

Table of Contents

ARTICLE-16
DEFINITIONS AND INTERPRETATIONS6
ARTICLE- 212
TERM, PURPOSE, COMMISSIONING PERIOD AND SCOPE OF OBLIGATIONS12
ARTICLE 315
EXTENSION OF TERM OF AGREEMENT15
ARTICLE 415
DELIVERY POINT AND PRESSURE OF GAS15
ARTICLE - 516
DAILY CONTRACTED QUANTITY (DCQ) & NOMINATIONS16
ARTICLE - 617
MINIMUM TAKE OR PAY OBLIGATIONS17
ARTICLE 718
QUALITY OF GAS18
ARTICLE 819
SHUT DOWN AND STOPPAGE OF SUPPLY19
ARTICLE 919
MEASUREMENT AND CALIBRATION19
ARTICLE 1021
SAMPLING OF GAS21
ARTICLE 1121
FORCE MAJEURE, ETC.21
ARTICLE 1224
PRICE OF NATURAL GAS24
ARTICLE 1324
BILLING AND PAYMENT24
ARTICLE 1427
NEW AND CHANGED APPLICABLE LAWS AND CHANGE IN CONSTITUTION27
ARTICLE 1528
TRANSFER OF RIGHTS28
ARTICLE 1629
DISPUTE RESOLUTION29
ARTICLE 1730

TAXES AND DUTIES	30
ARTICLE 18	31
TITLE AND RISK.....	31
ARTICLE 19	31
LAWS GOVERNING THE AGREEMENT	31
ARTICLE 20	31
RESTRICTIONS ON USE OF GAS.....	31
ARTICLE 21	31
PREVIOUS CORRESPONDENCE.	31
ARTICLE 22	32
AMENDMENTS.....	32
ARTICLE 23	32
INDEMNITIES	32
ARTICLE 24	33
RIGHT TO STOPPAGE OF GAS/TERMINATION	33
ARTICLE 25	35
CONFIDENTIALITY.....	35
ARTICLE 26	36
NO AGENCY.....	36
ARTICLE 27	36
EFFECT OF ILLEGALITY, ETC.	36
ARTICLE 28	36
GOOD FAITH	36
ARTICLE 29	37
WAIVER.....	37
ARTICLE 30	37
CUMULATIVE REMEDIES	37
ARTICLE 31	37
ENTIRE AGREEMENT	37
ARTICLE 32	37
NO PARTNERSHIP.....	37
ARTICLE 33	37
PRIVITY	37
ARTICLE 34	38
APPROVALS.....	38
ARTICLE 35	38

CONSEQUENTIAL LOSS, LIMITATION OF LIABILITY.....	38
ARTICLE 36	38
REPRESENTATIONS	38
ARTICLE 37	39
NOTICES.....	39
ARTICLE 38	40
IMPLIED TERMS EXCLUDED	40
ARTICLE 39	40
ADDRESSES OF PARTIES.....	40
Schedule A of the Gas Supply Agreement.....	42
Schedule B of the Gas Supply Agreement.....	44
Schedule C to the Gas Supply Agreement.....	46
Schedule D to the Gas Supply Agreement.....	46
Schedule E to the Gas Supply Agreement.....	47
Appendix A	51
Testing and Measurement Standards	53

[insert stamp paper of appropriate value]

This Agreement made on [●] day of [●] at [●] between:

- (1) **OIL AND NATURAL GAS CORPORATION LTD. (ONGC)**, a company incorporated under the Companies Act 1956, having its Corporate Registered Office at Deen Dayal Urja Bhawan, 5A, Nelson Mandela Marg, Vasant Kunj, New Delhi-110070 (PAN no. AAACO1598A), and one of its Office at Rajahmundry Asset, Andhra Pradesh (which expression shall, where the context so requires or admits of, be deemed to include its successors or assignees)

AND

- (2) **Vedanta Limited**, a Company incorporated under the laws of India (hereinafter referred to as "SELLER") having its registered office at C-103, Abdul projects, Corporate Avenue, Andheri East, Mumbai (PAN No. AACCS1701B), (which expression shall, where the context so requires or admits of, be deemed to include its successors or permitted assignees)

of the ONE PART;

Vedanta Limited and ONGC are hereinafter referred to collectively as the 'SELLERS' and individually as a 'SELLER'

AND

- (3) [●], {a Pvt. Ltd. company/a Ltd. company/ proprietary firm/partnership firm, etc. as the case may be}, having its office at _____ {address of the consumer}, hereinafter called "BUYER" (which expression where the context so requires or admits of, be deemed to include its successors or assignees) of the OTHER PART.

Whereas:

- A. Buyer is an entity incorporated under the laws of India and desires to purchase Gas from the Seller at the Delivery Point.
- B. Sellers are companies either promoted by the Government of India or an entity incorporated under the laws of India and is engaged in, *inter alia*, the exploration and production of crude oil and natural gas.
- C. ONGC is party to the Production Sharing Contract ("Upstream E&P Contract") for the Nagayalanka NELP block (KG-ONN-2003/1). Under the terms of the Upstream E&P Contract, ONGC & Vedanta Ltd have a Participating Interest ("PI") of 51% & 49% respectively. Each of the SELLERS has agreed to sell its Participating Interest share of Gas in a commingled form through a single stream produced from the Block KG-ONN-2003/1 and deliver at the Delivery Point and the BUYER has agreed to purchase "Gas" on the terms and conditions of this Contract.
- D. Seller desires to sell Gas produced from the Gas Fields (*defined hereinafter*) and Buyer desires to purchase such Gas for the purpose set out in this Agreement, each in the quantities and subject to the terms stated herein.

- E. The Parties wish to record the terms and conditions upon which Seller shall sell and deliver Gas to Buyer at the Delivery Point and Buyer shall purchase Gas from Seller in accordance with the terms and conditions of this Agreement.

NOW THIS DEED WITNESSES AS FOLLOWS,

ARTICLE-1

DEFINITIONS AND INTERPRETATIONS

The following words shall have the meaning assigned against each one of them respectively in the Agreement, unless otherwise stated:-

- 1.01. **“Actual Date of Offtake”** shall mean the date on which the Buyer commences the offtake of Gas and which may be a date before, on or after the Scheduled Delivery Commencement Date;
- 1.02. **“Adjusted Annual Contract Quantity”** or **“AACQ”** has the meaning ascribed to it in Clause 6.03 of this Agreement;
- 1.03. **“Affiliate”** has the meaning ascribed to it in Clause 15.02.01;
- 1.04. **“Agreement”** means the term and conditions set out in this Agreement, including all schedules and annexures attached hereto;
- 1.05. **“AGA”** means American Gas Association;
- 1.06. **“Applicable 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;
- 1.07. **“ASTM”** means the American Society of Testing Materials and **“ANSI”** means American National Standard Institute;
- 1.08. **“Annual Contract Quantity”** or **“ACQ”** has the meaning ascribed to it in Clause 5.03 of this Agreement;
- 1.09. **“Annual Shortlifted Quantity”** means 80% of Adjusted Annual Contracted Quantity (AACQ) less actual offtake during the Financial Year;
- 1.10. **“Billing Period”** shall have the meaning ascribed to it in Article 13;
- 1.11. **“British Thermal Unit”** or **“Btu”** mean the quantity of heat required to raise the temperature of 1 (one) 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);
- 1.12. **“Business Day”** means each Monday, Tuesday, Wednesday, Thursday, Friday and Saturday excluding any public holiday in the state of Andhra Pradesh as stated in the Official Gazette and but does not include days on which bank(s) is/are closed;
- 1.13. **“Buyer Conditions Precedent Satisfaction Certificate”** has the meaning given to such term in Clause 2.08.5 (i) of this Agreement;

- 1.14. **“Buyer’s Facilities”** means all the facilities in relation to the Gas offtake and utilization located downstream from the Delivery Point and will include the facilities of the transporter, as applicable;
- 1.15. **“Commissioning Period”** has the meaning ascribed to it in Clause 2.08.1 of this Agreement;
- 1.16. **“Conditions Precedent”** has the meaning ascribed to it in Clause 2.08.2 of this Agreement;
- 1.17. **“Conditions Precedent Satisfaction Certificate”** has the meaning ascribed to it in Clause 2.08.2 of this Agreement;
- 1.18. **“Contract Quantity”** has the meaning ascribed to it in Clause 5.01.1 of this Agreement;
- 1.19. **“Daily Contract Quantity”** or **“DCQ”** has the meaning ascribed to it in Clause 5.03;
- 1.20. **“Cubic Metre”** or **“Standard Cubic Metre “** or **“SCM”** means the volume of GAS which occupies one (1) cubic metre of space when such GAS is at a temperature of 15 °C and at an absolute pressure of 1.0332 Kg/Cm² (1.01325 bar);
- 1.21. **“Delivery Point”** means the outlet flange of Seller’s delivery facilities located at Nagayalanka GGS ;
- 1.22. **“Due Date”** has the meaning ascribed to in Clause 13.02 of this Agreement;
- 1.23. **“Effective Date”** means the date of execution of this Agreement;
- 1.24. **“Expiry Date”** shall mean the date as set forth in Schedule A of this Agreement;
- 1.25. **“Expert ”** has the meaning ascribed to it in Clause 16.03 of this Agreement;
- 1.26. **“Financial Year”** means year starting from 1st April of any calendar year to ending on 31st March of the next succeeding calendar year; In case the delivery of gas commences any time during the year, the first Financial Year will be considered from the date of delivery commencement to the immediately next 31st March. In case the delivery of gas ends any time during the year (before 31st March), the last Financial Year will be considered from 1st April of the year to the last date of delivery.
- 1.27. **“First Billing Period”** has the meaning given to such term in Article 13;
- 1.28. **“Force Majeure”** has the meaning ascribed to it in Clause 11.01;
- 1.29. **“Gas”** means any dry gas, wet gas, all gaseous hydrocarbons or mixture of hydrocarbons and other gases like Nitrogen, carbon-di-oxide, and substances contained therein including sulphur, but excluding helium which are produced from oil, gas, gas condensate wells and also including residue gas remaining after fractionation or extraction of liquid hydrocarbons from gas at Standard Conditions;

