

GAS SALE AND PURCHASE AGREEMENT

BETWEEN

Hindustan Oil Exploration Company Ltd.

As SELLER

AND

As BUYER

FOR THE SALE AND PURCHASE

OF

NATURAL GAS

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This Agreement is made on the _____ Day of _____ 2024.

BY AND BETWEEN:

Hindustan Oil Exploration Company Limited, a company incorporated under the provisions of Companies Act, 1956, having its registered office at ‘HOEC House’, Tandalja Road, Vadodara, India, and its Corporate Office at ‘Lakshmi Chambers’, 192, St. Mary’s Road, Alwarpet, Chennai – 600 018 (hereinafter referred to as the “SELLER”)(which expression shall, where the context so requires or admits of, be deemed to include its successors or permitted assigns) of the first part

AND

_____, a company incorporated under the provisions of Companies Act, 1956, having its registered office at _____

_____, hereinafter referred to as "BUYER" (which expression shall, where the context so requires or admits of, be deemed to include its successors or permitted assigns) of the second part;

PARTIES of the first and second part are individually referred to as a "PARTY" and collectively referred to as the "PARTIES"

WHEREAS

- A. Hindustan Oil Exploration Company and Adbhoot Estates Private Limited are Joint Venture Parties to a Revenue Sharing Contract of DSF Block MB/OSDSF/B80/2016 (hereinafter referred to as “RSC”) dated-27th March 2017, with their Participating Interest 60% and 40% respectively (collectively as the “RSC Parties”). Hindustan Oil Exploration Company is the operator of the block / contract area under the RSC.
- B. Hindustan Oil Exploration Company Limited by itself and on behalf of its co-venturers is entitled to explore, develop, and produce oil and gas in MB/OSDSF/B80/2016(B80) block located in the offshore Mumbai Basin of India pursuant to a Revenue Sharing Contract executed with Government of India. Hindustan Oil Exploration Company Limited is the Operator of the said block and the liabilities of the co-venturers to the RSC/JOA are several.
- C. Following successful exploration and development efforts the B80 block is put on commercial gas production and ONGC Hazira infrastructure has been leveraged for transportation and delivery of gas to buyers.
- D. BUYER is engaged in the business of _____

Now, therefore, in consideration of the mutual covenants herein the PARTIES agree to the following:

DEFINITIONS AND INTERPRETATION

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

“AFFILIATE” means a company or a body:

- a) Which directly or indirectly controls or is controlled by a company which is a Party to this Agreement; or
- b) Which directly or indirectly controls or is controlled by a company that directly or indirectly controls or is controlled by a company which is a Party to this Agreement.

For the purpose of this definition, it is understood that "control" means:

- i) Ownership by one company of more than fifty percent (50%) of the voting securities of the other company; or
- ii) the power to direct, administer and dictate policies of the other company even where the voting securities held by such company exercising such effective control in that other company is less than fifty percent (50%) and the term "controlled" shall have a corresponding meaning.

“AGA” means American Gas Association

“AGREEMENT” means this Agreement as may be amended from time to time, including the Recitals and Annexures

“AGREEMENT PERIOD” has the meaning ascribed thereto in **Article 1.2**

“ANNUAL YEAR” Means a period of Twelve (12) Consecutive months starting from the Start Date and finishing on the first (1st) date of the same month each subsequent year

“ANSI” means American National Standard Institute

“ASTM” means the American Society of Testing Materials

“BUSINESS DAY” means each Monday, Tuesday, Wednesday, Thursday,

Friday, and Saturday (excepting second and fourth Saturday of every month) unless any of these Days is declared as a holiday in Gujarat state under Negotiable Instruments Act, 1881

“BUYER’S FACILITIES”

means all Plants, machinery, pipeline, and other equipment from the Delivery Point onwards necessary to accept and receive delivery of Gas under this Agreement including the facilities of the BUYER’s Transporter(if applicable) and/or Buyer’s customer (if applicable)

“BUYER’S TRANSPORTER”

means the entity with which the Buyer shall enter in to an agreement for transportation of Gas purchased and sold under this Agreement

“BTU” or “BRITISH THERMAL UNIT”

means the quantity of heat required to raise the temperature of one (1) pound of Avoirdupois pure water by one degree Fahrenheit (1 degree F) at sixty degrees Fahrenheit (60 degrees F) and absolute pressure of 1013.25 mbar (14.696 psi). It may be noted that “Bar” shall have the meaning defined in ISO 1000:1981(E).

