

Model Agreement & Other terms & Conditions of Gas Sale

MODEL AGREEMENT (GAS SALE AGREEMENT)

THIS CONTRACT is made on this _____ between

SUN PETROCHEMICALS PVT LTD (CIN: U24219GJ1995PTC028519), a Company incorporated under the provisions of the Indian Companies Act, 1956 having its registered office at R K Centre, 4th Floor, Fatehgunj Main Road, Vadodara – 390002 and having its head office at ATL Corporate Park, 8th Floor, Saki-Vihar Road, Powai, Mumbai -400072 hereinafter collectively called “SELLER” (which expression shall, where the context so requires or admits of, be deemed to include its successors or administrators or permitted assigns) of THE ONE PART; and

_____, a company incorporated under the Companies Act, 1956 having its Registered Office at _____ hereinafter called “BUYER” (which expression where the context so requires or admits of, be deemed to include its successors or administrators or permitted assigns) of THE SECOND PART.

WHEREAS the SELLER, under the Production Sharing Contract signed with Government of India, is authorized to produce and sell Natural GAS and the BUYER desires to purchase and receive the ‘Natural GAS’ from the SELLER and the SELLER agrees to sell and deliver to the BUYER Natural GAS as produced in its natural state hereinafter referred to as GAS produced from the Hazira Field Surat, Gujarat on the terms and conditions stated here under which have been mutually agreed upon between the SELLER and the BUYER.

For the sake of reference and ease SELLER and BUYER can together be referred to as “Parties” and SELLER and BUYER can individually be referred to as “Party”.

NOW THIS DEED WITNESSESTH AS FOLLOWS: -

ARTICLE - 1

DEFINITION AND INTERPRETATIONS

The following words shall have the meaning assigned respectively against each one of them in this CONTRACT: -

- 1.1 “ASTM” means the American Society of Testing Materials.
- 1.2 “CONTRACT” means this CONTRACT along with Annexure-I and Annexure-II.
- 1.3 “Day” means a period of twenty-four (24) consecutive hours beginning and ending at 06:00 hours and the reference date for any such day shall be the date on which such day starts at 06:00 hours.
- 1.4 “Hazira Delivery Point” shall mean downstream flange of the pipeline at the outlet of GAS metering station of SELLER at Hazira.
- 1.5 “First fortnight” means a period commencing at 06:00 hours on first day of month and ending on 06:00 hours on sixteenth day of the month and Second fortnight from 06:00 hours on sixteenth day of the month to 06:00 hours of the first day of the next calendar month.
- 1.6 “GAS or NATURAL GAS” means GAS produced from GAS wells, GAS condensate wells, and the residue GAS remaining after processing such GAS for the removal of liquefiable hydrocarbons and impurities therefrom, to meet GAS specifications given in Annexure - I.

- 1.7 “Gross Heating Value” or “GHV” means the quantity of heat, expressed and measured in Gcals/MMBTU as the case may be, produced by the complete combustion at Atmospheric Pressure of 1 (one) Standard Cubic Metre of Gas at 15 (fifteen) Degree Celsius and with excess air at the same temperature and pressure as the Gas when the products of combustion are cooled to 15 (fifteen) Degree Celsius when the water formed by combustion is condensed to a liquid state and the products of combustion contain the same total mass of water vapour as the Gas and air before combustion as defined in the Latest Approved Version of ISO 6976 for Gas (REAL).
- 1.8 “Kilo Calorie” shall mean the amount of heat required raising the temperature of one (1) kilogram of water by one (1) degree Celsius at fifteen (15) degree Celsius.
- 1.9 “Month” means a period beginning at 06:00 hours on the first day of a calendar month and ending at 06:00 hours on the first day of the succeeding calendar month
- 1.10 “Net Heating Value” shall mean the number of kilo calories evolved by complete combustion at a constant pressure of one (1) standard cubic meter 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 vapor state.
- 1.11 “Standard Cubic Meter” (SCM) of GAS means a quantity of GAS required to fill one (1) cubic meter of space when the GAS is at an absolute pressure of seven hundred and sixty (760) millimeters of mercury and a temperature of fifteen (15) degrees Celsius.
- 1.12 “Time” shall be stated in Hours and shall mean, ‘Indian Standard Time’.
- 1.13 “Week” means a period of seven (7) consecutive Days beginning at 06:00 hours from Monday.
- 1.14 Month and Day whenever used in this CONTRACT imply that of Gregorian calendar.
- 1.15 “Year” means a period commencing from 06:00 of 1st April of a year and ending on 06:00 of 1st April of the next year.
- 1.16 Words imparting the singular only also include plural and vice-versa where the context so requires.
- 1.17 The headings and titles of Articles in this CONTRACT are for convenience and shall not be taken into consideration for interpretation.