- 1.30. **"Gas Field"** means Nagayalanka field of Rajahmundry Asset in respect of which development plans have been approved in accordance with the terms of the Upstream E&P Contract and from which Seller has the right to produce Gas.
- 1.31. **"Gol"** or **"Government of India"** has the meaning given to such term in the Recitals to this Agreement.
- 1.32. **"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.
- 1.33. **"Gross Heating Value"** or **"Gross Calorific Value"** or **"GCV"** of Gas per SCM means that quantity of heat in Kilocalories evolved by combustion at constant pressure of 1 SCM of Gas with air and temperature of gas, air and the products of combustion cooled to initial temperature and all water formed by combustion reaction remaining in liquid state;
- 1.34. **"Indemnitor"** has the meaning ascribed to it in Clause 23.03;
- 1.35. **"Indemnitee"** has the meaning ascribed to it in Clause 23.03;
- 1.36. **"Invoice"** means & includes a document containing calculations sent by Seller to Buyer pursuant to Clause 13.01, specifying the following:
- 1.36.1. The gas quantity for the applicable Billing Period,
 - 1.36.2. The details of the gross heating value (Gross Calorific Value) to derive Seller's Gas sold during a Billing Period and,
 - 1.36.3. The details of the net heating value (Net Calorific Value) to derive Marketing Margin,
 - 1.36.4. Price of the Gas as set forth in Schedule B of the Agreement, applicable taxes, and levies, marketing margin, etc.
 - 1.36.5. Details of Short-lifted quantity and amount towards short lifted quantity, if any.
- 1.37. **"L/C"** or **"Letter of Credit"** has the meaning ascribed to it in Clause 13.12 of this Agreement;
- 1.38. **"Kilocalories"** shall mean the amount of heat required to raise the temperature of one (1) kilogram of water from 14.5 degree Centigrade to 15.5 degree Centigrade at a pressure of 1 atmosphere at sea level.
- 1.39. **"Laws, Regulations and Orders"** means the Central, State and local laws of India and all orders, ordinances, rules, regulations, decrees, policies, judicial decisions, notifications or similar directives issued by any executive, legislative, judicial or administrative entity or authority having jurisdiction on the issue or any person purporting to act in such capacity in accordance with which the Buyer and/or the Seller are accustomed and/or required to comply;
- 1.40. **"MCF"** means one thousand (1,000) SCF of Gas;
- 1.41. **"MCM"** means one thousand (1,000) SCM of Gas;

- 1.42. **"MCQ" or "Monthly Contract Quantity"** has the meaning ascribed to it Clause 5.03 of this Agreement;
- 1.43. **"Measurement Point"** shall mean the point where the flanges connect the Seller's sales measuring equipment to the Buyer's Pipeline;
- 1.44. **"Million Kilo Calories" or "MKCal"** means one million Kilo Calories;
- 1.45. **"MMBTU"** means one million (1,000,000) British Thermal Unit (BTU);
- 1.46. **"MMGO"** has the meaning ascribed to it Clause 6.01;
- 1.47. **"MMGO Charges"** has the meaning ascribed to it in Clause 6.01;
- 1.48. **"MMSCF"** means one million (1,000,000) Standard Cubic Feet of Gas;
- 1.49. **"MMSCM"** means million (1,000,000) Standard Cubic Meter of Gas;
- 1.50. **"MMSCMD"** means million (1,000,000) Standard Cubic Meter of Gas per day;
- 1.51. **"MPMS"** means Manual of Petroleum Measurement Standards published by the American Petroleum Institute;
- 1.52. **"Net Heating Value" or "Net Calorific Value" or "NCV"** of Gas per SCM means that the quantity of heat in Kilocalories evolved by complete combustion, at a constant pressure, of one (1) standard cubic metre of GAS with air and with the temperature of GAS, air and products of combustion at fifteen (15) degree Celsius and all the water formed by combustion reaction remaining in the vapour state.
- 1.53. **"Party"** means Buyer or Seller and **"Parties"** means both Buyer and Seller;
- 1.54. **"PEC"** has the meaning ascribed to it in Clause 2.05 of this Agreement;
- 1.55. **"PNGRB"** means the Petroleum and Natural Gas Regulatory Board;
- 1.56. **"Price"** means the price to be paid by the Buyer to Seller for one MMBTU of Sellers Gas delivered by Seller to Buyer hereunder as set forth in Schedule B;
- 1.57. **'Producing Areas'** means those petroleum accumulation described in the Schedule A of this Agreement which Seller shall produce and supply and Buyer shall purchase Seller's Gas hereunder;
- 1.58. **"PSIA"** means a unit of pressure expressed in pounds per square inch absolute;
- 1.59. **"PSIG"** means a unit of pressure expressed in pounds per square inch gauge;
- 1.60. **"SCF"** means standard cubic foot of Gas;
- 1.61. **"SCM"** means standard cubic meter of Gas;
- 1.62. **"Scheduled Delivery Commencement Date"** means days from date of NOA notified by the Seller to the Buyer.
- 1.63. **"Scheduled Outage"** has the meaning ascribed to it in Clause 8.01;

- 1.64. **“Second Billing Period”** has the meaning ascribed to it in Article 13;
- 1.65. **“Seller Conditions Precedent Satisfaction Certificate”** has the meaning ascribed to it in Clause 2.08.5 (ii) of this Agreement;
- 1.66. **“Seller’s Facilities”** means the facilities of the Seller 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 Seller to produce, gather, receive, process, compress, store, treat, transport, meter, test, or deliver Gas at the Delivery Point for sale to Buyer.
- 1.67. **“Seller’s Gas”** means Gas produced by Seller from the Producing Areas for delivery and sale to Buyer hereunder;
- 1.68. **“Seller Shortfall Gas”** has the meaning ascribed to it in Clause 6.03.
- 1.69. **“Specifications”** means the specifications for Seller’s Gas set forth in Schedule C;
- 1.70. **“Supplementary Invoice”** means and includes a document containing calculations sent by Seller to Buyer specifying:
- i. the calculations of charges due from Buyer to Seller under this Agreement for any previous Billing Period(s), and
 - ii. any other adjustment
- 1.71. **“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.
- 1.72. **“Term”** has the meaning ascribed to it in Clause 2.02;
- 1.73. **“Upstream E&P Contract”** has the meaning given to such term in the Recitals of this Agreement.
- 1.74. **“Daily Nominated Quantity”** or **“DNQ”** has the meaning ascribed to it in Clause 5.03;

Interpretation:

- (a) All references herein to persons shall where the context admits be deemed to include bodies corporate, unincorporated associations and partnerships.

- (b) Unless the context requires otherwise, in this Agreement, the headings are for convenience only and shall be ignored in construing this Agreement;
- (c) References to the singular includes the plural and vice versa;
- (d) References in Articles, Schedules and Annexures are, unless this context otherwise requires, references to Articles of, Schedules of, and Annexures to, this Agreement;
- (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) All references to a time shall mean reference to Indian Standard Time (IST) unless expressly stated otherwise;
- (g) The word "including" means "including without limitation";
- (h) Reference to any quantity of Gas in this Agreement shall be in SCMD;
- (i) Reference to SCMD means SCMD on Gross Calorific Value (GCV) basis;
- (j) Reference to MMBtu means MMBtu on Gross Calorific Value (GCV) basis;
- (k) any word or phrase defined in the body of this Agreement and not defined in Article 1 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;
- (l) "agree" or "agreement" refer to an agreement in writing and "consent" means consent in writing;
- (m) times during any day stated in this Agreement shall be Indian Standard Time based on a 24 hour clock;
- (n) if there is an inconsistency between the main body of the Agreement and any Schedule or Annexure, the provisions of the main body of this Agreement shall prevail to the extent of the inconsistency;
- (o) 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;
- (p) "Year", "Month" and "Day" wherever used in this Agreement imply that of Gregorian Calendar;
- (q) For the purpose of this Agreement: "Day" means a period of twenty-four (24) consecutive hours beginning and ending at 0600 hours and reference date for any such day shall be the date on which such day starts at 0600 hours; "Week" means a period of Seven (7) consecutive days beginning 0600 hours from a day; "Month" means the period beginning at 0600 hrs. on the first day of a calendar month and ending at 0600 hrs. on the first day of the succeeding calendar month; "Year" means period of 365 (Three hundred and sixty

five) consecutive days or 366 (Three hundred sixty six) consecutive days when such period includes a twenty-ninth (29th) day of February.

- (r) In carrying out its obligations and duties and exercising its rights under this Agreement each Party shall have an implied obligation to act in good faith.

ARTICLE- 2

TERM, PURPOSE, COMMISSIONING PERIOD AND SCOPE OF OBLIGATIONS

- 2.01. The Seller agrees to sell and deliver at the Delivery Point, and Buyer agrees to purchase, receive and take Gas at the Delivery Point, if not taken, pay the MMGO Charges, in accordance with, and subject to, the terms and conditions of this Agreement
- 2.02. This Agreement shall commence and be effective from the Effective Date and shall remain in effect initially for 2 years from the the Actual Date of Offtake, unless terminated earlier in accordance with the terms of this Agreement. The Term of this Agreement may be extended pursuant to Article 3 of this Agreement.
- 2.03. Subject to Clause 2.08.2 below, the Scheduled Delivery Commencement Date under this Agreement will be notified by the Seller to the Buyer at least [24] hours prior to the Scheduled Delivery Commencement Date.
- 2.04. The supply of Gas, under this Agreement, at the Delivery Point by the Seller to the Buyer at the Delivery Point shall commence from the Actual Date of Offtake.
- 2.05. Deleted
- 2.06. **Source of Gas:** The Seller will fulfill its Gas supply obligations towards the Buyer subject to the availability of Gas in the Gas Field as defined under this Agreement. Nothing in this Agreement shall require or be construed as an obligation on Seller to sell or make available Gas to Buyer at the Delivery Point other than Gas produced from the field covered under this Agreement.
- 2.07. **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 [●]¹, as mentioned in the bid submitted by the Buyer pursuant to the bid process.
- 2.08. **Commissioning Period and Conditions Precedent:**
- 2.08.1 **“Commissioning Period”** shall mean the period beginning from the Effective Date and ending on the Scheduled Delivery Commencement Date or the Actual Date Of Offtake, whichever is earlier.
- 2.08.2 The Parties shall be required to fulfill certain conditions precedent (**“Conditions Precedent”**) during this Commissioning Period. These Conditions Precedent will have to be fulfilled by the Parties at least 03 (three) days prior to the Scheduled Delivery Commencement Date, except as may be provided otherwise.
- 2.08.3 **Buyer’s Conditions Precedent:**
- (i) Buyer shall complete the setting up and commissioning of the Buyer’s Facilities;
 - (ii) Buyer shall have laid down gas pipelines or mobilise any other mode of transportation for onward transportation of Gas to be delivered by the Seller at

¹ **Guidance Note:** The purpose for which the Buyer proposes to use the Gas must be specified here.

