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Model Gas Supply Agreement

This AGREEMENT made on _____ day of _____ Two Thousand Twenty Two at _____ between OIL AND NATURAL GAS CORPORATION LTD., a company incorporated under the Companies Act 1956, having its Registered Corporate Office at Deendayal Urja Bhawan, 5 Nelson Mandela Marg, Vasant Kunj New Delhi 110070, and one of its Asset Offices at _____ Asset, _____, (Name of State) hereinafter referred to as "SELLER" or "ONGC" (which expression shall, where the context so requires or admits of, be deemed to include its successors or assignees) of the ONE PART and M/s. _____ (Name of consumer) {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 the BUYER desires to purchase and receive "NATURAL GAS" from the SELLER as per their Bid Acknowledgement No _____ and the SELLER agrees to sell and deliver to the BUYER Natural gas as produced in its natural state or after stripping of heavier components for other uses, obtained from _____ (Name of field) of SELLER delivered at ONGC Installation <Name of Installation to be inserted>, Dist. _____, (Name of State) for the purpose of ----- <usage of gas> in the facilities of the BUYER located near _____ Field in the state of _____ on the terms and conditions stated in the Bid document for the _____ field and terms and conditions stated here under which have been mutually agreed upon between the SELLER and the BUYER.

NOW THIS DEED WITNESSES AS FOLLOWS,

Article 01

DEFINITIONS AND INTERPRETATIONS

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

01.01. "Time" shall be stated in "Hours" and shall mean 'Indian Standard Time'.

- 01.02. "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.
- 01.03. "Week" means a period of Seven (7) consecutive days beginning 0600 hours from a day.
- 01.04. "First Fortnight" means a period commencing at 0600 hours on first day of Month and ending on 0600 hours on sixteenth day of the Month and a "Second Fortnight" means a period commencing at 0600 hours on sixteenth day of the Month to 0600 hours on the first day of the succeeding calendar month.
- 01.05. "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.
- 01.06. "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.
- 01.07. "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 31st March of the next succeeding year. 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 a year to the last date of delivery.
- 01.08. "Year", "Month" and "Day" wherever used in this Agreement imply that of Gregorian Calendar.
- 01.09. "Affiliate" has the meaning ascribed to it in Article 16.02.
- 01.10. "Agreement" means the term and conditions set out in this Agreement, Schedule A, Schedule B, Schedule C, Schedule D and Schedule E; and Appendices.
- 01.11. "AGA" means American Gas Association.
- 01.12. "ASTM" means the American Society of Testing Materials and "ANSI" means American National Standard Institute;
- 01.13. "Annual Contract Quantity" (ACQ) has the meaning ascribed to it in Article 05.05.
- 01.14. "Annual Shortlifted Quantity" has the meaning ascribed to it in Article 6.01.1;
- 01.15. "Contract Gas Price" means the price to be paid by the BUYER to the SELLER for one MMBTU of Sellers Gas delivered by the SELLER to the BUYER hereunder as set forth in Schedule B;
- 01.16. "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);

- 01.17. "Daily Contracted Quantity" (DCQ) has the meaning ascribed to it in Article 05.01.01
- 01.18. "Delivery Point" means the point at which the Parties agree deliveries of Seller's Gas shall be made under this Agreement as set forth in Article 04.01 and 04.06;
- 01.19. "Delivery Commencement Date" means the date for the commencement of deliveries of SELLER's Gas hereunder as set forth in Article 02.01 and Schedule A of this Agreement;
- 01.20. "Due Date" has the meaning as ascribed to in Article 14.02 of this Agreement;
- 01.21. "Expiry Date" means the date on which the Term of this Agreement expires as set forth in Schedule A;
- 01.22. "Outside Expert Committee" has the meaning ascribed to it in Article 17 of this Agreement;
- 01.23. "Offtake Window" means a period of 270 days, from Date of NOA, which would be provided to the Buyer to start off-take of gas. During the offtake window, Seller and Buyer may mutually agree for a start date for gas offtake. During such period, Seller shall have no obligation to supply Gas (or liability for failure to supply Gas) and Buyer shall have no obligation to take Gas (or liability for failure to take Gas) under Article 06.
- 01.24. "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;
- 01.25. "Gross Heating Value" or "Gross Calorific Value", ("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;
- 01.26. "Invoice" means & includes a document containing calculations sent by SELLER to BUYER pursuant to Article 14.01.
- 01.27. "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.
- 01.28. "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;
- 01.29. "MCF" means one thousand (1,000) SCF of Gas;
- 01.30. "MCM" means one thousand (1,000) SCM of Gas;
- 01.31. "Measurement Point" shall mean the point where the flanges connect the Seller's sales measuring equipment to the Buyer's Pipeline;
- 01.32. "Million Kilo Calories" or "MKCal" means one million Kilo Calories;