ARTICLE - 2

PERIOD OF CONTRACT

- 2.01 Notwithstanding date of execution, Parties agree that this CONTRACT shall come into force with immediate effect. The supply of GAS under this CONTRACT will commence within 3 months from date of award. The tenure of this CONTRACT shall be for a period of Two Years (2) years from commencement of Gas Sale (such period hereinafter referred as **Term**).
- 2.02 Both the party hereby further agree to extend the period of the contract by mutual agreement which will coincide with the validity of Production Sharing Contract signed between the SELLER and Government of India for the Hazira Field.

- 2.03 If Seller wants to terminate the contract, the same can be done by giving advance notice of 3 month to the Buyer.

ARTICLE - 3

EXTENSION OF PERIOD OF CONTRACT

- 3.01 If any of the Parties hereto desire an extension of period of CONTRACT it shall give to the other Party a prior notice in writing of its such intention at least one (01) month before the expiry of the period stipulated in Article 2.01 where upon the period may be extended on such terms and conditions and duration as may be mutually agreed upon. Provided further that the renewal of the CONTRACT shall be finalized and executed between the Parties at least fifteen (15) days before the expiry of Term in Article 2.01.

ARTICLE - 4

DELIVERY OF GAS

- 4.01 The GAS shall be delivered from the Hazira Delivery Point to the BUYER. The BUYER will be responsible for receipt of GAS as delivered by the Seller at the Hazira Delivery Point.
- 4.02 NOT USED.
- 4.03 GAS metering station at the Hazira Delivery Point shall be constructed and operated by the SELLER at its own expense.
- 4.04 The BUYER shall make all proper and adequate arrangements for receiving GAS at Hazira Delivery Point at its own risk and expense and any defect arising in the receiving equipment shall be rectified by the BUYER.
- 4.05 The title to GAS shall pass from the SELLER to the BUYER at the Hazira Delivery Point.
- 4.06 The SELLER shall supply GAS to the BUYER at a gauge pressure of about thirty-eight(38) Kg/cm² at the Hazira Delivery Point.

ARTICLE - 5

QUANTITY OF GAS

- 5.01 The SELLER agrees to sell and deliver GAS, to the BUYER a quantity approximately upto Thirty Thousand (30,000) Standard Cubic Meters per day. In case higher volume of Gas is available, the same shall be given to BUYER at the Contract price.
- 5.02 Parties agree that during the Term of this CONTRACT, the supply of gas shall be on a best efforts basis or reasonable endeavour basis and therefore the sale and purchase of Gas shall not be on a take or pay basis nor with any compensation for delivery default by SELLER.

ARTICLE - 6

QUALITY OF GAS

- 6.01 The quality of GAS to be delivered to the BUYER will conform to the specifications laid down in Annexure I hereto which shall form part of this CONTRACT.

ARTICLE -7

SAMPLING OF GAS

- 7.01 Sampling of GAS shall be done according to ASTM method D-1145-53 titled "Sampling of Natural GAS" as contained in ASTM committee report of September 1953 and such modification thereof as may be made in future reports published by this authority, which will be binding to the parties hereto.
- 7.02 For the purpose of Sampling of GAS,
- a) Online gas chromatograph is available for analysis of GAS for daily certification of quality and quantity of gas. Data of the same will be shared by the SELLER with the BUYER on mutually agreed frequency
 - b) Sample shall be jointly analyzed by the SELLER and the BUYER in an independent laboratory acceptable to both the parties for any other parameter not available from gas chromatograph on mutually agreed frequency but not earlier than monthly basis.
 - c) The SELLER/BUYER shall give forty-eight (48) hours advance notice to the COUNTER PART to depute his representative to be present at the time samples are taken and GAS analyzed.

It is also agreed that if the BUYER's/SELLER's representative fails to be present at the time of sampling and analysis even after due notice, the party remaining present will issue the quality certificate which will be binding on the other party and this matter shall not be subject to arbitration.

ARTICLE - 8

MEASUREMENT & CALIBRATION

- 8.01 The volume of GAS supplied under the CONTRACT shall be measured by flow meter installed at the GAS metering station of the SELLER. The GAS composition and net calorific value of GAS shall be as measured at SELLER'S terminal at Hazira and the same shall be applicable for the CONTRACT. The BUYER shall be permitted to install its check flow meter and GAS analyzer so as not to interfere with the operation of the SELLER. In case the variation in the measurement of the flow between the SELLER's flow meter and BUYER's flow meter is within ± 1 (One) percent, the reading of SELLER's instrument shall be taken as final. If the variation exceeds ± 1 (One) percent, the final value shall be arrived at as per the procedure, laid down in Article 8.04 below. The measurement shall include all corrections in installation practices recommended for accurate metering of GAS by AGA GAS measurement committee report No.3 and No.7 by American Gas Association (AGA) and shall be binding on the parties hereto.
- 8.02 The flow meter at SELLER's installation shall also be calibrated at a frequency to be mutually agreed upon. This shall include transmitters, RTD and print out of flow computer data of basic factors as per AGA-3 jointly taken and signed by the SELLER and the BUYER.
- 8.03 In case the BUYER has any doubt as to the accuracy of the flow meter of the SELLER, it shall inform the same to the SELLER in writing and may request for checking/calibration of the flow meter. The cost of such special test shall be borne by the BUYER unless the percentage of inaccuracy is found to be more than limits stated in Article 8.01 above.
- 8.04 If on calibration, the SELLER's meter registers a variation of more than ± 1 (One) percent or if the SELLER's meter is out of service, the following procedure in order of priority,