- the Delivery Point, and the transportation facilities are fully completed and operational, and capable of taking delivery of Gas at the Delivery Point; and
- (iii) Buyer shall have complied with all necessary regulations including but not limited to T4S Regulations for CGD/Natural Gas Pipeline as notified by Petroleum and Natural Gas Regulatory Board (PNGRB) and have obtained necessary authorizations from all relevant Regulatory Bodies.
 - (iv) Buyer will provide the Seller(s) with payment security in favour of the Seller(s), in accordance with Clause 13.12 of this Agreement.

OR

[Scenario 2:]²

- (i) Buyer shall complete the setting up and commissioning of the Buyer's Facilities;
- (ii) The Buyer shall have entered into requisite GTA for onward transportation of Gas to be delivered by the Seller at the Delivery Point up to [●]3;
- (iii) Buyer shall provide Seller, in writing, the name of the transporter in the Gas transportation arrangement for transportation of Gas to be purchased under this Agreement;
- (iv) Buyer shall ensure that the transporter's facilities are fully completed and operational, and capable of taking delivery of Gas at the Delivery Point; and
- (v) Buyer will provide the Seller(s) with payment security in favour of the Seller(s), in accordance with Clause 13.12 of this Agreement.

2.08.4 Seller's Condition Precedent: Seller shall have completed the setting up and commissioning of the Seller's Facilities.

2.08.5 Within 3 (three) days of the satisfaction (or waiver of the Conditions Precedent by the Party entitled to waive) of the Conditions Precedent:

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

The Buyer CP Satisfaction Certificate and the Seller 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 Certificates are provided to one another on or prior to the Scheduled Delivery Commencement Date.

2.08.6 In the event Buyer fails to offtake Gas from the Scheduled Delivery Commencement Date as quoted by it in its bid (and as specified in Clause 2.03), Seller may, without prejudice to any other right or remedy available to it, recover from the Security Deposit of the Buyer as Liquidated Damages (and not by way of penalty) for every week's delay in offtake of Gas or part thereof by the Buyer up to a period of 12 (twelve) weeks from the Scheduled Delivery Commencement Date. In case this delay in gas offtake by the Buyer extends beyond 12 weeks from the Scheduled Delivery Commencement Date, the allocation can be retained by the Buyer on the condition that additional Security Deposit is furnished by the Buyer for a further period of 12 (twelve) weeks on the same

terms and conditions. In case this additional Security Deposit is not provided within 7 (seven) days from the expiry of the initial 12 (twelve) week period, the gas allocation made to the Buyer will stand cancelled and the Seller will have the right to terminate this Agreement. In case the delay in offtake by the Buyer exceeds 24 (twenty four) weeks from the Scheduled Delivery Commencement Date, then notwithstanding anything contained in this Agreement, the allocation to the Buyer will stand cancelled, and Seller will have the right to terminate this Agreement.

2.08.7 Subject to Clause 2.08.6, neither Party shall have any liability, whatsoever, to the other Party as a result of the termination pursuant to Clause 2.08.6.

2.09 Scope of Seller's Obligations:

2.09.1 From and after the Scheduled Delivery Commencement Date, Seller shall, subject to and in accordance with the terms of this Agreement:

- (i) sell and make available for delivery to Buyer, Gas at the Delivery Point from the Gas Field 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.

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

2.10. Scope of Buyer's Obligations:

2.10.1 From and after the Actual Date of Offtake, Buyer shall:

- (i) purchase from Seller and pay for Gas in the quantities and at the Gas Price, subject to the terms and conditions of this Agreement;
- (ii) take delivery of Gas purchased under this Agreement at the Delivery Point;
- (iii) make arrangements for evacuation of gas through pipelines and any other allied infrastructure from Seller's installation/facilities, including transportation and compression facilities, if any, at its own risk and cost. For the avoidance of doubt, Buyer will be exclusively responsible for obtaining Right of Use (ROU) and all necessary approvals from Governmental Authorities, including but not limited to any approval from PNGRB for laying down dedicated pipelines, if required;
- (iv) agrees and undertakes to intimate Seller in writing of any change in the transportation arrangement during the Term of the Agreement (as may be extended in accordance with Article 3);
- (v) for the entire duration of the Term (as may be extended in accordance with Article 3 of this Agreement) mandatorily make arrangement and maintain dual fuel capabilities in order to meet its fuel requirement by an alternative fuel/ substitute to gas at its own cost and expense;
- (vi) keep valid all necessary statutory / regulatory compliances and approvals necessary under the Applicable Laws for the Gas offtake during the Term of this Agreement (as may be extended in accordance with Article 3).

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

ARTICLE 3

EXTENSION OF TERM OF AGREEMENT

- 3.01 The Agreement will be valid till the Term of the Agreement as stipulated in Article 2 and may be extended further by mutual consent subject to availability of gas and Seller's ability to supply. The Agreement will be reviewed by the Parties 06 (six) months prior to the expiry of the Term which is specified in Article 2 above, and may be extended further subject to gas availability on mutually agreed terms and conditions, including but not limited to the duration of such extension.

ARTICLE 4

DELIVERY POINT AND PRESSURE OF GAS

- 4.01 Gas shall be delivered to the Buyer at a Gas Metering Station located at Seller's premises at Nagayalanka GGS. Gas will be transported from the Delivery Point, by means of pipeline or any other mode of transportation and such pipeline or other mode of transportation will be solely provided and maintained by the Buyer.
- 4.02 The Seller shall maintain the "Gas Metering Station" constructed by the Seller.
- 4.03 The Buyer shall make all proper and adequate arrangement for receiving Gas at the Delivery Point at his own risk and cost. Should any defect in the Buyer's intake arrangement arise, the same shall be rectified by the Buyer. The Seller shall have an option but no obligations to stop supply of Gas as soon as any defect is noticed in the Buyer's intake arrangements. The Buyer shall be liable to pay the MMGO Charges as per provisions of Article 6 hereinafter to the Seller on account of failure to offtake due to defect in the Buyer's intake arrangement.
- 4.04 The Gas pipeline downstream from the Delivery Point shall be owned/arranged and maintained by the Buyer at his own risk and cost, in accordance with the natural gas pipeline safety and statutory regulations in force under Applicable Law. The Buyer shall indemnify Seller against any liabilities, causes, expenses, damages or losses as referred to in Clause 23.01 herein.

Provided further that the Seller shall have no liability whatsoever for any claims/damage/loss arising out of any accident due to bursting/leakage/ any other damage to the Buyer's pipeline for whatever reason. The Buyer shall be strictly liable for any such accident and shall indemnify and hold harmless the Seller, its directors, officers, Affiliates and employees against any liability whatsoever arising out of any claim / damages / loss arising out of accident due to bursting / leakage / any other damage to the Buyer's pipeline for whatsoever reason.

In case the Buyer is laying down its own dedicated pipelines for offtake of Gas, Buyer will be required to follow applicable standards for laying of his transportation pipeline from ONGC's installation to Buyer's premises and shall submit a confirmation of all compliances, to Seller before commencement of Gas supply. Prior to commencement of gas supply to Buyer, Buyer is required to submit to the Seller copies of the required statutory clearances.

- 4.05 For effecting delivery of Gas, the Seller shall maintain at its own risk and cost, the piping control and regulation and metering equipment in the aforesaid Gas Metering Station located at Seller's premises at Nagayalanka GGS. Prior to commencement of Gas supply to Buyer, the Gas metering equipment is to be jointly calibrated by Seller and Buyer.
- 4.06 The Seller shall, under the normal circumstances of supply of Gas and normal off-take by the Buyer and other consumers, make endeavour to maintain a gauge pressure as available at the Delivery Point as set forth in Schedule A of this Agreement.
- 4.07 (If applicable) the Buyer in addition to the price of gas shall make additional payment of transportation charges, along with applicable Taxes, for transportation of gas for making delivery of gas at/beyond Delivery Point at the rates finalized by Seller from time to time. Such transportation charges shall be levied on the actual transported quantity of gas. The statutory levies, if applicable, will be added to the transportation charges.
- 4.08

ARTICLE - 5

DAILY CONTRACTED QUANTITY (DCQ) & NOMINATIONS

- 5.01 Subject always to availability of gas and Seller's ability to supply gas to the Buyer, the Seller agrees to sell and deliver the gas at the aforesaid Delivery Point to the Buyer, on fall back basis, as provided hereunder and as set forth in Schedule D of this Agreement:
- 5.01.1 The Gas quantity shall be 60000 SCMD.
- The aforesaid Gas quantity will be considered as the "**Contract Quantity**" and will be equivalent to the quantity of Gas quoted by the Buyer for the purpose of offtake during the bid process.
- 5.02 There may be a maximum of 10% (ten percent) variation on either side on an hourly basis from the average hourly rate.
- 5.03 Subject to Clause 5.01.1, Buyer shall provide to Seller a firm monthly quantity of Seller's Gas required at Delivery Point based on Contract Quantity specified in the Clause 5.01.1. Prior to the 20th (twentieth) day of each month during the Term, Buyer shall provide Seller with a detailed schedule of Buyer's daily nominations of Seller's Gas for the following month (for the purpose of this Agreement each such daily nomination will be referred to as "Daily Nominated Quantity" or "DNQ"). Prior to the 25th (twenty-fifth) day of each month during the Term, Seller shall provide Buyer with a detailed schedule of Seller's daily nominations and deliveries of Seller's Gas for the following month (for the purpose of this Agreement each such daily nomination will be referred to as "Daily Contract Quantity" or "DCQ") based on applicable DNQ. Buyer will either take such quantity of Gas or if not taken, pay for Monthly Minimum Guaranteed Off-take (MMGO) charges under Article 6 herein and the DCQ shall be binding on the Buyer. Under no circumstances will the DCQ be higher than the DNQ.
- 5.04 The sum of DCQ during the course of the Financial Year shall be the "Annual Contract Quantity" or "ACQ" and accordingly sum of DCQ during the course of a month shall be the "Monthly Contract Quantity" or "MCQ". In the event of additional gas becoming available from the Gas Field, Seller at its own discretion, may supply additional Gas up to 10 % (ten percent) of Contracted Quantity (as per 5.01.1) on daily basis subject to acceptance by the Buyer and such additional quantity would be supplied on reasonable endeavor basis. However, such excess quantity supplied by Seller shall be on temporary

basis as per availability of Gas and Seller shall not be liable for supply of such quantity of Gas. The Buyer shall only be entitled for such additional Gas only after the DCQ is taken and such additional Gas quantity would not be considered for determination of Minimum Take or Pay Obligation.

