persons, in connection with or related to the RFP Process or this Agreement:
- (a) has directly or indirectly engaged in or facilitated any activity which will amount to money laundering, including without limitation, smuggling, terrorism and terrorist financing, conversion, concealment or disguise to make appear as legitimate, or acquisition, possession or use, of any economic advantage or property obtained or suspected to have been obtained from or in connection with any category of offences designated under any applicable anti-money laundering or other applicable Law; or
 - (b) has violated any provisions of the Prevention of Money Laundering Act, 2002, as may be amended, re-enacted, replaced or consolidated from time to time, or any other applicable anti-money laundering Law, which has as its objective the prevention of money laundering.
- 24.3. Each of the Parties further undertakes to each of the other Parties that neither it nor any of its Affiliates or Associated Persons during the Basic Term, Extension Period (if applicable) and Recovery Period will act in a manner that renders the representations and warranties contained in Clause 23.2 above incorrect, untrue or misleading.
- 24.4. If, in the reasonable judgement of either of the Parties, the other Party is in breach of its representations and warranties under Clause 23.2 above the non-breaching Party shall have, without prejudice to any other right or remedy legally available to it, the right to either:
- (a) require the other Party to undertake any and all requisite measures to remedy or rectify such breach;
 - (b) immediately terminate this Agreement and recover any loss directly suffered by the non-breaching Party resulting from such termination; and/or
 - (c) recover in full from the breaching Party, subject to Clause 21.4 any other loss sustained by the non-breaching Party as a consequence of any such breach, whether this Agreement has been terminated or not.
- 24.5. Buyer will make reasonable endeavours to conduct due diligence in relation to: (i) Bribery Acts and (ii) Prevention of Money Laundering Act, 2002 before appointment of any contractors or third parties required by the Buyer in relation to the transportation, processing or use of Gas purchased under this Agreement.
- 24.6. If Buyer or any of its Affiliates or Associated Persons becomes aware of or reasonably suspects a violation or potential violation of Clause 24.1, 24.2 and 24.3 by either of the Parties to this Agreement, such Persons may report the same to the Seller by sending email to _____.
- 24.7. If Buyer or any of its Affiliates or Associated Persons refuses to pay or offer a bribe or raises concerns, or report any wrongdoing to the Company, such Person will not face any form of retaliation from the Seller. The Seller encourages openness and will support anyone who raises genuine concerns about any corrupt practices, in good faith.

25. Anti-Money Laundering

- 25.1. Either Party agrees that, in connection with this Agreement, the other Party will comply with all anti-money laundering laws, rules, regulations or equivalent applicable to either Buyer or Seller.
- 25.2. Subject to any relevant data privacy or protection law, either Party shall immediately report to the other Party any allegations, proceedings or investigations relating to bribery, corruption or money laundering against the defaulting Party, its directors, officers, employees or its buyers engaged in connection with this Agreement.
- 25.3. Either Party represents and warrants that, except as otherwise disclosed in writing to the other Party, neither it nor its directors, officers, or key employees in connection with this Agreement have in the last 10 (ten) years:
- (a) been convicted of any offence involving money laundering; or
 - (b) been or are the subject of any investigation, inquiry or enforcement proceedings by any governmental, administrative or regulatory body regarding any offence or alleged offence involving money laundering.

[signature pages to follow]

IN WITNESS WHEREOF, Sellers and Buyer have caused this Agreement to be executed in duplicate copies by their duly authorized representatives as of the date first above written.

For and on behalf of

For and on behalf of

1 Oil and Natural Gas Corporation Limited

[Insert Full Name of Buyer]

Name: _____

Name: _____

Title: _____

Title: _____

Witness: _____

Witness: _____

2 Indian Oil Corporation Limited

Name: _____

Title: _____

Witness: _____

3 Prabha Energy Limited

Name: _____

Title: _____

Witness: _____

SCHEDULE 1

GAS PRICE

For each Contract Month, the gas price (the “Gas Price”) (rounded to 2 (two) decimal points) in USD/MMBtu (GCV) shall be the higher of:

(A) 12 % of Dated Brent (Rounded off to 2 decimal places) + P (Quoted Premium)

“Dated Brent” is the price expressed in \$/barrel and rounded to three (3) decimal places based on the average of the mean of the high and low quotations appearing in "Platt's Crude Oil Market wire" under the heading "Key benchmarks (\$/barrel)" for "Brent (Dated)" (including any published correction) for each publication day for Platt's Crude Oil Market wire during the 3 (three) calendar months immediately preceding relevant Contract Month in which Gas supplies are made. “P” shall be a non-negative premium in USD/ MMBTU to be quoted during the RFP stage.