- 01.33. "MMBTU" means one million (1,000,000) British thermal units (BTU);
- 01.34. Deleted
- 01.35. "MMSCF" means one million (1,000,000) Standard Cubic Feet of Gas;
- 01.36. "MMSCM" means million (1,000,000) Standard Cubic Meter of Gas;
- 01.37. "MPMS" means Manual of Petroleum Measurement Standards published by the American Petroleum Institute;
- 01.38. "Net Heating Value" or Net Calorific Value 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.
- 01.39. "Party" means BUYER or SELLER and "Parties" means both BUYER and SELLER;
- 01.40. '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;
- 01.41. "PSIA" means a unit of pressure expressed in pounds per square inch absolute;
- 01.42. "PSIG" means a unit of pressure expressed in pounds per square inch gauge;
- 01.43. "Quantity" has the meaning ascribed to it in Article 05;
- 01.44. "SCF" means standard cubic foot of Gas;
- 01.45. "SCM" means standard cubic meter of Gas;
- 01.46. "Security Deposit" means the irrevocable Letter of Credit (L/C) or Unconditional irrevocable Bank Guarantees (BGs) of requisite amount, submitted by the Buyer during the bidding process.
- 01.47. "Seller's Gas" means Gas produced by the Seller from the Producing Areas for delivery and sale to Buyer hereunder;
- 01.48. "Sellers Shortfall Gas" has the meaning ascribed to it in Article 06.01;
- 01.49. "Specifications" means the specifications for Seller's Gas set forth in Schedule C;
- 01.50. "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
- 01.51. "Term" has the meaning ascribed to it in Article 02.01;
- 01.52. All references herein to persons shall where the context admits be deemed to include bodies corporate, unincorporated associations and partnerships.

01.53. Unless the context requires otherwise, in this Agreement:

- a) The headings are for convenience only and shall be ignored in construing this Agreement;
- b) The singular includes the plural and vice versa;
- c) References in Articles, Schedules and Annexures are, unless this context otherwise requires, references to Articles of, Schedules of, and Annexures to, this Agreement;
- d) 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; and
- e) The word “including” means “including without limitation”.

Article 02

TERM

02.01. This Agreement shall commence and be effective from ____ <Date of actual commencement or 15 days before expiry of offtake window, whichever is earlier> and the term of this Agreement shall be for five (in words) years <to be inserted field specific> from such date, unless terminated earlier.

02.02. BUYER shall make arrangement for receiving Gas from ONGC’s installation to their factory/premises or premises of their customers (s) <applicable for resellers> within the offtake window of 270(Two Hundred and Seventy) days from the date of NOA.

Article 03

EXTENSION OF TERM OF AGREEMENT

03.01. The Agreement will be valid till the Term of the Agreement as stipulated in Article 02.01 and will be extended further subject to availability of gas and ONGC’s ability to supply. The Agreement will be reviewed before 06 months of expiry and shall be extended further subject to gas availability by mutual agreement.

Article 04

DELIVERY POINT AND PRESSURE OF GAS

04.01. GAS shall be delivered to the BUYER at a Gas Metering Station located at SELLER’s premises at <Name of installation to be inserted>. Gas will be transported from the downstream flange of the pipeline at the outlet of the GAS metering station, hereinafter referred to as the “Delivery Point”, by means of Pipeline/dedicated pipeline/ cascade mode to be provided and maintained by the BUYER.

04.02. The SELLER shall maintain the “Gas Metering Station” constructed by the SELLER.

04.03. The BUYER shall make all proper and adequate arrangement for receiving GAS at the outlet of Gas Metering Station 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.

Notwithstanding anything contained in the Agreement, the BUYER shall be liable to pay for Annual shortlifted quantity charges of GAS as per provisions of Article 06 hereinafter to the SELLER on account of any defect whatsoever in the BUYER’s intake arrangement.

- 04.04. The Gas pipeline/ dedicated pipeline/ cascade infrastructure 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. The BUYER shall indemnify SELLER against any liabilities, causes, expenses, damages or losses as referred to in Article 24.01 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 gas off-take infrastructure for whatever reason. The BUYER shall be strictly liable for any such accident and shall indemnify and hold harmless the SELLER 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.
- 04.05. BUYER is required to follow prevalent Standards applicable for laying of his transportation pipeline from ONGC's installation to BUYER's premises and shall submit a compliance report to SELLER before commencement of Gas supply. Prior to commencement of gas supply to Buyer, Buyer is required to submit the required statutory clearances.
- 04.06. 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 <Name of installation to be inserted>. Prior to commencement of gas supply to Buyer, the GAS metering equipment is to be jointly calibrated by Seller & Buyer.
- 04.07. Title of "GAS" shall pass from the SELLER to the BUYER at the Delivery Point. The Delivery Point shall be at the downstream flange of the pipeline at the outlet of the Gas Metering station.
- 04.08. 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 attached.