- 5.05 During the Term, if there is a decrease in the overall production from the Gas Field, then the Seller will have the right to reduce the quantities of all customers who are being allocated Gas from the Gas Field on a pro-rata basis and consequently the Contract Quantity under this Agreement will also be reduced. Upon the decrease of the production levels from the Gas Field, the Seller will intimate the Buyer, in writing, within [7 (seven)] days of such fall in production and the revised Contract Quantity will be made applicable forthwith.
- 5.06 Deleted.

ARTICLE - 6

MINIMUM TAKE OR PAY OBLIGATIONS

- 6.01 Buyer shall pay the Seller the higher of the following:
- (a) An amount equal to Gas Price of the actual quantity of gas offtaken by Buyer; or
 - (b) An amount equal to Gas Price of 80% (eighty percent) of the MCQ during a month adjusted with the following quantities for each day of the month (but without double counting):
 - i) Quantity of Gas, up to the DCQ for the relevant day of the month, not accepted due to Force Majeure as per the Article 11; plus
 - ii) Quantity of Gas, up to the DCQ for the relevant day of the month, not taken due to Scheduled Outage pursuant to Article 8; plus
 - iii) Quantity of Gas, up to the DCQ for the relevant day of the month, that Buyer would have purchased and taken but which Buyer rejected in accordance with Article 7 because it failed to meet the Specifications.

(collectively, the “Monthly Minimum Guaranteed Offtake” or “MMGO”)

The payment referred to under (b) above is the Monthly Minimum Guaranteed Offtake Charges (“MMGO Charges”).

Notwithstanding the above, in case Gas available with Seller is less than Monthly Minimum Guaranteed Offtake and Buyer offtakes entire gas available, then Buyer shall pay only for the actual supply.

- 6.02 The MMGO Charges would be adjusted at the end of the Financial Year. The adjustment will be made between the cumulative MMGO paid by the Buyer during the Financial Year and the value of Annual Shortlifted Quantity. For determining the value of such Annual Shortlifted Quantity, if any, the same shall be made based on weighted average price of Gas for that Financial Year.
- 6.03 In determining the AACQ for any Financial Year, the following deductions shall be made from the Annual Contract Quantity for such Financial Year:
- (i) Any quantity of Sellers Shortfall Gas (If in any Financial Year the Seller fails to supply 80% of the Annual Contract Quantity the difference between the quantity of the Gas supplied by the Seller and 80% of the ‘Annual Contract Quantity’ shall be classified as “Seller’s Shortfall Gas”).

- (ii) Quantity not accepted due to Force Majeure as per Article 11;
- (iii) Quantity not taken due to Scheduled Outage pursuant to Article 8;
- (iv) Additional quantity of gas supplied to the Buyer (as per Clause 5.04);
- (v) Quantity of Gas that Buyer would have purchased and taken but which Buyer rejected in accordance with Article 7 because it failed to meet the Specifications.

- 6.04 The Gas supplied under this Agreement shall be from the Gas Field. The Seller shall endeavour to supply gas from such source uninterruptedly subject to availability. However, due to reasons primarily attributable to the geological reservoir uncertainties and complexities, other complications in the gas wells or any reasons whatsoever, if gas supply cannot be provided, the Seller shall not be responsible nor shall it be an issue for arbitration or a matter of dispute in a court of law. Buyer agrees and accepts that Seller's statements regarding availability of gas shall be final and binding on Buyer.
- 6.05 The Buyer shall make all necessary provisions for creation and maintaining dual fuel capabilities in order to meet Buyer's fuel requirement by an alternative fuel/ substitute to gas, as and when gas supplies are interrupted or discontinued for the reasons mentioned herein.
- 6.06 Further, the provisions relating to payment of MMGO Charges by the Buyer contained in Clause 6.01 shall not apply during the Force Majeure period as stipulated in Article 11 and will not be applicable during the period between the Effective Date and the Actual Date of Offtake.

ARTICLE 7

QUALITY OF GAS

- 7.01 The quality of the Seller's Gas delivered hereunder shall be the quality of such Seller's Gas as usually made available by Seller at the Delivery Point. Seller will endeavour to ensure the quality Specifications for the Seller's Gas at the Delivery Point as set forth in Schedule C (the "**Specifications**").
- 7.02 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. The rejection of Gas not meeting Specifications shall be the sole remedy available to the Buyer under this Agreement for a failure by the Seller to supply Gas that does not meet Specifications.
- 7.03 All Seller's Gas delivered and accepted by Buyer under this Agreement, constitutes the whole of the Seller's obligations with respect to the description, quality and fitness for purpose of the Seller's Gas to be delivered and (save to the extent that exclusion thereof is not permitted or is ineffective by operation of Applicable Laws) all statutory or other conditions warranties, express or implied, with respect to the description or satisfactory quality of the Seller's Gas or its fitness for any particular purpose or otherwise are hereby excluded.
- 7.04 The quality of Seller's Gas at the Delivery Point shall be verified jointly as set forth in Schedule A.

ARTICLE 8

SHUT DOWN AND STOPPAGE OF SUPPLY

- 8.01 After the Actual Date of Offtake, Buyer and Seller may shutdown their respective Facilities for maintenance for a maximum of 3 (three) times in a Financial Year (each a “**Scheduled Outage**”). The total period of shutdown for Scheduled Outage will not be more than 20 days in aggregate per Financial Year (on pro-rata basis) for both Buyer and Seller with written information to the other Party.
- 8.02 Buyer and Seller agree to make best endeavors to synchronize the Scheduled Outages in overall interest of both the parties.
- 8.03 The party availing Scheduled Outages shall give at least 7 (seven) days’ advance notice in writing to the other party of the duration of the Scheduled Outage. During such shutdown the provisions of Clauses 6.01 and 6.02 shall not be applied.
- 8.04 The Buyer shall inform the Seller immediately about any accident and/or defects in pipeline, installation of the Buyer, calling for the complete or partial stoppage of supply of Gas. Provided that in all such cases, the Buyer shall undertake immediate steps to rectify the defects for commencing normal intake of Gas. Provided that in all such cases contemplated under this Clause 8.04, the provisions relating to payment of MMGO Charges by the Buyer contained in Clause 6.01 and 6.02 shall apply.
- 8.05 The Seller shall, likewise, inform the Buyer immediately about any accident and/or defects in installations and/or gas pipelines of the Seller calling for the complete or partial stoppage of supply of gas. Provided that in all such cases, the Seller shall undertake immediate steps to rectify the defects for commencing normal supply of Gas. Provided that in all such cases contemplated under this Clause 8.05, the provisions relating to Monthly Minimum Guaranteed Offtake contained in Clauses 6.01 and 6.02 shall not be applicable for the duration of stoppage of supply of Gas by Seller.

ARTICLE 9

MEASUREMENT AND CALIBRATION

- 9.01 The measurement of the quantity of the Seller's 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 Appendix A at the time of delivery. Seller 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.
- 9.02 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.
- 9.03 The certificates of quantity and quality (or such other equivalent documents as may be issued at the Delivery Point) of the Seller's Gas shall, except in cases of manifest error or fraud, be conclusive and binding on both Parties for Seller invoicing purposes and Buyer shall be obliged to pay the invoiced amount.
- 9.04 The Parties agree to joint calibration of the measurement and testing devices at Delivery point in the frequency set forth on Schedule A.
- 9.05 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 Seller's 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.
- 9.06 Any claim as to shortage in quantity and/or defect in quality of the Seller's Gas shall be made by written notice to Seller 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 Seller with all details necessary to evaluate the claim.
- 9.07 Either Party may challenge the calibration of a measurement device by depositing the advance to the owner of such measurement device, double the cost of retaining an Expert to test the calibration. An Expert is an independent and impartial person with relevant qualifications and experience appointed by ONGC. 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.

The Buyer shall not raise any claim for interest over the advance amount so deposited and the decision of the Expert appointed for the purpose of testing the calibration of the device shall be final and binding on the parties and shall not be subject to arbitration.
- 9.08 In case any dispute between Seller and Buyer in relation to the quality or quantity of the Seller's Gas delivered hereunder cannot be resolved amicably through mutual consultation it shall be dealt as per the provisions of Article 16 (Dispute Resolution).
- 9.09 The Parties agree to validation of the measurement and testing devices at Delivery Point every 2 or 3 years by an accredited inspector in accordance with normal practices.
- 9.10 If any measurement device is out of service or is registering inaccurately, the quantity of the Seller's 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 Seller's 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.

ARTICLE 10

SAMPLING OF GAS

- 10.01 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 Seller and the Buyer for collection of the representative sample.
- 10.02 The representative sample of Gas shall be collected from the pipeline near the gas Delivery Point at least once for each billing period. Buyer will be intimated for sampling. The sample will be analyzed in Seller's laboratory.
- 10.03 The certificate of quality (or such other equivalent documents) of the Seller's Gas shall, except in cases of manifest error or fraud, be conclusive and binding on both the Parties for Seller invoicing purposes and Buyer shall be obliged to pay the invoiced amount.
- 10.04 The quality of the Seller's Gas delivered shall be as indicated in Schedule C.

ARTICLE 11

FORCE MAJEURE, ETC.

- 11.01 The term "Force Majeure" shall mean those events which prevent or delay the affected Party performing in whole or in part its obligations under this Agreement due to unavoidable causes reasonably beyond the control of the affected Party and is without the fault or negligence of either party. Subject to the fulfilment of the above conditions, Force Majeure shall include:
 - (a) acts of God including fires, floods, cyclones, typhoons, earthquakes, tsunami or any other natural disaster;
 - (b) 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;
 - (c) epidemics, pandemics, quarantine restrictions;
 - (d) strike, lockout or other industrial disturbances which are not due to the breach of any labour agreement by the affected Party;
 - (e) radioactive contamination or ionizing radiation;
 - (f) loss, failure, impediment, restriction in output or deliverability of reservoirs in the Gas Field;
 - (g) any loss, impediment, restriction, withdrawal, non-renewal, cancellation or termination of the Upstream E&P Contract;

- (h) 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;
- (i) any act/action or inaction of a Governmental Authority or compliance with such acts, directly affecting the ability of Buyer or Seller to perform its obligations under this Agreement;
- (j) the expropriation or compulsory acquisition by any Governmental Authority of any assets, including shares, of Buyer or Seller, excluding in the case of a Government Owned Party any such acquisition of that Party's assets by any Governmental Authority;
- (k) any decision, direction or order of a Governmental Authority, court or judicial authority pursuant to the terms of the Upstream E&P Contract directly affecting the performance of this Agreement;
- (l) any failure in transporter's facilities which are connected to the inlet point of the Buyer 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.
- (m) nationwide strikes, freight embargos, civil commotion or any order of Government, local authority having jurisdiction or anybody or person purporting to be or to act for such authority directly affecting the performance of this Agreement.