(B) Floor Price: Domestic Natural Gas Price plus USD 1/ MMBTU (mark-up) + P (Quoted Premium)

Wherein, “Domestic Natural Gas Price” for any month shall be 10% of Indian Crude Basket (ICB) as defined and notified by Petroleum Planning and Analysis Cell (PPAC) from time to time, pursuant to New Domestic Natural Gas Pricing Guidelines, 2014 dated 25.10.2014 / “ Review of New Domestic Gas Pricing Guidelines, 2014” dated 07.04.2023. Point no.4 of Guideline dated 07.04.2023 shall not be applicable to the Domestic Natural Gas Price.

Parties expressly acknowledge and agree that if PPAC Price is withdrawn by the Governmental Authority, then Buyer agrees to pay to the Sellers the Gas Price computed under this Schedule 1 without considering PPAC Price, during the Basic Term, Extension Period (if applicable) and for the Recovery Period for the Gas delivered under this Agreement, effective from the date of such withdrawal of the ceiling by the Governmental Authority.

The gas price indicated at (A) and (B) above shall be exclusive of Taxes and Duties, as applicable at present or to be levied in future by the Central or State Government or municipality or any other local body or bodies. Transportation/compression charges along with tax and duties thereon, if applicable shall be additionally borne by the Buyer. Royalty on Gas production shall be borne by the Sellers.

A factor of 1 MSCM = 39.68254 MMBTU will be used for invoicing purpose linked with Gross Calorific Value (GCV) of 10,000 Kcal/SCM. The Seller shall further determine the quantity (in MMBTU) of gas delivered at the Delivery Point based on the actual gross calorific value of Seller's Gas delivered during the Billing Period by multiplying with a factor of actual GCV and dividing by 10000.

The above price in USD/MMBTU would be converted to price in INR/MMBTU on monthly basis at the RBI reference exchange rate of the month, previous to the month during which supply of gas is made. Price in INR/ MMBTU shall be rounded off to the nearest two decimal places. The RBI reference exchange rate of the month would be calculated by taking the average of the RBI reference exchange rates for all the days in the relevant period/ month for which the rate is available on the website of RBI or of the Financial Benchmarks India Pvt Ltd (FBIL). The monthly average RBI exchange rate so calculated shall be rounded off to two decimal places. The rates can be downloaded from FBIL website: <http://www.fbil.org.in>.

SCHEDULE 2

DAILY CONTRACT QUANTITY

The Daily Contract Quantity (DCQ) shall be the volume determined as per the terms of RFP Process and is set forth in the table below:

PERIOD	DCQ (SCMD) (GCV basis)
Start Date to End Date	<i>DCQ would be as per quantity allocated to each bid winner</i>

SCHEDULE 3
GAS QUALITY SPECIFICATIONS

Gas shall be determined to meet the Specifications if, at the Delivery Point:

1. the Gas has an estimated Gross Calorific Value (GCV) of 8800 Kcal/SCM; and
2. the Gas complies with the specifications given in the table below:

Param	Limit
Hydrocarbons dew point (Degree Celsius, max.)	0
Water dew point (Degree Celsius, max)	0
Hydrogen Sulphide (ppm by wt. max.)	5
Total Sulphur (ppm by wt. max.)	10
Carbon dioxide (mole % max.)	6
Total inerts (mole %)	8
Temperature (Degree Celsius, max) *	55
Oxygen (% mole vol. max.)	0.2

3. The gas shall be odorized with no additional cost to the Buyer.

* Corresponding to pressure as per Clause 7.2 and the specifications of the pipeline.