Article 05

DAILY CONTRACTED QUANTITY (DCQ) & NOMINATIONS

- 05.01. 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, as provided here under and as set forth in Schedule D of the agreement:
- 05.01.01. The Daily Contracted Quantity of gas is < to be inserted Field specific SCMD>.
- 05.02. The sum of Daily Contracted quantity (DCQ) in any Financial Year shall be the Annual Contracted Quantity (ACQ).
- 05.03. There could be a maximum of 10% variation on either side on an hourly basis from the average hourly rate.
- 05.04. Commissioning period of One Hundred eighty (180) days shall be provided to the Buyer, which would start from the date of actual commencement of gas supply. If the gas supply commences before the expiry of the Off-take window, the off-take window period will end

and the commissioning period of 180 days will start from the date of commencement of gas supply.

05.04.01. During this commissioning period, Buyer shall prepare and provide to Seller a monthly quantity of Gas at Delivery Point based on Buyer's off-take plan, prior to the 20th day of each month. At the start of the commissioning period, in case the gas off-take is to start after 20th day of any month, Buyer shall provide the Buyer's off-take plan for the ensuing month before the start of gas off-take. Further, Buyer shall provide Seller with a detailed schedule of Buyer's daily nominations for deliveries of Seller's Gas in the immediate following month ("Daily Contract Quantity"), that Buyer plan to take.

05.04.02. Such nomination (DCQ) provided by the buyer should be a minimum of 25% for initial 90 days and for next 90 days minimum of 50% of the contracted gas quantity specified under Article 05.01 from the actual commencement of gas off-take by the buyer.

05.04.03. In case buyer fails to provide nominations to the seller by 20th day of any month/before start of gas off-take, then as per corresponding provisions above, of 25% or 50 % of the contracted quantity would be considered as Buyer's nomination for the immediate following month.

05.04.04. During the first One Hundred eighty (180) days from the actual commencement of gas off-take by the buyer, the minimum Take or Pay obligations as per Article 06 shall be applicable based on DCQ provided by the Buyer to the Seller or minimum provisions as provided under Article 05.04.03

05.05. One month (30 days) prior to the completion of commissioning period and for subsequent period, before 20th day of each month during the Term, Seller shall convey Buyer a detailed schedule of Seller's daily nominations and deliveries of Seller's Gas for the following month ("Daily Contract Quantity") based on applicable Seller's Production Plan. Seller's daily nominations herein shall establish the 'Daily Contract Quantity', hereinafter called DCQ that Buyer must and such nominations shall be binding on the Buyer. The total quantity of Buyer's nomination (during first 180 days) / Seller's nomination (After 180 days from start of drawl) in the 12 Monthly Contract Quantities in Financial Year shall be the 'Annual Contract Quantity' (ACQ).

Article 06

MINIMUM TAKE OR PAY OBLIGATIONS

06.01. In determining the Annual Take or Pay Obligations, Adjusted Annual Contracted Quantity (AACQ) for any Financial Year needs to be determined and the following deductions shall be made from, the Annual Contracted Quantity (As per Article 05.05) for such Financial Year:

- i) Any quantity of Sellers Shortfall Gas (If in any Financial Year the Seller fails to supply 70% of the Annual Contracted Quantity the difference between the quantity of the Gas supplied by the Seller and 70% of the 'Annual Contracted Quantity' shall be classified as "Sellers Shortfall Gas" on annual basis;
- ii) Quantity not accepted due to Force Majeure as per the Article 12;
- iii) Quantity not taken due to Scheduled Outage pursuant to Article 09;

- iv) Quantity not taken due to gas not conforming to quality as per Article 08 and Schedule C.

06.01.01: In the event, at any time during the term of this Agreement, Buyer does not accept delivery of all seller's gas nominated by Seller pursuant to Article 05.05, Buyer agrees that:

- a. If the Buyer fails to take 70% of Adjusted Annual contract quantity (as computed in article 6.01)of seller's gas for that financial year, Buyer shall pay the average price of gas in that financial Year, for that quantity of Seller's gas represented by the difference between the 70% of Adjusted Annual Contract quantity for that financial year and the actual quantity of Seller's Gas taken by Buyer ("Annual shortlifted quantity) in that year.
- b. The amount of Annual Shortlifted quantity for any financial year, if any, shall be calculated by Seller and reflected on the supplementary Invoice for the last billing period of the Financial Year;
- c. Buyer shall pay the full amount due for the Annual shortlifted quantity within 7 days of receiving such invoice.