whichever is feasible, for arriving at the computation of quantity of GAS during the period between the last calibration and the present, shall be followed:

- I. By using recording by the check meter of the BUYER if installed and accurately registering ; or
- II. By correcting the error if the percentage of error is ascertainable by calibration, test or mathematical calculation ; or
- III. By estimating the volume of GAS delivered by comparison with deliveries during the period under similar conditions when the SELLER's meter was registering accurately.

8.05 The period to which the above correction will apply will be as under:

- I. If any period during which the SELLER's meter has malfunctioned is known or agreed upon that will be the period to which the correction is to be applied.
- II. If the period is not known the correction shall be made for a period equal to half of the time elapsed since the date of the preceding calibration test, provided the correction period does not exceed sixteen (16) days.

8.06 In any case, if at the time of calibration the meter error exceeds half percent it will be re-calibrated.

8.07 Upon the written request of the BUYER, the SELLER shall permit the BUYER to examine relevant records, charts and calculations from its metering and measuring equipment. The SELLER shall preserve all such charts, records and calculations until such time the payment covered by the invoice of the SELLER has been paid by the BUYER. And likewise upon the written request of the SELLER, the BUYER shall permit the SELLER to examine relevant records, charts and calculations from its check meter. The BUYER and the SELLER shall have the access to each other's record to ascertain the quantity of sale of GAS sold by the SELLER and bought by the BUYER. The BUYER shall preserve all such charts, records and calculations for a minimum period of one (01) year from the date of presentation of invoice by the SELLER. Provided in the event of the dispute regarding billing/payment such records shall be preserved by the BUYER/SELLER till the dispute is finally settled.

ARTICLE - 9

SHUT DOWN AND STOPPAGE OF GAS

9.01 The scheduled shutdown of GAS supply on both sides shall be limited, in each case, to a maximum of fifteen (15) days in a financial year. The Party desiring shutdown for the purpose shall give notice in writing to the other Party not later than the 31st January in each year (or by such other date as may be mutually agreed),

9.02 The BUYER shall inform the SELLER immediately about any defects in GAS receiving station and GAS pipeline downstream of the Hazira Delivery Point for complete or partial stoppage of supply of GAS.

9.03 The SELLER shall, likewise, inform the BUYER immediately about any defects in GAS installations for discontinuance or complete or partial stoppage of supply of GAS.

ARTICLE - 10

PRICE OF GAS

10.01 The price of NATURAL GAS having a Gross Heating Value (GCV) of 9500 Kilo calories shall be **GAS PRICE in MMBTU** as defined in Article 10.02 below.

10.02 The GAS PRICE in MMBTU is $P = A + B$

Bidders are requested to quote their best price "P" in USD / MMBTU on GCV Basis as per following formula for lifting gas from SunPetro's Hazira Field in Gujarat as per Scope, tender Terms and Conditions including Responsibility Matrix:

Gas Price Formula in USD/MMBTU (on GCV Basis)= Domestic Gas Price + Premium to be quoted (P)

Where,

- i. Domestic Gas Price as published by PPAC, Govt. of India on six monthly basis in USD / MMBTU (on GCV Basis)
- ii. Premium (P) to be quoted in USD by bidder over and above Domestic Gas Price

(Exchange Rate, USD to INR, shall be based on reference rates published by RBI on first working day of the applicable month (<https://fbil.org.in>))

GAS PRICE EXAMPLE:

1. Domestic Natural Gas price (As published by PPAC on six monthly basis) for October 2022 to March 2023 = USD 8.57 /MMBTU on GCV basis
2. P= Premium to be quoted by bidder = 4.2 (Say) USD/MMBTU
3. Gross Cal. value of gas = 9500 Kcal /SCM
4. Gas Price = USD 8.57+4.2 = USD 12.77 / MMBTU

NOTE:

- 1 MMBTU = 252000/9500 = 26.53 SCM
- 1 USD = 81.7417 INR (on 03.10.2022 as per RBI reference rate)

10.03 The price of natural GAS in Article 10.01 above is the price at the Hazira Delivery Point and exclusive of Sales Tax, Value Added Tax (VAT) Duties, Rates, Cess, Fee, Octroi, GST 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 which shall be borne by the BUYER over and above the aforesaid price.