“CTM”

means Custody Transfer Meter. This shall be an orifice flow meter as per AGA 3 standard

“CUBIC METERS” or “STANDARD CUBIC METER” or “SCM”

means the quantity of Gas which occupies a volume of one cubic meter at a temperature of 15⁰C under an pressure of 1.0332 kg/cm² (1.01325 Bar) absolute

“DAY”

means a period of 24 consecutive hours beginning at 06:00 hours on each day and ending at 06:00 hours on the following day and the date of any day shall be the date at its beginning, and the term "Daily" shall mean from day to day

“Degree Celsius” and “°C”

shall mean the particular interval between the actual temperature in Kelvin and the reference temperature 273.15 (two seven three decimal one five) Kelvin as defined in ISO 1000-1981(E)

“DELIVERY POINT”

has the meaning ascribed thereto in **Article 3.1**

“FINANCIAL YEAR”	The period starting from 06:00 hours of 1st April of each calendar year and ending by 06:00 hours of 1st of April of the succeeding calendar year
“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
“FORCE MAJEURE”	means what is ascribed to that expression in Article 8.2 thereof
“GAS” or “NATURAL GAS”	means a mixture of hydrocarbon Gases consisting primarily of Methane at the prevailing pressure and temperature at Delivery Point meeting Gas specifications given in Annexure-1
“GOVERNMENT” or “GOI”	means the Government of India
“GOVERNMENT AUTHORITY”	means any legislative, judicial, regulatory, executive or governmental body including any agency, department, board, instrumentality commission, office or authority of GOI, any state government in India, any local authority constituted under an act of legislature, and any other authority exercising any power or function in pursuance of an act of parliament, state legislature or under any other Law and any rules and regulations made hereunder or any political subdivision, ministry, department, agency, corporation, commission or any regional , local or municipal authority or governmental body thereof or any other governmental or statutory body under the direct or indirect control of GOI or any other State in India and shall include, without limitation any other governmental or statutory body or regulatory body having jurisdiction over the Buyer’s Transporter’s Facilities and/or Buyer’s Facilities or over the performance of any part of work or the works or any obligation of the Buyer’s Transporter and the Buyer under this Agreement ;
“GROSS HEATING VALUE (GHV)” or “GROSS CALORIFIC VALUE (GCV)”	shall mean the quantity of heat, expressed in KCAL, produced by the complete combustion, at constant pressure, of one (1) Standard Cubic Meter of Gas, with the air at the same temperature and pressure as the Gas and the products of combustion are cooled to original temperature and pressure and the water formed by combustion is condensed

to liquid state

“ISO”

means International Standard Organisation

**“KILOCALORIE” or
“KCAL”**

means one thousand calories and is equal to 3.968254 BTUs

"LAW"

means any statute, law, convention, notification, bye-law, clarification, rule, regulation, directive, ordinance, decree, order, ruling, guideline, policy, notice, circular, notification, code, or instruction or any applicable standards or requirements or any interpretation of any of them, enacted, adopted, made, promulgated or issued by a Government Authority.

**“METERING
FACILITIES”**

means the equipment installed and maintained by the SELLER which complies with the requirements of **Article 7** for measuring and recording the rate, quality, and quantity of Gas deliveries

“MMBTU”

means one million British Thermal Units

“MONTH”

means a calendar month commencing at 06:00 hours on the first day of that calendar Month and ending at 06:00 hours on the first day of the next calendar Month

“OISD”

means the Oil Industry Safety Directorate, Ministry of Petroleum and Natural Gas, Govt. of India

“ONGC”

means Oil and Natural Gas Corporation Limited.

“ONGC Facilities”

means the facilities of ONGC used by the Seller for delivering gas to the Buyer under this Agreement

“PRICE”

means the price for Gas calculated from time to time in accordance with **Article 9**

“PNGRB”

means Petroleum and Natural Gas Regulatory Board

SALES GAS

means any Gas supplied and delivered by the SELLER at the Delivery Point to the BUYER as per the terms of this

“SECOND FORTNIGHT”	<p>Agreement</p> <p>means a period from 06:00 hours on sixteenth day of any calendar month to 06:00 hours on the first day of the succeeding calendar month.</p>
“SELLER’S FACILITIES”	<p>means the B-80 field reservoir, all oil and gas processing and offshore facilities and all pipelines including transmission pipeline from</p> <p>various source field(s), point(s) including offshore and/or onshore pipeline connecting from platform/production well up to landfall/delivery point and including plants, machinery, Metering Facilities and other equipment necessary for flow control, processing, compression, measuring and testing of Gas to enable delivery of Gas to the BUYER at the Delivery Point</p>
“STANDARD METER”	<p>a flow meter used for custody transfer conforming to AGA/ISO/Other international standards</p>
“STANDARD PRESSURE”	<p>means the pressure of 1013.25 m bar absolute at 15 □ C</p>
“STANDARD TEMPERATURE”	<p>means the temperature of fifteen degrees Celsius (15 □ C)</p>
“START DATE”	<p>Means 1st April 2024 as may be fixed after completion of tendering exercise and before GSA is signed)</p>
“STATE GOVERNMENT”	<p>means Government of a State of Union of India</p>
“SUPPLEMENTARY INVOICE”	<p>means and includes a document, issued in accordance with this Agreement, containing calculations sent by BUYER to SELLER specifying:</p> <ul style="list-style-type: none"> • Calculations of charges due from BUYER to SELLER as provided under Article 10.1 of this Agreement for any previous Billing Period(s) that were otherwise not reflected in the Invoice for the Invoice issued under Article 10.1 for the relevant Billing Period. • Any other adjustments allowed for under this Agreement or pursuant to mutual agreement between Parties
“TAXES”	<p>means all present and future taxes, levies, imposts, service</p>

tax, VAT, GST, duties, cess, fees and all statutory levies of any nature whatsoever whether imposed directly or indirectly including by means of withholding by any authorized or empowered governmental, regional, local, municipal, or state authority or body of the Government instrumentality, including all penalties, charges and interest relating to any of the foregoing, which arises directly on account of Gas sale/transmission