06.02.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.

06.03.In case of delay by the BUYER for commencement of gas off-take beyond the offtake window, then it would be presumed that gas offtake has begun and such period would be considered for Take or Pay obligations. In case gas is not offtaken by the Buyer even after one month of expiry of Offtake window period, then ONGC reserves the right to cancel the allocation and terminate this Agreement after recovery of take or pay charges (in terms of Article 06.01) accumulated till 30 days from the expiry of offtake window period.

06.04.The 'Security Deposit(s)' submitted by the Buyer should be valid for 1 (one) year from the date of - Notice Inviting Offer (NIO). The Security Deposit shall be liable for invocation on Non submission of Payment Security within 255 days from date of NOA.

Article 07

SELLER'S SUPPLY OBLIGATIONS

07.01. Seller will put effort to supply gas as per the DCQ provided inline with the Article 05 of this GSA.

Article 08

QUALITY OF GAS

- 08.01. 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 have to ensure the quality Specifications for the Seller's Gas at the Delivery Point as set forth in Schedule C (the "Specifications").
- 08.02. All Seller's Gas delivered and accepted by the 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 Laws, Regulations and Orders) 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.
- 08.03. The quality of Seller's Gas at the Delivery Point shall be verified jointly as set forth in Schedule A.

Article 09

SHUT DOWN AND STOPPAGE OF SUPPLY

- 09.01. After commencement of actual gas off-take, BUYER and SELLER may shutdown its facilities for maintenance for maximum 3 times (scheduled outages) in a Financial Year. The total shutdown period will not be more than 30 days in aggregate per Financial Year (on pro-rata basis) for both Buyer and Seller with written information to the other Party.
- 09.02. BUYER and SELLER agree to make best endeavour to synchronize the Scheduled Outages in overall interest of both the parties.
- 09.03. The party availing Scheduled Outages shall give at least 7 (seven) days' advance notice in writing to the other party of the beginning date and the duration of the Scheduled Outage.
- 09.04. The BUYER shall inform the SELLER immediately about any accident and/or defects in pipeline/ gas off-take infrastructure, 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, the provisions relating to payment of Minimum Take or pay as mentioned in Article 6 shall apply.
- 09.05. 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.

Article 10

MEASUREMENT AND CALIBRATION

- 10.01. 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.
- 10.02. 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.
- 10.03. 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.
- 10.04. The Parties agree to joint calibration of the measurement and testing devices at Delivery point in the frequency set forth on Schedule A.
- 10.05. 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.
- 10.06. 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.
- 10.07. Either Party may challenge the calibration of a measurement device by advancing to the owner of such measurement device double the cost of retaining an Expert to test the calibration. If the recalibration test results confirm the measurement equipment is outside of acceptable parameters, the advance shall be returned by the owner and the owner shall pay the costs of the recalibration. If the recalibration test results confirm the

measurement equipment is properly functioning, the owner shall be entitled to pay the costs of the recalibration from the advance and retain the balance of the advance.

10.08. 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 referred to a Sole Expert as per the provisions of Article 17 (Dispute Resolution).

10.09. The Parties agree to validation of the measurement and testing devices at Delivery Point every 2/3 Years by an accredited inspector in accordance with normal practices.

10.10. 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 11

SAMPLING OF GAS

11.01. 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.

11.02. The representative sample of GAS shall be collected from the pipeline near the gas Delivery Point at least once for each billing period. SELLER will be intimated for sampling. The sample will be analyzed in SELLER's laboratory.

11.03. 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.

11.04. The quality of the Seller's Gas delivered shall be as indicated in Schedule C.

Article 12

FORCE MAJEURE, ETC.

12.01. Neither Seller nor Buyer shall be responsible for any failure or delay in fulfilling the relevant obligations under this Agreement, as a result of Force Majeure, except in relation

to obligations of BUYER to make payments under the Agreement. The term “Force Majeure” shall mean unavoidable causes reasonably beyond the control and without the fault or negligence of either party such as acts of God or sabotage, fires, floods, cyclones, typhoons, earthquakes, wars (declared or undeclared), hostilities, invasion, blockades, riots, pandemic, epidemics, quarantine restrictions, 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. In case of Force Majeure, the Parties agree to notify Force Majeure within forty-eight [48] hours of the occurrence.

12.02.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.