10.04 In case of any doubt or clarification by the BUYER whether a particular Cess or Tax or Fee or Duty or Levy or assessment etc. or any change thereto is effective or imposed, as the case may be, the BUYER shall take up the matter directly with the concerned Central or State Government or local authority or any such other body or bodies without withholding the payments thereto due under this CONTRACT and shall inform the SELLER regarding the decision of such authorities.

The SELLER shall allow the BUYER to avail Sales Tax Exemptions/Concessions under the incentive scheme of the Government of Gujarat and/or Government of India. As provided in such incentive schemes, the SELLER shall charge Sales Tax at rate as applicable under the incentive scheme from time to time to be communicated by BUYER to SELLER.

10.05 The exchange rate (Indian Rupee vs. US \$) for purposes of this contract, as and when applicable, shall be the TT selling rate of State Bank of India published rate, referred to in Article 11.02.

ARTICLE - 11

BILLING AND PAYMENT

11.01 Not used.

11.02 The SELLER shall raise invoice on every month covering actual quantity of GAS in SCM and also in MMBTU (GCV) received at the natural GAS price as applicable from time to time as defined in Article 10 and the BUYER agrees to pay the invoice so raised in full within five (05) working days of presentation of the said invoice. Payment shall be made based on the TT selling rate of State Bank of India on the date of invoice directly to the respective bank account of the SELLER parties as provided in Annexure II. In the event the exchange rate is not available on the invoice date the rate next posted by State Bank of India shall be applicable.

11.03 In case, there is any dispute relating to billing, the BUYER shall not withhold payment. After making full payment, the BUYER shall lodge a claim before the SELLER giving full particulars within a period of fourteen (14) days from the date of making the payment and such claim, if found correct, shall be adjusted by the SELLER against the next invoice of supply of GAS, and no interest shall accrue on such adjustment by the SELLER to the BUYER.

11.04 The BUYER shall pay interest on all delayed payments at uniform rate as follows

No of Days	Interest % p.a.
First 45 days from the date of Billing	PLR + 1.5%
46 th day onwards till settlement of Bill	PLR + 2.0 %

For the purpose of Prime Lending Rate (PLR), SBI rate shall be considered.

11.05 If payment by the BUYER is not made as stipulated herein above, within sixty (60) days of raising invoice, the SELLER shall be at liberty, without prejudice to any other right the SELLER may have, to stop supply of GAS forthwith and the supplies may not be resumed until all payments in full including interest and penalty as decided by the SELLER are received by the SELLER from the BUYER.

ARTICLE – 12

BANK GUARANTEE / PAYMENT SECURITY

(a) The Buyer shall at all times from the Start Date till the expiry or termination of this Contract, open and maintain an unconditional, irrevocable Bank guarantee in favour of the Seller, with a bank acceptable to the Seller, to secure any payments as may be due and payable by the Buyer to the Seller from time to time under this Contract and in a form as shown in Annexure-IV herein and as acceptable to the Seller (hereinafter referred to as the "Payment Security").

(b) The Payment Security shall be effective and delivered to the Seller within 15 days from award of Contract / Letter of Award.

(c) The Payment Security shall be for an amount equivalent to the sum of 60 (Sixty) multiplied by daily Volume of Gas available for Sale multiplied by Price of Gas. Buyer shall bear all expenses and bank charges in connection with establishment of such Payment Security. The BG shall be valid for 3 Years and 60 days

or for One Year and 60 Days on auto renewal basis for each year and shall be renewed fifteen (15) days before its expiry of primary term (1 Year).

(i) Upon drawal:

The Buyer shall replenish, renew or replace the Payment Security such that it is, at all times, for an amount determined in accordance with the provisions of Article and should the Seller draw on such Payment Security under Article in respect of any sum owing, then the Buyer shall, within seven (7) Days of such drawal, replenish, renew or replace the Payment Security for the amount required under this Article as if no such drawal had occurred in relation to the earlier Payment Security.

(ii) Before expiry:

If the Payment Security is not renewed or replaced within fifteen (15) Days prior to its date of expiry then the Seller shall have the right to draw on the balance amount of such Payment Security before it expires.

(d) The Parties further agree that the Seller may seek revision in the face value of Payment Security at the end of each Month in case of any increase in the exchange rate and/ or Price of ten percent (10%) or more and / or increase in volume of gas and Buyer shall provide the same within seven (7) Business Days of such demand from Seller. The Buyer shall bear all charges payable to the bank issuing such Payment Security.

(e) The Seller may invoke the Payment Security if the Buyer fails to pay any sum due and payable by the Buyer under this Contract.