11.02 Notwithstanding anything to the contrary in this Article 11, Force Majeure shall not include:

- (a) any event or circumstance affecting facilities other than Seller's Facilities or Buyer's Facilities;
- (b) 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;
- (c) 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;
- (d) 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;
- (e) any event or circumstance, which comprises or results from any wilful 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;

- (f) 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.
- 11.03 In case of Force Majeure, the Parties agree to provide [48] [(forty-eight)] hours' notice to be served by the affected Party. The affected Party will provide the following information: (1) reasonably full particulars of the event or circumstance of Force Majeure and the extent to which any obligation will be prevented or delayed; (2) 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 (3) 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.
- 11.04 If, by reason of any cause reasonably beyond the control of the Seller, there is a curtailment of or interference with the availability of Seller's Gas from the Producing Areas which:
- (a) delays or hinders the Seller in, or prevents the Seller from, supplying the contracted quantity of the Seller's Gas deliverable hereunder; or
 - (b) results in insufficient Seller's Gas being available to the Seller on a regular and reliable basis to enable it to supply itself with its requirements;
- then, for so long as that situation continues, the Seller shall be entitled to withhold, reduce or suspend delivery hereunder to such extent as the Seller may deem appropriate keeping the situation in mind and the Seller shall not be bound to acquire by purchase or otherwise additional quantities of Gas from any source.
- 11.05 The Party asserting the claim of Force Majeure shall have the burden of proving the circumstances constitute valid grounds of Force Majeure under this Article and that such Party has taken all precautions/measures and exercised reasonable diligence and efforts to remedy the cause of any alleged Force Majeure. 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.
- 11.06 For avoidance of doubts, it is clarified and expressly understood between the Parties that relation between Seller and Buyer is limited to the present Agreement and Seller is not a party between Buyer and its customers and a cause shall not be treated as being reasonably beyond the control of Buyer if it arises or results from non-availability of further customers of Buyer or non-drawl of gas by customers of Buyer for any reason whatsoever.
- 11.07 In the event of Force Majeure, the Parties agree to use best efforts to remedy the event of and mitigate the effect of Force Majeure.
- 11.08 Provided the affected Party has complied and continues to comply with the obligations of this Article 11, and subject to the further provisions of this Agreement, the obligations of the Parties under this Agreement to the extent performance thereof is 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, except in relation to obligations of Buyer to make payments under the Agreement in case Gas is offtaken by the Buyer during the period of Force Majeure.

- 11.09 Notwithstanding anything contained in Article 2 (Term), in the event Force Majeure condition continues and remains un-remedied for period of [90] days from the date of beginning, the Seller shall have sole discretion to terminate the Agreement without any liability on his part, on this account, upon giving [30] [(thirty)] days' notice to Buyer. If the Force Majeure event or series of events is not remedied within 30 (thirty) days of the affected Party's receipt of the termination notice, then this Agreement shall automatically terminate on the 30th (thirtieth) day following the affected Party's receipt of such termination notice.
- 11.10 Buyer will continue to make payment to the Seller for actual quantity of Gas supplied prior to commencement of Force Majeure and during the period of Force Majeure.

ARTICLE 12

PRICE OF NATURAL GAS

- 12.01 The price of Gas (including New Gas) shall be as set forth in Schedule B of the Agreement.
- 12.02 Buyer being in doubt, whether a particular Tax or duty or any change is effective or imposed, as the case may be, the Buyer shall take up the matter directly with the Gol or state government or local authority or any such other body or bodies concerned without withholding the payments of amounts invoiced to Seller.

ARTICLE 13

BILLING AND PAYMENT

- 13.01 Sellers shall raise invoices and shall electronically or through facsimile deliver invoices to the Buyer for the Gas sold. Electronically delivered fortnightly invoices shall carry a digital or facsimile signature Buyer shall make payments in full to the Seller at the account designated by notice to Buyer. The invoice will specify the following:
- I. The gas quantity for the applicable Billing Period;
 - II. The details of the Gross Calorific Value (GCV) to derive Seller's Gas sold during a Billing Period;
 - III. The details of the Net Calorific Value (NCV) of gas, if applicable;
 - IV. Price of the Gas as set forth in Schedule B of the Agreement;
 - V. Applicable Taxes on above.

The "Billing Period" means a period of consecutive days beginning at 06.00 hrs. from a day and ending at 06.00 hrs. on the first day of the immediately following Billing period as under:

- (i.) "First Billing Period" means the 1st to 15th day of the Month;
- (ii.) "Second Billing Period" means the 16th to last day of the month;

The invoice or Supplementary Invoice shall be sent by facsimile or e-mail to the designated officer as set forth in Schedule A of this Agreement or to such other number or e-mail address as Buyer may from time to time designate by notice to Seller.

- 13.02 Buyer shall pay the amount against Daily Nominated Quantity in advance to Seller for all Seller's Gas delivered and any applicable charges during any Billing Period (the amount invoiced as due for that Billing Period) and any amount due and reflected on the Supplementary Invoice for that Billing Period. In Case on any positive differential in

amount played by the buyer and invoices raised, the same shall be reconciled in the next billing cycle. It is clarified that such advance payment will not carry any interest.

Billing Period of Deliveries and Supplementary Invoice	Due Date
First Billing Period	22nd of the current Month
Second Billing Period	07th of the succeeding Month

MMGO shall be billed on monthly basis taking into account DCQ and it will be a part of the invoice for the Second Billing Period for the month. Invoice of Annual Shortlifted quantity, if any, shall be raised at the end of Financial Year.

For the avoidance of doubt, the Buyer shall pay MMGO to the Seller on a monthly basis in case the off-take during the month qualifies for such payment as per Article 6 before 7th of the succeeding month.

Notwithstanding anything contained in Article 24 or elsewhere in GSA, if Buyer fails to make payment against Daily Contract Quantity in advance, the Seller ~~has a right to~~ shall stop gas supply to the buyer with immediate effect on such default”..

- 13.03 The Seller shall calculate the Price of gas delivered at the Delivery Point in accordance with Clause 12.01 read with Schedule B based on the GCV of Seller's Gas delivered during the Billing Period where appropriate real time measurement facilities are in place and functioning. In case of non-functioning of measurement facilities, the Seller shall calculate the price based on the average GCV of Seller's Gas in pervious Billing Period where the calorific value has been verified. Price shall be subsequently adjusted to reflect actual calorific value of Seller's Gas once actual calorific value is determined.
- 13.04 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.
- 13.05 Buyer shall arrange remittance of the amount due and other amounts due on the Supplementary Invoices on or before the Due Date specified above in Clause 13.02 immediately available funds via electronic transfer or telegraphic transfer to the bank(s) and account(s) designated from time to time by Seller by notice to Buyer. Buyer shall provide (by facsimile transmission or by e-mail to a designated officer of Seller) 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.
- 13.06 In case of unscheduled closure of either Seller's or Buyer's banks on the Due Date, the payment will be made on the following Business Day.
- 13.07 In case of scheduled closure of either Seller's or Buyer's bank on the Due Date on account of scheduled holiday(s), the payment will be made on the preceding Business Day.
- 13.08 If Seller's banks and Buyer's banks are closed for two consecutive days or more, any payment due on the first day shall be made on the Business Day (for both the Seller's and Buyer's banks) immediately 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 (for both the Seller's and Buyer's banks) immediately following such closure.

- 13.09 Notwithstanding anything contained in Clauses 13.06, 13.07 and 13.08, in case payment Due Date falls on either the Seller and Buyer's banks' non-working Saturday, payment shall be made on immediately preceding Business Day for both the Seller's and Buyer's banks, whereas when payment Due Date falls on Sunday, payment shall be made on immediately following Business Day for both the Seller and Buyer's banks.
- 13.10 In case of non-receipt of payment within Due Date as per Clause 13.02, Seller shall have the right to recover the same from the Payment Security provided to Seller as per provision of Clause 13.13.
- 13.11 In the event of dispute regarding billing and payment, Buyer agrees that all payments due hereunder shall be paid in full, without any set off or deduction, and shall be subsequently adjusted if so agreed by the Parties or, failing agreement, within [60] days the matter shall be resolved in accordance with Article 16 and basis the same the adjustment shall be carried out.
- 13.12 **Security of payment against gas supply:** No later than 7 days prior to the Scheduled Delivery Commencement Date or the date of actual offtake of Gas, the Buyer shall submit irrevocable and without recourse standby Letter of Credit (hereinafter referred to as L/C) for INR [●]⁴ from any Nationalized/Scheduled Commercial Bank (in case of scheduled commercial private sector bank minimum AA credit rating from any of ICRA/CRISIL/CARE/IND-RA will be required) at [●] in favour of the Seller as per their PI (51 % to ONGC and 49% to Vedanta Ltd.) and as per the format provided in Schedule E. This L/C is the value equivalent to the product of: (1) 21 days of gas supply calculated on Contract Quantity (as specified in Clause 5.01); and (2) the price of the gas in the month in which the L/C is issued and the price will be computed as specified in Schedule B of the Agreement taking into consideration the gross calorific value (GCV) of Gas to be supplied by the Seller (margin and all applicable Taxes and duties etc. shall be added to the applicable price of gas). The L/C should be valid for 1 (one) year. Gas supply to the consumer shall not commence unless L/C is furnished.
- If the L/C is encashed for three or more times in a Financial Year due to any reason attributable to the Buyer, then the Buyer shall increase and maintain a L/C of 125% (one hundred and twenty five percent) value of the original L/C amount.
- The Payment Security may be submitted either in the form of LC or bank transfer, however, combination of the above options is not allowed.
- 13.13 During the Term of the Agreement, this amount shall be calculated twice in a year in the months of April and October. Such amount would be calculated based on rolling average of the conversion rate of US\$ vis-à-vis INR for the preceding 6 (six) months and based on DCQ nominated by the seller for the preceding 6 (six) months at the gas price published and prevailing in the months of April and October respectively. The amount for payment security shall have to be revised if the amount so calculated varies by more than 10% on positive side. The payment security will be reviewed and replenished (if required) similarly during the course of Agreement.
- 13.14 The Buyer shall ensure the validity of the L/C by getting extension duly issued by his Banker at least one month before the expiry of the existing L/C. Further, Buyer shall ensure that during the last year of the Agreement, validity of the L/C is at least till 3 (three) months beyond the Term of this Agreement. In case of failure to extend the validity of L/C by the Buyer during the Term, Seller shall have right to invoke the L/C for encashment and keep the amount as deposit till the L/C is renewed. Further, Seller shall have the right to suspend the supply of Gas to the Buyer as a result of the Buyer

not keeping the L/C valid and this shall be without prejudice to the rights of Seller to recover for MMGO as per Clause 6.01 of the Agreement.