12.03.For the purposes of this Article, and without limitation to the generality of Article 12.02, a cause shall be treated as being reasonably beyond the control of the SELLER if it arises or results from:

- a) any requirement by any Government or Government agency for SELLER’s Gas deliverable hereunder to be delivered by way of royalty in kind or otherwise; or
- b) 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.

12.04.In the event of Force Majeure, the Party asserting the claim of Force Majeure shall provide notice promptly and in no case later than forty-eight [48] hours after the occurrence of event of Force Majeure, notifying the other Party with respect to the ongoing Force Majeure event, giving full particulars of the Force Majeure, the estimated duration thereof, the obligations affected, the reasons of its suspension, reasonable steps taken to mitigate the effect of such Force Majeure event and its ability to recommence performance of its obligations under the Agreement as soon as possible.

12.05.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.

12.06.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.

- 12.07. 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.
- 12.08. Notwithstanding anything contained in Article 02 (Term), in the event Force Majeure condition continues and remains un-remedied for period of [90] days, the SELLER shall have sole discretion to terminate the AGREEMENT without any liability on his part, on this account, upon giving [30] days' notice to Buyer.
- 12.09. 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 13

PRICE OF NATURAL GAS

- 13.01. The price of gas shall be as set forth in Schedule B of the Agreement.
- 13.02. 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 Central or State Govt. or local authority or any such other body or bodies concerned without withholding the payments thereto invoiced under this Agreement to SELLER and shall inform the SELLER regarding the decision of such authorities.

Article 14

BILLING AND PAYMENT

- 14.01. SELLER shall raise an invoice on BUYER in Indian Rupees, on fortnightly basis for the Gas delivered in SCM or MMBTU during the period, specifying 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. Details of Short-lifted quantity and amount towards short lifted quantity, if any; and
 - VI. Applicable taxes, and levies 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; and
- 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.

14.02. BUYER shall pay the amount due in the invoice 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, by the following Due Dates:

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

14.02.01 Invoice of Annual Short lifted Quantity, if any, shall be raised at the end of Financial Year.

14.03. The Seller shall calculate the Price of gas delivered at the Delivery Point in accordance with Article 13.01 based on the calorific value 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 calorific value 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.

14.04. 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.

14.05. BUYER shall arrange remittance of the Amount Due and other amounts due on the Supplementary Invoices on or before the Due Date specified herein in 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.

14.06. If either or both of Buyer's banks and/or Seller's banks are closed on the Due Date the payment will be made on the day previous to the aforesaid Due Date.

14.07. If Buyer's banks and Seller's banks are closed for two consecutive days or more, any payment due on the first day shall be made on the day prior to the Due Date of payment and any payment due on the second day or following day shall be made on the first working day following such closure.

14.08. In case of unscheduled closure of either or both Buyer and/ or Seller's banks on the Due Date, the payment will be made on the following working day.

14.09. Notwithstanding anything contained in Article 14.03 to 14.06, in case payment Due Date falls on Saturday, payment shall be made on immediately preceding Friday whereas when payment Due Date falls on Sunday, payment shall be made on immediately following Monday.

- 14.10. In case of non-receipt of payment within Due Date as per Sub-Article 14.02, Seller shall recover the same from the Payment Security provided to Seller.
- 14.11. 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, matter shall be resolved in accordance with Article 17.
- 14.12. **Security of payment against gas supply:** At least 15 days prior to Scheduled Commencement date (mentioned in the RFP), the BUYER shall submit irrevocable and without recourse Letter of Credit (hereinafter referred to as L/C) for _____ from any Nationalized/Scheduled Commercial Bank at _____ (name of Place) in favour of the SELLER as per Format provided in Schedule E (in case of scheduled commercial private sector bank minimum AA credit rating from any of ICRA/CRISIL/CARE/IND-RA will be required). This L/C value shall be equivalent of 30 days of gas supply calculated on DCQ (as specified in Article 05.01) and multiplied by price of the gas as specified in Schedule B of the Agreement considering the gross calorific value (GCV) of gas to be supplied by the Seller (All applicable taxes and duties etc. shall be added to the applicable price of gas). The L/C should be valid for one year period. Gas supply to the consumer shall not commence unless L/C towards payment security is furnished.
- 14.13. If the L/C is en-cashed for three or more times in a Financial Year due to any reason attributable to the Buyer, then the Buyer shall maintain a L/C of 125% value of the original L/C amount to provide higher payment security. In case of Payment security is provided from a scheduled commercial private sector bank then the requirement of AA credit rating of the bank would be checked at the time of first time submission and subsequent renewal thereof.
- 14.14. During the term of the Agreement, the L/C amount shall be based on rolling average of the conversion rate of USD vis-à-vis INR for the preceding 3 (three) months and based on average gas off-take quantity for the preceding 3 (three) months. L/C amount shall have to be revised if the amount so calculated varies by more than 10% on either side in a month. First such revision shall be due at the start of the fourth month from the commencement of the Agreement.
- 14.15. 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 Contract, validity of the L/C submitted is at least till four months beyond the Term of Contract. In case of failure to extend the validity of L/C by the BUYER, 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 stop the supplies for not keeping the L/C valid without any prejudice to the rights of SELLER to recover for Annual MGO charges with regard to annual short-lifted quantity as per Article 6 of the Agreement.
- 14.16. **Bank Transfer:** Though the preferred mode of Payment Security for ONGC is providing L/C as above, as an alternate option, Bidder may choose to provide Payment Security by way