(f) The Seller shall have the right to assign the Payment Security to its lenders or to third parties with whom it has entered into contractual arrangements.

(g) The Payment Security shall be liable to be invoked for encashment in the event of Buyer's inability to offtake Gas on the Offtake Date.

(i) The Payment Security shall be liable to be invoked for encashment If the Buyer fails to lift the Gas as per Contract.

ARTICLE - 13

TRANSFER OF RIGHTS

13.01 The SELLER may at any time transfer or assign all its rights and obligations under this CONTRACT to any other associated company or corporation by giving prior notice in writing to the BUYER of such transfer or assignment and thereupon all its rights and obligations under this CONTRACT for supply of GAS shall stand transferred to such associated company or corporation or institution to whom the SELLER so transfers or assigns its rights and obligations.

Such transfer is permitted provided that:

- The SELLER shall settle all dues in full including interest, if any, of the BUYER and others before such transfer or assignment.
- transferee has adequate technical and financial resources to perform its obligation under the Contract, and

Likewise the BUYER may at any time transfer or assign its rights and obligations under this CONTRACT to any other associated Company or Corporation or institution by giving prior notice to the SELLER of such transfer or assignment and thereupon all its rights and obligations under this CONTRACT for purchase of GAS shall stand transferred to such associated company or corporation or institution to whom the BUYER so transfers or assigns all its rights and obligations. Such transfer is permitted provided that:

- The BUYER shall settle all dues in full including interest, if any, of the SELLER and others before such transfer or assignment.

- Transferee has adequate technical and financial resources to perform its obligation under the Contract

ARTICLE - 14

ARBITRATION

14.01 Any dispute or difference whatsoever arising out of this CONTRACT which is not settled by mutual consultation, shall be referred to Arbitration under the provision of "The Arbitration and Conciliation Act, 1996" and the rules made thereunder and any statutory modification thereof shall be applicable to this CONTRACT. The language of Arbitration shall be English. The Place of arbitration will be Ahmedabad.

ARTICLE - 15

FORCE MAJEURE

15.01 Neither party hereto shall be liable for failure to perform or for delay in performing any provision(s) of the Contract other than those providing for payment for GAS supplied, sold and purchased hereunder, if such failure or delay is caused or results from a Force Majeure. The term FORCE MAJEURE in the CONTRACT means act of God, war, revolt, civil commotion, rebellion, mutiny, riot, strike, lock out (both strike and lock out should be of global nature), fire, tempest, flood, lightening, earthquake, sabotage, accident, natural calamities, national emergency, civil disturbances, regulation or ordinance or executive order whether Central or State or Municipal or Local authorities, court stay order, breakage, bursting, and explosion in BUYER'S or SELLER'S plant/installation or any event of like nature or loss /failure of reservoir affecting deliverability of gas.

Upon occurrence of such cause and on its termination, the Parties rendered unable as aforesaid shall notify the other Party in writing within twenty four (24) hours of the beginning and ending giving full particulars and satisfactory evidence thereof.

15.03 During the period of FORCE MAJEURE the BUYER will not be required to lift GAS and SELLER will not be required to supply GAS. Provided that the BUYER shall make payment to the SELLER for actual quantity of GAS supplied during the period of Force Majeure.

15.04 Provided that in case such period of FORCE MAJEURE lasts for more than nine (9) months either party hereto shall be free to terminate the CONTRACT by a written notice of fifteen (15) days to the other Party.

ARTICLE - 16

LAWS GOVERNING THE CONTRACT

16.01 The CONTRACT shall be subject to Indian laws, rules and regulations, notifications etc. issued from time to time under these laws.

ARTICLE -17

PREVIOUS CORRESPONDENCE

17.01 All the discussions and meetings held and correspondence exchanged between the BUYER and SELLER in respect of the CONTRACT and any discussions arrived at therein in the past and before the coming into force of the CONTRACT are hereby superseded by the CONTRACT and no reference of such discussions or meeting or past correspondence will be entertained by either the SELLER or the BUYER for interpreting the CONTRACT or otherwise.

ARTICLE - 18

AMENDMENTS

18.01 Any amendments to any of the provisions of any Article/s of the CONTRACT will be proposed and sent in writing to the other Party by the Party proposing such amendment and if both the SELLER and the BUYER agree to such amendment then the same shall be incorporated in the CONTRACT and shall become binding on the Parties from the date the agreement is reached unless otherwise agreed.

ARTICLE -19

INDEMNITIES

19.01 The delivery of GAS being a continuous process, once the GAS passes the point of delivery, the BUYER shall be deemed to be in exclusive possession and control of the said GAS and fully liable and responsible for its arrangements, appurtenance and properties.