SCHEDULE 4

MEASUREMENT

1. Measurement and Calibration:

- 1.1. The measurement of the quantity of the Gas and the testing of the quality shall be carried out at the Delivery Point in accordance with prevailing standard practice followed at the Delivery Point and the corresponding standards listed in Schedule 6 at the time of delivery. Sellers may install new systems as required under AGA for improvement in measurements and testing practices at the Delivery Point. Both Parties shall be present for all measurements and all ticketing of deliveries shall be completed on a joint basis
- 1.2. Gross and Net Calorific Value (GCV and NCV) shall be measured as per industry practice and frequency shall be at least once for each billing period or as agreed otherwise.
- 1.3. The certificates of quantity and quality (or such other equivalent documents as may be issued at the Delivery Point) of the Gas shall, except in cases of manifest error or fraud, be conclusive and binding on both Parties for Sellers invoicing purposes and Buyer shall be obliged to pay the invoiced amount.
- 1.4. The Parties agree to joint calibration of the measurement and testing devices at Delivery point in the frequency set forth on Schedule 6.
- 1.5. If upon conducting a test of any measurement:
 - (a) any measuring equipment is found to have a margin of error (as per recommendations of AGA), then the prior recorded measurements/results of such equipment shall be deemed correct for computing the Sellers' Gas deliveries, but the equipment shall be promptly adjusted to operate and record and/or test correctly;
 - (b) any measuring system in the aggregate is found to have a margin of error which exceeds the value as per recommendations of AGA, then, for the period for which such device has been known or is mutually agreed to have been so inaccurately functioning, the recorded measurements/results of such equipment shall be corrected to zero (0) margin of error for such period. If, however, the period of such inaccurate functioning of the device is not known or is not mutually agreed upon, then, at least for the period equivalent to half the time elapsed since such device was last found to have a margin of error of less than the value as per AGA recommendations, the devices recorded measurements/ results shall be adjusted to a zero (0) margin of error.
- 1.6. Any claim as to shortage in quantity and/or defect in quality of the Gas shall be made by written notice to Sellers immediately after such apparent shortage and/or defect is/are discovered at the Delivery Point, provided that such shortage and/or defect are greater than the value as per AGA recommendations, Such initial written notice shall be followed by a formal written claim within 15 days to Sellers with all details necessary to evaluate the claim.
- 1.7. Either Party may challenge the calibration of a measurement device by advancing to the owner of such measurement device double the cost of retaining an Expert to test the calibration. If the recalibration test results confirm the measurement equipment is outside of acceptable parameters, the advance shall be returned by the owner and the owner shall pay the costs of the recalibration. If the recalibration test results confirm the measurement equipment is properly functioning, the owner shall be entitled to pay the costs of the recalibration from the advance and retain the balance of the advance.

- 1.8. In case any dispute between Seller/s and Buyer in relation to the quality or quantity of the Gas delivered hereunder cannot be resolved amicably through mutual consultation it shall be referred to a Sole Expert as per the provisions of Article 17 (Dispute Resolution).
- 1.9. The Parties agree to validation of the measurement and testing devices at Delivery Point every 2 (two) years by an accredited inspector in accordance with normal practices.
- 1.10. If any measurement device is out of service or is registering inaccurately, the quantity of the Gas purchased and sold under this Agreement shall be estimated by mutual agreement:
 - (a) by correcting the error, if the proportion of the error is ascertainable by calibration or test, or analytically in accordance with acceptable international gas industry practice; or in the absence thereof;
 - (b) by using the readings of a check meter in the case of measurement, if installed and accurately registering; or in the absence thereof;
 - (c) by estimating the quantity of the Gas delivered by comparison with past deliveries during a period of similar conditions when the device was registering accurately;
 - (d) by using an alternate acceptable form of measurement and/or testing.
2. Sampling of Gas
 - 2.1. Sampling of Gas will be done according to MPMS (Manual of Petroleum Measurements Standards) 14 of API (August'93) titled "Collecting and handling of Natural Gas Sample for custody transfer" as contained in Manual of Petroleum Measurements Standards and such modifications thereof as may be made in future reports published or any other procedure as may be mutually acceptable to the Sellers and the Buyer for collection of the representative sample.
 - 2.2. In case an online gas chromatograph is available at the Delivery Point, the average of GCV for a Billing Period will be considered. Sellers or Buyer, as the case may be, will be intimated for sampling. In other cases, the representative sample of Gas shall be collected from the pipeline near the gas Delivery Point at least once for each billing period. Sellers or Buyer, as the case may be, will be intimated for sampling and the sample will be analyzed in Sellers' laboratory / Nationally Accredited Lab.
 - 2.3. The certificate of quality (or such other equivalent documents) of the Gas shall, except in cases of manifest error or fraud, be conclusive and binding on both the Parties for Sellers' invoicing purposes and Buyer shall be obliged to pay the invoiced amount.
 - 2.4. The quality of the Gas delivered shall be as indicated in Schedule 3.

SCHEDULE 5
FORMAT OF LETTER OF CREDIT

To: [SELLER/ BENEFICIARY]
[ADDRESS]

IRREVOCABLE STANDBY LETTER OF CREDIT. NO.: _____

Name of Beneficiary: ONGC, <Details of ONGC Asset to be mentioned >

Name of Applicant: <Buyer Details to be mentioned>

Amount of Letter of Credit: ₹ _____. **Expiry Date:** _____.