of Bank Transfer of the same amount as determined at Article 14.12 above. However, such deposit will not be considered as advance payment and will not carry any interest.

Payment Security shall be provided either in form of L/C or Bank Transfer (through electronic transfer). However, combination of both would not be allowed.

Other terms of the L/C as provided at 14.12 to 14.15 above will also be applicable to Payment Security provided in the form of Bank Transfer. Such Payment Security shall be released by ONGC Four months after the expiry of the contract and after making adjustments towards outstanding amounts, if any.

14.17. The bank charges, commissions, etc. required to maintain the Payment Security as per above provisions shall be borne by the Buyer.

Article 15

CHANGE IN LAW, RULES AND REGULATIONS

15.01. Parties agree that if during the currency of this Agreement, there is any change, either by way of introduction of any new, or amendment in the existing, Laws, Rules, Regulations, Orders, directives, policies of the Government of India, the same shall be binding on both the parties and such change shall not be a ground for amending or avoiding the Agreement.

Article 16

TRANSFER OF RIGHTS

16.01. 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.

16.02. Subject to Article 16.03 and Article 16.04, a Party may assign its rights and transfer its obligations under this Agreement to its Affiliate with the prior consent of the other Party, which shall not be unreasonably withheld. Provided that:

16.02.01. 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" meaning ownership of more than fifty percent (50%) of the equity share capital or voting rights of such Party;

16.02.02. such affiliate has the ability to perform all obligations of the Party under the Agreement; and

16.02.03. such affiliate expressly assumes such obligations.

16.03. Provided that such request of BUYER will only be considered if the proposed Assignee fulfills the techno-commercial criteria, prescribed in the RFP at the time of submission of such request.

16.04. 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 ONGC under this Agreement, to an Affiliate, BUYER shall obtain prior permission of the SELLER for such transfer or assignment.

16.05. Acceptance of request for transfer/assignment shall be subject to approval of Government Rules/Regulations and guidelines.

Article 17

DISPUTE RESOLUTION

Except as otherwise provided elsewhere in the contract, 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 contract or breach thereof shall be referred to "Resolution of disputes" as provided below:

17.01. 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.

17.02. SOLE EXPERT

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 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 a sole expert. In the event that the Parties fail or are unable, to agree on an Expert within 30 days or such longer period as may be mutually agreed by Parties, the matter shall be referred to Arbitration pursuant to this Schedule. 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 crude oil, Natural 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.

17.03. If such disputes or differences cannot be settled amicably within ninety (90) 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 for decision as hereinafter provided-

17.03.01. For 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.

17.03.02. Other than Pubic 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 [_____], (Rajasthan)] provided that the Arbitrator may with the consent of the Parties agree upon any other venue. The language of arbitration shall be English.

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 18

TAXES AND DUTIES

- 18.01. All applicable taxes and duties including VAT, Sales Tax, octroi, entry taxes, Cess, TCS, GST, service tax and excise 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 and duties along with price of the gas. In case of interstate sale Buyer shall be obligated to provide Form C promptly to enable timely submission by the Seller to the relevant tax authorities, failing which differential tax along with interest and penalty, if any, shall be on account of Buyer.
- 18.02. 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.
- 18.03. 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.

Article 19

TITLE AND RISK

- 19.01. Title and risk in the Seller's Gas shall pass from Seller to Buyer at the Delivery Point i.e. at the downstream flange of the pipeline at the outlet of the Gas Metering Station. 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 and shall indemnify Seller

against any damages or injury resulting from the transportation, handling or use of the Seller's Gas.

Article 20

LAWS GOVERNING THE AGREEMENT

20.01. 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. Courts at _____ (_____ State) shall have exclusive jurisdiction on the matters arising under the Agreement.

Article 21

RESTRICTIONS ON USE OF GAS

21.01. Buyer is entitled to use the gas for any purpose other than those contemplated in the Bidding document/GSA. Prior to changing the usage of gas, intimation by the BUYER through Email/Fax/Letter shall be given to SELLER.