Accordingly the BUYER covenants and agrees to fully protect, indemnify and hold the SELLER, its employees, agents and successors and assigns harmless against any and all claims, all liabilities, costs, expenses, damages or losses growing out of or resulting from or incidental to or in connection therewith which may be made or brought against the SELLER whether by the BUYER, its employees, agents or successors and assigns or by third parties on account of damages or injury to property or person or loss of life or environment resulting from or arising out of the installation, presence, maintenance or operation of the intake arrangements, appurtenances and properties of the BUYER or other relating to the possession and handling of any GAS supplied and further defend the SELLER at BUYER's sole expense in any litigation involving the SELLER.

Likewise, before the point of delivery the SELLER shall be in control and exclusive possession of GAS and shall be fully liable and responsible for its arrangements, appurtenances and properties. Accordingly the SELLER Covenants and agrees to fully protect, indemnify and hold the BUYER, its employees, agents and successors and assigns and harmless against any loss or damage and all claims, demands, actions, suits, proceedings and judgments and any and all liabilities, cost, expenses, damages or losses arising out of or resulting from or incidental to or in connection therewith which may be made or brought against the BUYER whether by the SELLER, its employees, agents or successors and assigns or by third parties on account of damage or injury to property or a person or loss of life resulting from or arising out of the installation, presence, maintenance or operation of the supply arrangements, appurtenance and properties and GAS metering station of the SELLER and the possession and handling of any GAS received and further defend the BUYER at SELLER's sole expense in any litigation involving the BUYER.

ARTICLE - 20

ADDRESS OF PARTIES

20.01 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, shall be as follows:

THE SELLER

President
Sun Petrochemicals Pvt Ltd
8th Floor, ATL Corporate Park
Opp. L&T Gate no. 7, Saki Vihar Road
Chandivali, Powai, Andheri, Mumbai – 400072
Tel:9122-69325300

THE BUYER (Name & Address of Buyer)

ARTICLE – 21 SUSPENSION AND TERMINATION

A. Suspension: Without prejudice to any other rights and remedies, Seller may suspend delivery of Gas, upon five (5) Business Days' notice to Buyer, in any of the following circumstances:

- (i) Buyer's failure to make payments in full when due;
- (ii) Buyer's failure to establish, maintain or renew the Bank Guarantee as required herein;
- (iii) where suspension is required due to Law or in the event of any defect or unsafe operation in the Buyer's Facilities or downstream of the Delivery Point;
- (iv) Buyer's breach of its representations set out under this Agreement;
- (v) Buyer's breach of Anti Bribery obligations set out under this Agreement; or
- (vi) the occurrence of any termination event under Clause 21(B) (and without, for the avoidance of doubt, any need to await the expiry of any notice, cure or grace period provided for therein).
- (vii) if the Buyer, its Affiliates, or associated persons become a Restricted Party.
- (viii) If the Buyer fails to lift the Gas except scheduled shutdown period (not exceeding 15 days) as per Article 9, clause no.9.01

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, except for event mentioned under Clause 21(A)(iii). Seller shall resume delivering Gas as soon as reasonably practicable following the cure of the events listed above and in any case within forty-eight (48) hours of such cure.

B. This Agreement may be terminated by the Seller if the Buyer:

- (a) fails to pay any amount in full within thirty (30) days after the due date
- (b) commits any material breach of this Agreement, and if that breach is capable of remedy, fails to remedy such breach within thirty (30) Days of receipt of written notice from the Seller of that breach; or
- (c) fails to remedy within five (5) days following suspension of the Agreement in accordance with clause 21(A)(ii) in the event the Bank Guarantee as required herein has expired.
- (d) becomes insolvent or bankrupt or makes a composition or arrangements with its creditors; is wound up or a resolution for its winding up is made (other than for the purposes of an amalgamation or reconstruction while solvent); has a liquidator, provisional liquidator, receiver, administrator or an administrative receiver or manager of its business or undertaking appointed, then the Seller may, without prejudice to any claim, remedy, suit or right of action that the Seller may have against the Buyer, terminate this Agreement by giving at least ninety (90) Days' notice in writing to that effect;

Without prejudice to any claim, remedy, suit or right of action the Seller may have against the Buyer, Seller shall have the right to terminate this agreement upon five (5) Days' notice to Buyer (or such shorter period as may be necessary in the circumstances) upon termination of the PSC or cancellation of any or all of the applicable petroleum mining lease(s).

C. The termination of this Agreement shall be without prejudice to the rights and obligations of the Parties up to and including the date of such termination and shall not affect or prejudice any provisions of this Agreement that is expressly or by implication provided to come into effect on, or continue in effect after, such termination.

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

WITNESS FOR & ON BEHALF OF THE SELLER
Sun Petrochemicals Pvt Ltd

1.

2.

WITNESS FOR & ON BEHALF OF THE BUYER

1.

2.