- 13.15 Notwithstanding any provisions of this Article 13 and even though the preferred mode of payment security for the Seller is provision of the L/C, as an alternate option, Buyer may opt to provide payment security by way of bank transfer of the same amount as determined at Clause 13.12 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 L/C or bank transfer (through electronic transfer), however, 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/ L/C/ payment security in this Agreement will mean the bank transfer as provided under this Clause 13.15

Such Payment Security shall be released by ONGC three months after the expiry of the contract after making adjustments towards outstanding amounts, if any.

Bank Transfer through NEFT/RTGS or Electronic fund transfer in ONGC's account (as provided in RFP NIO). ONGC shall not pay any interest on such amount deposited by the bidders. The details of the bank account where such amount is to be deposited has been provided below:

Beneficiary Name: Oil and Natural Gas Corporation Limited.

Bank Name : State Bank of India
Branch : Rajahmundry Bazar Branch
Branch Code : 03485
Bank Account No : 10471668364
IFSC Code : SBIN0003485

The details of such transfer should be submitted in the form of undertaking as per Schedule - F.

- 13.16 The bank charges, commissions, etc. required to maintain the payment security as per above provisions shall be borne by the Buyer.

ARTICLE 14

NEW AND CHANGED APPLICABLE LAWS AND CHANGE IN CONSTITUTION

- 14.01 It is understood by both Parties that they are entering into the Agreement in reliance on the Applicable Laws in effect on the date hereof.
- 14.02 If at any time and from time to time during the currency of the Agreement any Applicable Laws are changed or new Applicable Laws become or are due to become effective and the material effect of such changed or new Applicable Laws: (a) is not covered by any other provisions of this Agreement; and (b) has or will have a materially adverse economic effect on either party, the affected party shall have the option to require renegotiation of the price of Gas or other relevant terms of the Agreement. Such option may be exercised by the affected Party at any time after such changed or new Applicable Laws are promulgated and a written notice is served to the other Party. Such notice from the affected Party will contain the changes desired by the affected

Party and will provide an explanatory statement as to how the new or changed Applicable Laws have caused materially adverse economic effect on the affected Party. If the Parties do not agree upon new price or terms satisfactory to both Parties within 60 [(sixty)] days after the date of the affected Party's notice, the affected Party shall have the right to suspend the Agreement immediately at the end of such 60 [(sixty)] day period. Any Gas delivered during such 60 (sixty) day period shall be sold and purchased at the existing price and on the terms applying under the Agreement without any adjustment in respect of the new or changed Applicable Laws.

- 14.03 **Change in Constitution of Buyer:** 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 Seller, 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 Seller. In the event, Seller's prior written approval is not provided, then Seller will have the right to terminate this Agreement.

ARTICLE 15

TRANSFER OF RIGHTS

- 15.01 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. In the event of an assignment in accordance with the terms of this Article, the assignor shall nevertheless remain responsible for the proper performance of the Agreement. Any assignment not made in accordance with the terms of this Article shall be void.
- 15.02 Subject to Clause 15.03, Buyer may assign its rights and transfer its obligations under this Agreement to its Affiliate with the prior consent of the Seller, which shall not be unreasonably withheld. Provided that:
- 15.02.01 an entity shall qualify as an "Affiliate" of the Party if it, directly or indirectly, controls, is controlled by or is under common control of such Party; the term "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;
- 15.02.02 such Affiliate has the ability to perform all obligations of the Party under the Agreement; and
- 15.02.03 such Affiliate expressly assumes such obligations.
- 15.03 Provided that any such request of Buyer for assignment will only be considered if the proposed assignee fulfills the techno-commercial criteria, prescribed in the bid document at the time of submission of such request.
- 15.04 If the Buyer intends to transfer or assign its rights and obligations under this Agreement (except the Buyer's obligation to pay the amounts due to the Seller under this Agreement, to an Affiliate) Buyer shall obtain prior permission of the Seller for such transfer or assignment.
- 15.05 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.

15.06 The following assignments/ transfer will not require the prior consent of the other Party:

15.06.1 assignment made by the Seller to the extent it assigns its interests under the Upstream E&P Contract;

15.06.2 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.

ARTICLE 16

DISPUTE RESOLUTION

16.01 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 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.

16.02 The Parties shall use their best efforts to settle amicably all disputes or difference arising out of or in connection with any of the terms and conditions of this Agreement or concerning the interpretation or performance thereof.

16.03 **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 pursuant to this Clause 21.2. 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.

16.04 **Arbitration:**

If disputes or differences cannot be settled amicably within 90 (ninety) days or such longer period as may be mutually agreed by the Parties from the date of receiving written notice for the said purpose, then, such dispute or difference may be submitted to arbitration.

If the Buyer is a Public Sector Undertaking:

In the event of any dispute or difference relating to the interpretation and application of the provisions of this Agreement, between Central Public Sector Enterprise (CPSEs),

such dispute or difference shall be taken up by either party for resolution through AMRCD as mentioned in DPE OM No. 4(1)/2013-DPE(GM)/FTS-1835 dated 22-05-2018.

If the Buyer is not a Public Sector Undertaking:

Such dispute or difference shall be referred exclusively to arbitration under the provisions of the Arbitration and Conciliation Act, 1996, as amended from time to time. Arbitration under this clause will be referred to a panel of three (3) arbitrators. For arbitration between Parties, one arbitrator shall be appointed by the claimant(s) and the other arbitrator by the other Party, the two arbitrators so appointed shall then appoint the third arbitrator.

The claimant(s) and respondent(s) shall share the cost of arbitration equally. The seat and venue of the arbitration shall be Rajahmundry, Andhra Pradesh provided that the arbitrator may with the consent of the Parties agree upon any other venue. The language of arbitration shall be English.

- 16.05 Notwithstanding the existence of any arbitration 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.

ARTICLE 17

TAXES AND DUTIES

- 17.01 All applicable Taxes payable in respect of any Seller's Gas delivered/ Minimum Guaranteed Offtake hereunder will be to the Buyer's account and the Buyer agrees to pay the Seller for such Taxes along with price of the Gas. 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, except any royalty payable by the Seller pursuant to Applicable Laws such as Oil Regulation & Development Act and Petroleum & Natural Gas Rules.
- 17.02 The amount of any Taxes, duties, imposts, fees, charges and dues of every description imposed or levied by any governmental, local or port authority on the Seller's Gas supplied hereunder, or on its export, delivery, transportation, ownership, sale or use, in respect of any stage after title and risk in such Seller's Gas has transferred to the Buyer shall be to the Buyer's account.
- 17.03 Wherever for the purpose of administrative convenience/ Tax requirement or otherwise, Seller pays any Tax, Buyer would reimburse the same to the Seller except any penalties, interest, etc. paid due to default of Seller. Buyer would extend full cooperation to the Seller in the matter of all the tax assessments.
- 17.04 Buyer shall be liable for and shall indemnify (and keep indemnified), protect, defend and hold harmless Seller 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 may be required) or for which Buyer is responsible under this Agreement. Seller may recover such sums from Buyer including all costs, expenses and charges incurred by Seller in connection therewith.

- 17.05 Buyer shall submit to Seller all forms, returns, and documents (duly filled in and completed in all respects), including but not limited to Form C in the case of inter state sale of Gas, within such time as may be requested by Seller or prescribed by any Governmental Authority, whichever is earlier, so as to enable Seller 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 Seller within the prescribed time then Seller 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) days.

ARTICLE 18

TITLE AND RISK

- 18.01 Title and risk in the Seller's Gas shall pass from Seller to Buyer at the Delivery Point. Upon delivery at the Delivery Point, Buyer shall be deemed to be in exclusive control and possession of Seller's Gas and shall be fully responsible for such Gas.

ARTICLE 19

LAWS GOVERNING THE AGREEMENT

- 19.01 The Agreement shall be governed by Indian Laws, rules and regulations, notifications etc. issued under such laws both procedural as well as substantive, as may be amended from time to time. The courts at Rajahmundry, Andhra Pradesh shall have exclusive jurisdiction on the matters arising under the Agreement.

ARTICLE 20

RESTRICTIONS ON USE OF GAS

- 20.01 Buyer is entitled to use the gas for any purpose other than the purpose which was declared by the Buyer in its bid and as specified in this Agreement in Article 2. Prior to changing the usage of gas, intimation by the Buyer through Email/Fax/Letter shall be given to Seller.
- 20.02 Buyer shall not misuse the gas or use it for any anti national activity/anti-social activity. If the Buyer does so, the Seller will not be liable for their misuse or such activity and Seller shall be entitled to stop the gas forthwith as soon as it comes to the notice of the Seller.

ARTICLE 21

PREVIOUS CORRESPONDENCE.

- 21.01 All discussions and meetings held and correspondences exchanged between the Buyer and the Seller in respect of the Agreement and any decisions arrived at therein in the past and before coming into force of this Agreement are hereby superseded by this Agreement and no reference of such discussions or meetings or past correspondence will be entertained by either the Seller or the Buyer for interpreting the Agreement or otherwise.

ARTICLE 22

AMENDMENTS

- 22.01 Subject to Article 14, any amendment to any of the clauses of the Agreement will be proposed and sent in writing to the other party proposing such amendment and if both the Parties agree to such amendment then the same shall be incorporated in the Agreement and shall become binding on the Parties from the date on which both Parties reach an agreement, unless otherwise agreed to.