21.02. BUYER shall not misuse the gas or use it for any anti national activity/anti-social activity. If the Buyer does so, ONGC will not be liable for such misuse or such activity and shall be entitled to stop the gas forthwith as soon as it comes to the notice of ONGC.

Article 22

PREVIOUS CORRESPONDENCE

22.01. 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 23

AMENDMENTS

23.01. Subject to Article 15, 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 SELLER and the BUYER agree to such amendment then the same shall be incorporated in the Agreement and shall become binding on the parties as such from the date the agreement is reached, unless otherwise agreed to.

Article 24

INDEMNITIES

24.01. Any loss, damage, liability, cost and/or expense related to:

a) any injury to, ill health, disease or death of an employee or a contractor or subcontractor of a Party (or any employee of such contractor or sub-contractor); and/or

b) actual physical loss of or to Party's facilities;

which is caused by either Party's operations at or near the Delivery Point, shall be borne by the Party causing such loss, damage and cost of the Party which has engaged the relevant employee or contractor or sub-contractor, causing such loss or, damage and the Party causing such loss, damage, liability, cost and/or expense shall defend, indemnify, hold harmless and release the other Party in respect of such loss, damage, liability, cost and/or expense.

24.02. 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 Article 24.01 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 25

RIGHT TO STOPPAGE OF GAS/TERMINATION

25.01. 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, suspend deliveries of the Seller's Gas or 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; or
- 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; or
- 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; or
- iv) A Buyer event of Force Majeure continues for [90] days or more; or
- 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; or
- 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; or
- vii) A receiver is appointed for the whole or significant part of the assets or undertaking of Buyer; or

- 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; or
- 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 Producing Areas, which in the SELLER's opinion as a prudent operator was not reasonably foreseeable; or

25.02. 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) A Seller event of Force Majeure continues for [90] days or more; or
- 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; or
- 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; or
- iv) A receiver is appointed for the whole or significant part of the assets or undertaking of Seller; or
- 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; or
- 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; or
- vii) Seller has passed a resolution to apply to a competent court for liquidation; or

25.03. Subject to any other specific rights of termination contained in this Agreement, this Agreement shall continue in force for the duration stipulated in Article 02.01.

25.04. In the event of Seller suspending deliveries of Seller's Gas in any of these circumstances referred to in Article 25.01, Seller may, so long as the event continues, and in addition to any other legal remedies it may have, forthwith upon giving the appropriate notice to Buyer, terminate the Agreement.

25.05. If pursuant to the provisions of Article 25.03, 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.

25.06. Any termination of the Agreement shall be without prejudice to the rights and obligations of SELLER as accrued up to the date of termination.

25.07.Suspension:

Notwithstanding anything to the contrary express or implied elsewhere herein:

Seller (without prejudice to its other rights) may at its sole discretion either terminate the Agreement forthwith or forthwith suspend delivery under the Agreement until further notice, on notifying the other party either orally (confirming such notification in writing) or by notice in writing, if Buyer:

- i) Uses gas for activities which are anti-national or anti-social activity or against public interest.
- ii) Any reduction in availability of SELLER's Gas deliverable hereunder, including adverse reservoir behavior in the Producing Areas, which in the SELLER's opinion as a prudent operator was not reasonably foreseeable;

Article 26

CONFIDENTIALITY

26.01. Subject to the further provisions of this Article 26, 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").

26.02. Notwithstanding Article 26.01, either Party may disclose information that would otherwise be Confidential Information if and to the extent:

- i) Required by law; or
- 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; or
- 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; or
- iv) The Confidential Information is already in the public domain through no fault of that Party; or
- v) The other Party has given prior written approval to the disclosure; or
- 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 27

NO AGENCY

27.01. 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 28

EFFECT OF ILLEGALITY, ETC.

28.01. 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 29

GOOD FAITH

29.01. 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 30

WAIVER

30.01. 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.

30.02. 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 31

CUMULATIVE REMEDIES

31.01. 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 32

ENTIRE AGREEMENT

32.01. 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.

Article 33

NO PARTNERSHIP

33.01. 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 34

PRIVITY

34.01. 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 35

APPROVALS

35.01. 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.

Article 36

CONSEQUENTIAL LOSS, LIMITATION OF LIABILITY

36.01. 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 37

REPRESENTATIONS

37.01. Without prejudice to any liability for any fraudulent misrepresentation, each of the Parties hereby acknowledge to the other Party that it has not entered into this Agreement in reliance upon any representations made by such other Party (other than any made fraudulently) and accordingly, neither Party shall have any remedy against the other Party in relation to misrepresentation.