ANNEXURE - I

SPECIFICATION OF GAS

The GAS shall have the following limits of Composition at the Hazira Delivery Point:

I	Methane	Not less than 92% by volume.
II	Other Gaseous Hydrocarbons	Not more than 6% by volume
III	Non-combustible gases other than Hydrocarbons including Nitrogen, Carbon Dioxide	Not more than 2% by volume
IV	Total Sulphur content as H ₂ S	4 ppm vol. (Max)
V	Moisture content	No free water will be present
VI	Gross Calorific Value	9500 Kcals / SCM

SELLER'S BANK DETAILS**Sun Petrochemicals Pvt. Ltd.**

Bank Name :	ICICI Bank Ltd
Address 1 :	FREE PRESS HOUSE
Address 2 :	215, NARIMAN POINT
Address 3 :	
City Name :	Mumbai
Pin Code :	400021
Account Title :	Sun Petrochemicals Pvt Ltd-Hazira
Beneficiary Account type	CURRENT
Beneficiary Account Number	000405061618
IFS code	ICIC0000004

Bid Evaluation Criteria (BEC)

1. Each Bidder shall be required to meet the following basic eligibility criteria in order to participate in the auction process:
 - i. Be an entity registered under the Companies Act 1956 / Companies Act 2013 / Multi State Cooperative Societies Act, 2002 / Indian Partnership Act 1932 / Limited Liability partnership Act 2008;
 - ii. Be ready to consume or offtake natural gas on the Start Date through chosen evacuation methods;
 - iii. Details of proposed evacuation method/ route along with schematic to be included in relevant Form C2 and C3 during submission for technical evaluation;
2. Should be engaged in the business that involves either the consumption or the sale and purchase of natural gas;
3. Average Turnover for Bidder during last three Financial Years shall be minimum INR 10 CR.
4. The bidder should be very well conversant with oil & gas business and must be associated with at least one such type of business for atleast 3 year
5. Networth shall be positive for last 3 financial year.

PROFORMA OF PERFORMANCE BANK GUARANTEE

TO: Sun Petrochemicals Private Limited, a Company incorporated under Company's Law 1956 and having its office at 8th Floor, ATL Corporate Park, Opp. L&T Gate no. 7, Saki Vihar Road, Chandivali, Powai, Andheri, Mumbai – 400072. India. (hereinafter referred to as "**Company**").

WHEREAS:

- (1) By an Contract for ----- (here in after referred to as the "**Contract**") between _____ hereinafter referred to as the "**Contractor**") of the one part and Company of the other part, the Contractor agrees to perform the Work in accordance with the Contract.
- (2) In response to the request made by Contractor, we (Name of Banker:) _____ (hereinafter referred to as the "**Guarantor**") hereby irrevocably and unconditionally guarantee in favour of Company, the payment of amounts (without any withholding, deduction or set off) upto _____ (Rupees _____) being ----% **of the estimated / Annualized Contract value**, as guarantee for the obligations of the Contractor to perform the Work in accordance with the Contract. The sum shall become payable by us immediately on first demand by Company without proof or conditions notwithstanding any dispute or protest by the Contractor or any other third party. Multiple demands may be made in respect of our guaranteed obligations.
- (3) We shall not be discharged or released from this Guarantee by any waiver, modification, Contract made between the Contractor and Company with or without our consent or by any alteration in the obligations undertaken by the Contractor or by any forbearance whether as to payment, time performance or otherwise, or by any change in name or constitution of Company or the Contractor.
- (4) This Guarantee is a continuing security and, accordingly, shall remain in operation for six months after the completion / termination of the Contract.
We agree that the Guarantee is given regardless of whether or not the sum outstanding occasioned by the loss, damages costs, expenses or otherwise incurred by Company is recoverable by legal action or arbitration.

The rights under this Guarantee shall be assignable by Company to third parties, if required. This Guarantee shall be governed by and construed in accordance with the laws of India and courts of Mumbai shall have exclusive jurisdiction..

The Guarantee herein contained shall not be determined or affected by the liquidation or winding up, dissolution or changes or constitution or insolvency of the said Contractor but shall in all respects and for all purposes be binding and operative until payment of all money due to you in respect of such liabilities is paid.

IN WITNESS where of this Guarantee has been duly executed by GUARANTOR the _____ day of _____ 201__ or and on behalf of (_____).

Name : _____
Designation : _____
Banker's Seal : _____
Address : _____

BID BOND FORMAT

TO: Sun Petrochemicals Private Limited, a Company incorporated under the provisions of the Companies Act, 1956 and having its registered office at , 8th Floor, ATL Corporate Park, Opp. L&T Gate no. 7, Saki Vihar Road, Chandivali, Powai, Andheri, Mumbai – 400072. (hereinafter referred to as “Company” or “Seller”).