ARTICLE 23

INDEMNITIES

- 23.01 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 Seller, 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 Seller 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 Seller at the Buyer's sole expense in any litigation involving the Seller, its Affiliates and its and their officers, employees and agents in connection with matters referred to in this Clause 23.01.
- 23.02 The Seller shall be deemed to be in exclusive possession and control of the Gas upstream of the Delivery Point and fully liable and responsible for its arrangements, appurtenance and properties including the Seller's Facilities. Accordingly, the Seller 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 Seller, 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 Seller and further defend the Buyer at the Seller's sole expense in any litigation involving the Buyer and officers, employees and agents in connection with matters referred to in this Clause 23.02.
- 23.03 Whenever a Party (the "Indemnitee") becomes aware of a claim in respect of which it will or may be entitled to require the other Party (the "Indemnitor") to defend, indemnify, hold harmless and release it pursuant to Clauses 23.01 and 23.02 above, the Indemnitee shall promptly notify the Indemnitor and the Indemnitee shall take such action as the Indemnitor may reasonably request to avoid, dispute, resist, appeal, compromise or defend the relevant claim and any judgment in respect thereof, subject to the Indemnitee being indemnified and secured to its reasonable satisfaction by the Indemnitor against all losses, costs, damages and expenses relating to such claim including, without limitation, those thereby incurred or to be incurred. If the Indemnitor does not request the Indemnitee to take any appropriate action as aforesaid, or shall fail to indemnify and secure the Indemnitee to its reasonable satisfaction within twenty-eight (28) Days of the notice to the Indemnitor, the

Indemnitee shall be free to pay or settle the relevant claim on such terms as it may in its absolute discretion think fit and thereafter recover from the Indemnitor pursuant to the Indemnitee's rights under this Article.

ARTICLE 24

RIGHT TO STOPPAGE OF GAS/TERMINATION

- 24.01 Seller may at its sole discretion, and in addition to any other legal remedies it may have, forthwith upon giving 30 days' notice to Buyer may terminate the Agreement if:
- i) Buyer for any reason whatsoever fails to make any payment due to Seller under the Agreement by the due date, failure remains un-remedied at the expiry of the aforesaid notice period;
 - ii) Buyer is in substantial breach of its material obligations under the Agreement and such breach or failure remains un-remedied at the expiry of the aforesaid notice period;
 - iii) Buyer fails to take delivery of Seller's Gas it is obligated to under this Agreement and such failures are not excused by any other provision in the Agreement for a period of 30 (thirty) consecutive days, despite the Seller making Gas available for offtake;
 - iv) 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;
 - i) A Buyer event of Force Majeure continues for [90] days or more;
 - v) 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;
 - vi) Buyer becomes insolvent or is adjudged bankrupt or makes an assignment for the benefit of its creditors or does not pay or is in Seller's reasonable opinion expected to be unable or unwilling to pay its debts as the same become due;
 - vii) A receiver is appointed for the whole or significant part of the assets or undertaking of Buyer;
 - viii) 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 days;
 - ix) If Buyer is adjudged bankrupt or enters into an agreement with its creditors or takes advantage of any law for the benefit of debtors; or
 - x) Buyer has passed a resolution to apply to a competent court for liquidation.
 - xi) Any reduction in availability of Seller's gas deliverable hereunder, including adverse reservoir behaviour in the Gas Field, which in the Seller's opinion as a prudent operator was not reasonably foreseeable;

- xii) Pursuant to Clause 14.02 or Schedule B of the Agreement, the Parties fail to agree to a new Price or terms satisfactory to both Parties;
- xiii) Buyer uses Gas for activities which are anti-national or anti-social activity or against public interest;
- xiv) Buyer transfers its interest in this Agreement or assigns this Agreement without satisfying the requirements of Article 15 of this Agreement;
- xv) Buyer fails to remedy, within a period of 15 days following suspension of this Agreement in accordance with Clause 24.04 (ii), its obligation to establish, maintain or renew a Letter of Credit as required herein.

24.02 Buyer may at its sole discretion, and in addition to any other legal remedies it may have, forthwith upon giving 30 days' notice to Seller, terminate the Agreement if:

- i) Seller fails to pay any undisputed amount when due and payable and upon receipt of notice from the Buyer requesting such payment, the Seller fails to make such payment within the aforesaid notice period;
- ii) 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 Seller;
- iii) Seller becomes insolvent 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;
- iv) A receiver is appointed for the whole or significant part of the assets or undertaking of Seller;
- v) Seller 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 Seller and is not discharged until 90 days;
- vi) If Seller is adjudged bankrupt or enters into an agreement with its creditors or takes advantage of any law for the benefit of debtors;
- vii) Seller has passed a resolution to apply to a competent court for liquidation;
- viii) If for reasons other than Force Majeure or the fault of Buyer, Seller fails to deliver any quantities of Gas to Buyer for 90 consecutive days; or

24.03 If the Seller supplies Gas less than 20 % of the Contract Quantity for each day for a continuous period of 3 months.

Subject to any other specific rights of termination contained in this Agreement, this Agreement shall continue in force for the duration stipulated in Clause 2.01 unless otherwise extended in accordance with Article 3.

24.04 Suspension: Notwithstanding anything to the contrary express or implied elsewhere herein, Seller (without prejudice to its other rights) may at its sole discretion suspend delivery under the Agreement until further notice by providing a 15 days' notice in writing to the Buyer, if the Buyer:

- i) Buyer's failure to make payments in full when due;
- ii) Buyer's failure to establish, maintain or renew the Letter of Credit as required herein;

- iii) Where suspension is required due to Applicable Law or in the event of any defect or unsafe operation in the Buyer's Facilities or downstream of the Delivery Point;
- iv) Buyer's breach of its representations set out in Article 36;
- v) The occurrence of any termination event under Clause 24.01 (and without, for the avoidance of doubt, any need to await the expiry of any notice, cure or grace period provided for therein);
- vi) Any reduction in availability of Seller's Gas deliverable hereunder, including adverse reservoir behaviour in the Producing Areas, which in the Seller's opinion as a prudent operator was not reasonably foreseeable;
- vii) Uses gas by the Buyer for activities which are anti-national or anti-social activity or against public interest.

Upon and for the duration of such suspension, Seller 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 Article 6 to take and pay for, or pay for if not taken a quantity of Gas at least equal to the MMGO. Seller 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, Seller will be relieved of all its Gas supply obligations under this Agreement.

- 24.05 In the event of Seller suspending deliveries of Seller's Gas in any of these circumstances referred to in Clause 24.04, Seller may, so long as the event continues for a period of 90 days, and in addition to any other legal remedies it may have, forthwith upon giving the appropriate notice to Buyer, terminate the Agreement.
- 24.06 If pursuant to the provisions of Clause 24.04, Seller withholds, reduces or suspends delivery of the Seller's Gas, then Seller shall be under no obligation to make up any quantity of the Seller's Gas which would have been delivered to Buyer but for such withholding, reduction, or suspension.
- 24.07 Any termination of the Agreement shall be without prejudice to the rights and obligations of Seller as accrued up to the date of termination.
- 24.08 Other Termination: Seller shall have the right to terminate this Agreement upon 5 (five) 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 (ii) cancellation of any or all of the applicable petroleum mining leases or termination all of the applicable petroleum mining leases. Any such termination of this Agreement shall be without liability to either Party.
- 24.09 Any termination of this Agreement shall not affect any rights, obligations and liabilities which may have accrued prior to such termination.

ARTICLE 25

CONFIDENTIALITY

- 25.01 Subject to the further provisions of this Article 25, each Party shall maintain confidentiality in accordance with the standards of care and diligence that it utilizes in maintaining its own confidential information with regards to the terms of this Agreement and any information supplied or obtained by a Party pursuant to the terms hereof ("**Confidential Information**").
- 25.02 Notwithstanding Clause 25.01, either Party may disclose information that would otherwise be Confidential Information if and to the extent:

- i. Required by law;
- ii. Required by any securities exchange or regulatory or governmental body or government department to which such Party is subject or submits, wherever situated, whether or not such requirement for information has the force of law;
- iii. Disclosed to the professional advisers, auditors, bankers of a Party provided that such Party procures that such persons protect such Confidential Information on the same terms as and agrees to be bound by as if it were a Party to this Article;
- iv. The Confidential Information is already in the public domain through no fault of that Party;
- v. The other Party has given prior written approval to the disclosure;
- vi. It is disclosed to any potential assignees or transferees of such Party provided that such Party procures an undertaking in writing that the potential assignee or transferees protects such Confidential Information on the same terms and agrees to be bound by as if it were a party to this Agreement. Both the Buyer and the Seller shall maintain confidentiality unless required under law to disclose.

ARTICLE 26

NO AGENCY

- 26.01 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.

ARTICLE 27

EFFECT OF ILLEGALITY, ETC.

- 27.01 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.

ARTICLE 28

GOOD FAITH

- 28.01 Each of the Parties shall, and shall use all reasonable endeavours to procure that any necessary third party shall, at its own cost, so execute or perform all such further deeds, documents, assurances, acts and things as may reasonably be required to perfect the transaction referred to herein, and to give effect to the terms of this Agreement.

ARTICLE 29

WAIVER

- 29.01 No delay or omission on the part of either Party in exercising any right, power or remedy provided by law or under this Agreement, nor any indulgence granted by any Party to any other Party, shall impair such right, power or remedy, or be constructed as a waiver thereof, nor shall the single or partial exercise of any right, power or remedy provided by law or under this Agreement preclude any other or further exercise thereof or the exercise of any other right, power or remedy.
- 29.02 Any waiver shall relate only to the matter, non-compliance or breach as it expressly relates to and shall not apply to any subsequent or other matter, non-compliance or breach.

ARTICLE 30

CUMULATIVE REMEDIES

- 30.01 Except as expressly provided herein, the rights, powers and remedies provided in this Agreement are cumulative and not exclusive of any rights, powers and remedies provided by law.

ARTICLE 31

ENTIRE AGREEMENT

- 31.01 Each of the Parties hereby acknowledges that, in entering into this Agreement it has not relied on any representation or warranty save as set out expressly herein or in any document referred to herein.
- 31.02 The Schedules to this Agreement are incorporated into and made an integral part of this Agreement.
- 31.03 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 31.03, 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.

ARTICLE 32

NO PARTNERSHIP

- 32.01 Nothing in this Agreement shall constitute or be deemed to constitute the relationship of principal and agent or of a partnership between the Parties and neither of them shall have any opportunity to bind the other in that capacity.

ARTICLE 33

PRIVITY

- 33.01 This Agreement is intended solely for the benefit of the Parties and is not intended to confer any benefits on, or create any rights in favour of any other person.

ARTICLE 34

APPROVALS

- 34.01 Each Party shall be responsible for obtaining all consents, authorizations, approvals and assurances of whatsoever nature necessary to enable it to comply with its obligations under the Agreement.
- 34.02 The Parties agree that the obligation of Seller 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 Applicable Law.

ARTICLE 35

CONSEQUENTIAL LOSS, LIMITATION OF LIABILITY

- 35.01 Except as expressly provided for in this Agreement, neither Buyer nor Seller shall be liable for consequential, indirect or special losses/damages or for loss of control, profit or product of any kind arising out of or in any way connected with the conclusion, the performance or non-performance of this Agreement, and whether arising in contract, tort including negligence or breach of duty, statutory, or otherwise.