Article 38

NOTICES

38.01. 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/ courier (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/ e-mail):
 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 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 SELLER</u>	<u>THE BUYER</u>
Asset Manager, OIL AND NATURAL GAS CORPORATION LIMITED, _____ Asset, _____, _____ (India). Phone No.: Fax. Number: e-mail:	_____ _____ _____ _____ 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
_____ Asset Manager, _____ Asset	_____
<u>Witnesses</u> 1. _____	<u>Witnesses</u> 1. _____

2. _____	2. _____
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Schedule A

Attached as Schedule A of the Gas Supply Agreement dated ----- between Oil and Natural Gas Corporation and _____

_____ Region

Production Field (s)/Area (s): [Name of field to be inserted]
Delivery Commencement Date: [Within 270 days from the Date of NOA]
Expiry Date: [.....] ___ years from actual commencement date or 15 days before date of expiry of off-take window which-ever is earlier.

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 Centre to insert)						As per NIT

Delivery Pressure: - As indicated in the RFP.

Gas quality: - To be analyzed at Seller's Laboratory, which buyer can have access.

Seller's Address: Asset Manager,

OIL AND NATURAL GAS CORPORATION LIMITED,
 _____ Asset, _____, _____.

Phone No.: (_____)

Fax Number: (_____)

e-mail:

Buyer's Address: [.....]

Contact: [.....]

Phone number: [.....]

Fax number: [.....]

e-mail:

Schedule B

Attached as Schedule B of the Gas Supply Agreement dated _____ between Oil and Natural Gas Corporation Ltd. and _____

Price:

- (a) Contract Gas price (in USD/MMBTU), rounded off to 2 decimals under this Contract shall be the higher of:
- i. Reserve Gas Price plus {Quoted premium} (to be inserted at the time of signing of GSA)
 - ii. Floor Price plus {Quoted premium} (to be inserted at the time of signing of GSA)

“Reserve Price” for any month shall be prevailing domestic gas price on GCV basis, notified by PPAC from time to time as per the “New Domestic Natural Gas Pricing Guidelines, 2014” dated 25.10.2014. “Floor Price” under this contract is USD 4.50/MMBTU on GCV basis.

In the event that the Government of India notifies some other methodology for determination of the Domestic Gas Price then the new Domestic Gas Price would be considered as the “Reserve Price” for this agreement. However, if Govt. of India discontinues notifying any Domestic Gas Price during the term of this agreement, then the last notified Domestic Natural Gas Price shall continue as “Reserve Price” for the remaining term of this contract.

- (b) The above gas price is ex-ONGC installation and is exclusive of Taxes, Duties, Cess, Service Tax, GST, TCS, Education Cess, Sales Tax/VAT, Octroi, 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/supply of GAS by Seller to the BUYER and these shall be borne by the BUYER over and above the aforesaid GAS price.
- (c) 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.
- (d) The above price in USD/MMBTU would be converted to price in INR/MMBTU on monthly basis at the RBI reference exchange rate of the month, previous to the month during which supply of gas is made. Price in INR/ MMBTU shall be rounded off to the nearest two decimal places. The RBI reference exchange rate of the month would be calculated by taking the average of the RBI reference exchange rates for all the days in the relevant period/ month for which the rate is available on the website of RBI or of the Financial Benchmarks India Pvt Ltd (FBIL). The monthly average RBI exchange rate so calculated shall be rounded off to two decimal places. The rates can be downloaded from FBIL website: <http://www.fbil.org.in>.

Schedule C

Attached as Schedule C to the Gas Supply Agreement dated _____ between Oil and Natural Gas Corporation Limited and _____.

Specifications - Gas quality:

Typical Gas Composition*	Volume (%)
1. Combustible Hydrocarbon gases:	[__%] minimum
2. Non-combustible gases other than HC:	[__%] maximum
3. Gross Calorific Value (GCV):	Not less than ____Kcal/SCM
4. Net Calorific Value (NCV):	Not less than ____Kcal/SCM

Schedule D

Attached as Schedule D to the Gas Supply Agreement dated _____ between Oil and Natural Gas Corporation Limited and _____

Profile of gas availability for Sale
<To be inserted based on field by work centre>

Period	Gas Quantity, SCMD

Schedule E

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. The face value of this Letter of Credit shall be equal to Rs _____ (Rupees _____) (Equivalent to 30 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 Annual Shortlifted 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 Annual shortlifted quantity 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. Draft / Hundi (format enclosed) drawn under the Letter of Credit (L/C) would mark the L/C Number _____ dated _____.
8. 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.
9. This Letter of Credit (L/C) shall also cover requests against partial payment and/or multiple drawings.
10. 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.
11. 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.
12. 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.
13. 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.
14. 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)

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