At the request of the _____ <Name and Address> (“**Applicant**”), we, _____, <Name and Address> (“**Issuing Bank**”) hereby establish unconditional irrevocable standby and without recourse Letter of Credit no. _____ Dt. _____ in favour of Oil and Natural Gas Corporation Ltd., <Details of ONGC Asset> (the “**Beneficiary**”) for Rs. _____ (the “**Face Value**”) as per following terms and conditions:-

1. This is an unconditional STANDBY IRREVOCABLE and without recourse Letter of Credit, valid up to _____ for submission of documents for negotiation and payment to the bank.
2. The face value of this Letter of Credit shall be equal to Rs _____ (Rupees _____) (Equivalent to 45 days of natural gas supply).
3. This Letter of Credit is issued under _____ [Details of RFP/NOA/Contract/Agreement to be mentioned] dated _____ to cover payment for supply of natural gas by ONGC (Beneficiary) to the Buyer as per AGREEMENT executed between Buyer and Beneficiary and also interest on delayed payment including payment for Take or Pay obligation, Pay for If Not Taken, minimum guaranteed offtake, quantity. This Letter of Credit will be valid for any of the documents such as Invoices/Provisional invoices/Debit notes/Statement of claim/ Demand letter etc. raised under the aforesaid contracts/agreement, as well as supplementary agreements, Side Letters, Term Sheet, amendments etc. and other addenda thereof.
4. Notwithstanding the above provision, it is further provided that if gas Buyer continues to draw gas supplies from ONGC beyond validity period of the existing Agreement (without written extension prior to expiry of the Agreement validity for any reason whatsoever) payments due for such gas supplies and such period (including any other charges under the Agreement/Contract) shall be fully covered by this letter of credit within the validity of the letter of credit.
5. All bank charges including opening, negotiation, handling, amendment, renewal, interest charges, and any other charges related to this Letter of Credit will be borne by the Applicant. However, charges of the advising bank shall be borne by the Beneficiary.
6. Payment against the Letter of Credit shall be released immediately without demur on presentation of a copy of any of the documents such as duly signed Invoices/Provisional invoices/ Debit notes/ Statement of claim / Demand Letter etc. by ONGC.
7. If the payment to ONGC/ONGC banker is not made at sight of documents, interest @ _____ (rate as applicable on delayed payment under the relevant GSA) per annum compounded quarterly for each day payments are overdue until paid, shall be charged.
8. This Letter of Credit (L/C) shall also cover requests against partial payment and/or multiple drawings.
9. This unconditional Standby Irrevocable Letter of Credit is available for negotiation directly with the issuing Bank/Branch or through ONGC’s bankers without recourse to the Applicant.

10. The validity of Letter of Credit will be up to _____. The Issuing Bank unconditionally and irrevocably undertakes to the Beneficiary that, if at least _21_ days prior to the expiry of this Letter of Credit, Applicant fails to renew/ extend such Letter of Credit or replace it with another Letter of Credit as acceptable to the Beneficiary then, the issuing banker shall make full payment of the Letter of Credit face value upon receipt of Beneficiary letter/certificate that Applicant has failed to replace or renew the Letter of Credit.
11. The Issuing Bank undertakes not to amend any of the terms and conditions of this letter of credit (L/C) without prior consent of Beneficiary during the validity of this Letter of Credit.
12. The issuing Bank certifies that the officer(s) signing this Letter of Credit is (are) authorized for this purpose and shall remain binding upon the issuing bank.
13. The Issuing Bank shall forward and submit this Letter of Credit to the Advising Bank for advising of this Letter of Credit to Beneficiary.

Yours faithfully

(Sign of authorized Officer of Bank)

Instructions for the Applicant:

In case the bank issuing the Letter of Credit is the nature of a scheduled commercial private sector bank, a minimum AA credit rating from any of ICRA/CRISIL/CARE/IND-RA will be required.

A confirmation in this regard shall be obtained from the issuing bank by the Applicant and submitted to ONGC.

It is hereby clarified that the requirement of AA credit rating, as provided above, will be verified at the time of submission of the letter of Credit as well as at the time of any subsequent renewal of the Letter of Credit (if such renewal is required).

SCHEDULE 6
TESTING AND MEASUREMENT STANDARDS

Sampling	MPMS-14 of API
Composition	ISO 6974 and ISO 6975
H ₂ S	ASTM D 4084-94 and ASTM-D 4810
Specific Gravity and Calorific Value	ISO 6976
Measurement System	
Orifice Meter	AGA-3 along with AGA8/MPMS of API
Turbine Meter	AGA-7 along with AGA 8
Ultrasonic Meter	AGA-9
Mass Flow Meter (Coriolis Meter)	AGA-11
Frequency of Calibration / Validation	Once in 6 months