ARTICLE 36

REPRESENTATIONS

- 36.01 Each Party represents and warrants to the other Party that at the time of the Effective Date:
- (a) 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;
 - (b) this Agreement has been duly executed by it and is a legal, valid and binding document enforceable against it in accordance with its terms;
 - (c) 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;
 - (d) 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.
- 36.02 Each Party represents and warrants to the other Party that at the Scheduled Delivery Commencement Date all representations and warranties set out under Clause 36.01 are true and correct in all respects.
- 36.03 Seller represents and warrants to Buyer that as on the Scheduled Delivery Commencement Date it shall have the title to, or will otherwise be authorized to sell to be Gas sold under this Agreement.

36.04 Buyer represents and warrants to Seller that:

- (a) as of the Scheduled Delivery Commencement Date, Buyer shall have the right to utilise transportation capacity in Gas transporter's facilities 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;
- (b) during the Term, Buyer shall maintain the right to utilize transportation capacity in Gas transporter's facilities 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;
- (c) Buyer possesses the necessary infrastructure, skill, experience, expertise and ability to undertake and fulfil all its obligations under this Agreement;
- (d) 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 or 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;
- (e) 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;
- (f) 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;
- (g) 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.

36.05 The Buyer covenants that:

- (a) 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 Term;
- (b) it shall maintain the adequacy of the Buyer's Facilities during the Term.

36.06 The Seller 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 Term.

ARTICLE 37

NOTICES

37.01 Any notice or other communication required to be given pursuant to this Agreement shall be given by delivering the same by hand at, or by sending the same by registered/speed post (air mail if to an address outside the country of posting) to the address of the relevant Party set out in this Agreement or by fax, e-mail using the

relevant number set out below or such other address as either Party may notify to the other from time to time. Any notice or other communication given as aforesaid shall be deemed to have been given at the time of delivery (if delivered by hand) or on transmission of the recipient's automatic answerback (if sent by fax) or when received (if sent by post):

For Seller: As set forth in the Schedule A as Seller's Address; and

For Buyer: As set forth in the Schedule A as Buyer's Address.

ARTICLE 38

IMPLIED TERMS EXCLUDED

38.01 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, Seller 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.

ARTICLE 39

ADDRESSES OF PARTIES.

39.01 The address of the parties hereto unless changed by written notification to be given at least 15 days in advance by Registered letter prior to proposed date of change, will be as follows for the operation of the Agreement:

<u>THE SELLERS</u>	<u>THE BUYER</u>
Asset Manager, OIL AND NATURAL GAS CORPORATION LIMITED, Rajahmundry_Asset, East Godavari, Andhra Pradesh - 533106_____ (India). Phone No.:0883-2448080 Fax. Number: e-mail:am_rjmy@ongc.co.in	_____ _____ _____ _____ Pin:- _____ (India). Phone Number: (STD Code)- (-----) Fax. Number: (STD Code) - (-----) e-mail:

IN WITNESS WHEREOF the parties hereto acting through their properly constituted representatives have set their hands to cause this Agreement signed and executed for and on their behalf.

FOR & ON BEHALF OF THE SELLER	FOR & ON BEHALF OF THE BUYER
<hr/> <p style="text-align: center;">Asset Manager, Rajahmundry Asset</p>	<hr/>
<p><u>Witnesses</u></p> <p>1. _____</p> <p>2. _____</p>	<p><u>Witnesses</u></p> <p>1. _____</p> <p>2. _____</p>

Schedule A of the Gas Supply Agreement

Gas Field: [Name of field to be inserted]

Scheduled Delivery Commencement Date: To be notified by ONGC/Seller

Expiry Date: [●] anniversary from Scheduled Delivery Commencement Date or Actual Date of Offtake

Location	Delivery Point (Abbreviated name of Meter)	Metering Measurement System	Frequency of Measurement	Tolerance in Quantity Measurement	Frequency of Calibration	Frequency of Quality Testing	Typical Delivery Pressure, Kg/Cm ² g
Name of Installation to be inserted (Work Centre to Insert)	_____ (Work)	Orifice	Daily	As per AGA 3 & 8 standards	Monthly	Fortnightly	1-3

Delivery Pressure: [1-3]

Gas quality: - On as is where is basis, To be analyzed at Seller's Laboratory, which buyer can have access.

Seller's Address:

Asset Manager, OIL AND NATURAL GAS CORPORATION LIMITED,
Rajahmundry Asset, East Godavari, Andhra Pradesh - 533106.

Phone No.: 0883-2448080

Fax Number: [●]

E-mail: am_rjmy@ongc.co.in

Buyer's Address:

[●]

Contact Person: [●]

Phone number: [●]

Fax number: [●]

E-mail: [●]

Schedule B of the Gas Supply Agreement

Price:

- (a) The contract price of gas (rounded off to 2 decimal places) shall be in US\$ MMBTU as under:
 - i. At USD 6.5/MMBTU (current ceiling price of gas from nomination fields)
 - ii. Premium of USD___/MMBTU (as quoted by the Buyer during the time of bidding).
- (b) Provided further that the marketing margin of ₹ 200/MSCM would be charged in addition to the gas price indicated above. The marketing margin would be linked to calorific value of 10,000 Kcal/SCM on Net Calorific Value (NCV) basis. The rate of marketing margin is subject to revision from time to time and Buyer agrees to pay the same at the revised rate.
- (c) Provided further that the gas price indicated above (at (a) and (b)) shall be exclusive of transportation/compression charges along with statutory levies, if applicable and these shall be additionally borne by the Buyer.
- (d) The above gas price is ex-ONGC installation and is exclusive of Taxes and all other statutory levies 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 payable on sale of Gas by Seller to the Buyer and these shall be borne by the Buyer over and above the aforesaid Gas price.
- (e) 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. 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.
- (f) The above price would be converted to ₹./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 ₹./ MMBTU shall be rounded off to 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 FBIL website. 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>.
- (g) In the event of deregulation in the gas sector by the Government of India or its instrumentalities, or if public authorities discontinue fixing the price of natural gas sold hereunder and/or cease making Gas allocation then the Gas price & the Marketing Margin would be linked to the market price on a mutually agreed formula. The Seller shall notify the Buyer of any such event. If the Parties do not agree upon new Price or terms satisfactory to both Parties within [60] days after the date of the Seller's notice, the Seller shall have the right to suspend the Agreement immediately at the end of such [60] day period. Any Gas delivered during such 60 days period shall be sold and purchased at the existing Price and on the terms applying under

the Agreement without any adjustment in respect of the new or changed Laws, Regulations and Orders.

Schedule C to the Gas Supply Agreement

[Specifications - Gas quality:]⁵

Indicative Gas Composition*	Volume (%)
1. Combustible Hydrocarbon gases:	approx.. [90%]
2. Non-combustible gases other than HC:	approx. [7%]
3. Gross Calorific Value (GCV):	10780 Kcal/SCM
4. Net Calorific Value (NCV):	9902 Kcal/SCM

(*) the composition and the heat values are indicative only and will vary during the course of production as per the field performance.

Schedule D to the Gas Supply Agreement

Profile of gas availability for Sale

Period	Gas Quantity, SCMD
2024-25	60000
2025-26	60000

Schedule E to the Gas Supply Agreement

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 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. face value of this Letter of Credit shall be equal to Rs _____ (Rupees _____) (Equivalent to 60 days of natural gas supply).
3. This Letter of Credit is issued under _____ [Details of Tender/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 Monthly Minimum Guaranteed off-take (MMGO) 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 MMGO charges) 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 one month (30 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)

To: **Vedanta Limited**
ASF Centre, 362-363, Jwala Mill Road,
Phase – IV, Udyog Vihar, Sector-18,
Gurgaon-122016.

IRREVOCABLE STANDBY LETTER OF CREDIT. NO.: _____

Name of Beneficiary: Vedanta Limited
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 Letter of Credit no. _____ Dt. _____ in favour of Vedanta Limited (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. Face value of this Letter of Credit shall be equal to Rs _____ (Rupees _____) (Equivalent to 60 days of natural gas supply).
3. This Letter of Credit is issued under _____ [Details of Tender/NOA/Contract/Agreement to be mentioned] dated _____ to cover payment for supply of natural gas by Vedanta Limited (Beneficiary) to the Buyer as per AGREEMENT executed between Buyer and Beneficiary and also interest on delayed payment including payment for Monthly Minimum Guaranteed off-take (MMGO) 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 Vedanta Limited 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 MMGO charges) 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 Vedanta Limited.
7. If the payment to Vedanta Ltd./Vedanta Ltd. 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 Vedanta Ltd’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 one month (30 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)

Schedule F to the Gas Supply Agreement

Undertaking regarding providing Payment Security by way of Bank Transfer
(On company letter head)

Dated: _____

To,
The Asset Manager,
ONGC, _____ Asset,
_____, Dist.: _____,
_____ (State) Pin: _____.

Sub: Undertaking regarding providing Payment Security by way of Bank Transfer

Dear Sir/ Madam,

We have read the terms and conditions provided in GSA towards submitting of Payment security by Bank Transfer.

We have submitted Payment Security (towards 21 days of gas supply) in the form of bank transfer to ONGC's designated bank account and the details of such bank transfer are as under:

1. NEFT/RTGS/Electronic Fund Transfer (tick mark mode of transaction)
2. UTR/Transaction no.:
3. Date & Time of Transaction:
4. Amount:
5. Payer's Account no.:
6. Payer's Account name:
7. Payer's bank name & address:
8. Payer's bank IFSC code:
9. Payer's bank SWIFT code:

1. We hereby undertake and agree that we shall not claim any interest on such deposit. ~~will not carry any interest.~~
2. This is a Payment Security by way of Bank Transfer which allows multiple part encashment.
3. This Bank Transfer covers payment towards Payment Security for the due performance of Buyer's obligations as contained in the terms of the GSA and other terms and conditions contained in the documents supplied by ONGC which amount is liable to be forfeited on the happening of any contingencies mentioned in GSA/ documents.
4. All bank charges, if any, shall be borne by the Buyer.
5. This Payment Security by way of Bank Transfer shall also cover requests against partial payment and/or multiple drawings.

FAX NO:

TELEPHONE No:

Yours faithfully,

PERSONAL ATTENTION OF:

(IF REQUIRED)

(Sign of authorized Officer of Bank)

Appendix A

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