WHEREAS:

.....(hereinafter referred to as “Bidder”) has submitted a proposal dated(“hereinafter referred to as Proposal”) against **TENDER NO.:** _____ dated _____ for _____ (hereinafter referred to as the “Tender”).

NOW, THEREFORE,

- (1) In response to the request made by the Bidder, we (Name of Banker/Insurer :) _____ (hereinafter called the “Guarantor”) hereby irrevocably and unconditionally guarantee the sum of Indian Rupees _____/- (INR _____ for Indian Bidders) and US \$ _____ United States Dollars _____ only – for Foreign Bidders) in favor of Company, if Bidder fails to perform its obligations as set forth below:
 - (i) The Bidder agrees to keep the Proposal open for acceptance by Company during the period of validity (180 days from the Closing Date) specified in the Tender.
 - (ii) The Bidder, having been notified of acceptance of its Proposal by Company during the period of Bid / Tender validity:
 - (a) Fails or refuses to execute the agreed CONTRACT, if required; or
 - (b) Fails or refuses to furnish the Performance Bank Guarantee in accordance with the format provided in the Tender document; or
 - (c) Seeks Variation or modification of Proposal; modifications to the agreed terms and conditions
 - (d) Tries to influence Company on bid evaluation, bid comparison or Contract award decision.

The sum shall become payable by us immediately on first demand by Company without proof or conditions notwithstanding any constitution or protest by the Bidder or any other third party.

- (2) Company shall have the fullest liberty without our consent and without affecting in any manner, our obligation hereunder, to relax any of the terms and conditions of the aforesaid Tender, from time to time, or to postpone any time any of the powers exercisable by Company against the said Bidder and Guarantor shall not be relieved from its liabilities by reason of any such relaxation being granted to the Bidder by Company or any indulgence by Company to the said Bidder or by any such matters or things whatsoever.
- (3) The Guarantor shall not be discharged or released from this Guarantee by any Purchase Order/ CONTRACT made between the Bidder and Company with or without the consent of the Guarantor or by any alteration in the obligations undertaken by the Bidder or by any change in name or constitution of Company or the Bidder.
- (4) The Guarantee herein shall not be affected by any change in the constitution of the Bank or the Bidder.
- (5) This Guarantee shall not be revoked during its currency, and shall remain in effect for One Hundred and eighty (180) days from the Tender Closing Date.
- (6) This Guarantee shall be governed and construed in accordance with the laws of India and all of the parties to this Guarantee hereby irrevocably submit to the non-exclusive jurisdiction of the High Court of Mumbai.

IN WITNESS whereof this Guarantee has been duly executed by GUARANTOR the _____ day of _____ for and on behalf of (_____)

Name : _____
 Designation : _____
 Banker’s Seal : _____
 Address : _____

NOTE:

1. Bid bond required as Tender Security deposit /Earnest money

It is a condition precedent to the acceptance of any Bid by the Company that the Bidder shall provide a Bid Bond by means of a Bank Guarantee for an amount stated in the Invitation to Bid in the prescribed format and valid for a period of 180 days from the Closing Date. The Bid may be disqualified in the absence of a Bid Bond in the prescribed format. In providing such a Bid Bond the bank shall also undertake to issue the Performance Bank Guarantee as required by Company in the event that the Bid is accepted.

2. Conditions for Invoking of Bid Bond Guarantee

The following conditions would also lead to the invoking of Bid Bond Guarantee:

- a) If the Bid is withdrawn during the validity period or any extension thereof.
- b) If the Bid is varied or modified in a manner not acceptable to Company during the validity or agreed extension validity period duly agreed by the Tenderer or after notification of award by Company and prior to signing of the CONTRACT.
- c) If the successful Bidder is seeking modifications to the agreed terms and conditions after notification of award or declines to accept the Letter of Intent/Award.
- d) If the successful Bidder fails to furnish Performance Bank Guarantee within 15 days of the issue of the Letter of Intent/Award.
- e) Any effort by the Bidder to influence Company on bid evaluation, bid comparison or Contract award decision.

The formats for any of the Bank Guarantees shall not be changed except for any minor variations that the Bank may require. Failure to comply with this requirement may entail disqualification of the Bidder.

LIST OF APPROVED BANKS

Guarantee issued from following banks will be accepted as PBG/SD/EMD/BID BOND

1. All Nationalised Banks including Public Sector Banks-IDBI Ltd
2. Scheduled Private Sector Banks such as
 - I. Kotak Mahindra Bank
 - II. Yes Bank
 - III. RBL Bank (The Ratnakar Bank Ltd)
 - IV. IndusInd Bank
 - V. Karur Vysya Bank
 - VI. DCB Bank
 - VII. Federal Bank
 - VIII. South Indian Bank
 - IX. Axis Bank,
 - X. ICICI Bank
 - XI. HDFC Bank