“TIME” shall be stated in "Hours" and shall mean 'Indian Standard Time'

"YEAR" means a period of three hundred and sixty-five (365) consecutive days or three hundred and sixty-six (366) consecutive days when such period includes a twenty-ninth (29th) day of February

Interpretation

- (a) Unless the context otherwise requires, a reference to the singular shall include a reference to the plural and vice-versa, and a reference to any gender shall include a reference to all other genders;
- (b) Unless the context otherwise requires, a reference to any Article or Annexure shall be a reference to an Article of, or Annexure to, this Agreement;
- (c) In the event of any inconsistency between the main body of this Agreement and any Annexure hereto, the provisions of the main body of this Agreement shall prevail;
- (d) The headings of the Articles in this Agreement are inserted for convenience of reference only and shall not affect the meaning or construction of this Agreement;
- (e) Any reference to a document (including this Agreement) or law shall be deemed a reference to such document or law as it may be amended, supplemented, revised or modified from time to time;
- (f) A reference to a volume of Gas is a reference to the volume at Standard Pressure and Standard Temperature;
- (g) Any reference to a time of day refers to Indian Standard Time;
- (h) Any reference to any Person shall be deemed a reference to such Person's successors and permitted assigns;

- (i) The terms and provisions of this Agreement, and the respective rights and obligations of the PARTIES under this Agreement, shall be binding upon, and inure to the benefit of, their respective successors and permitted assigns.
- (j) "Year" "Month" and "Day" wherever used in this Agreement imply that of English calendar.
- (k) Any reference to MMBTU in this Agreement shall be based on the Gross Heating Value of the Gas unless otherwise specified. Calorific value of the gas shall be specified in the unit of kilo calorie per SCM or Kcal/SCM

ARTICLE-1: GAS SALE, PURCHASE AND AGREEMENT PERIOD

1.1 Gas Sale, Purchase and Transmission

The SELLER agrees to produce, sell, transport Gas, and make available for delivery of Gas at the Delivery Point to the BUYER from the Start Date and the BUYER agrees to take and pay for such Gas on a firm basis, in accordance with the terms and conditions in this Agreement.

1.2 Agreement Period

This Agreement shall come into force from the Start date and shall remain valid for a period up to **1 year from the Start Date** unless extended further in accordance with **Article 2** (Extension Period) or terminated by either PARTY upon written notice to the other prior to the expiry of the duration as provided for in **Article 13**.

- 1.3** Any amounts receivable by the SELLER from the BUYER on account of Gas supplied shall continue to be receivable by the SELLER and the BUYER undertakes not to commit default on the obligation of paying such amounts to the SELLER. The BUYER further agrees that in case of failure and/or default on its part to discharge the said obligation, the right and/or claim to receive Gas either under this Agreement or otherwise in any other manner whatsoever shall not survive and shall automatically stand forfeited and/or terminated.

ARTICLE-2 - EXTENSION OF PERIOD OF AGREEMENT

- 2.1** In the event of either PARTY deciding to extend the Agreement Period, such PARTY shall give to the other a prior notice in writing of its intention at least three months before the expiry of the Agreement Period where upon the Agreement Period may be extended on such terms and conditions as may be mutually agreed upon at that time, provided further that the extension Agreement may be finalized and executed between the PARTIES before the expiry of the Agreement Period. In the absence of such extension Agreement before the expiry of this Agreement, this Agreement shall cease to operate for all intents and purposes.

ARTICLE 3 – DELIVERY POINT AND PRESSURE

3.1 Delivery Point

- (a) Gas sold and transported to the BUYER pursuant to this Agreement shall be delivered by the SELLER to the BUYER, in a comingled stream, at any or both of the Delivery Point(s) as mentioned below (in accordance with 3.1(a)(i) and 3.1(a)(ii) below):
 - (i) interconnection point located at downstream flange of delivery pipeline originating from onshore **Hazira Gas Processing Plant of ONGC** with GAIL's HVJ Integrated pipeline; and
 - (ii) interconnection point located at downstream flange of delivery pipeline originating from **Hazira Gas Processing Plant of ONGC** with Kribhco HP Gas Metering facility.

Such delivery point is herein referred to as Delivery Point (s). Delivery Point(s) shall be notified by the BUYER from time to time.

- (b) The BUYER shall make all proper and adequate arrangement for receiving Gas at Delivery Point at its own risk and cost taking all precautions as per guidelines of OISD. The Parties agree that they will work together to ensure compliance to the existing operating procedures of the Buyer's Transporter to deliver Gas at the Delivery Point. If any defect in the BUYER's intake arrangement arises it shall be promptly rectified by the BUYER. The SELLER at its sole discretion may suspend supply of Gas as soon as any defect is noticed in the BUYER's intake arrangements.
- (c) SELLER'S responsibility shall cease once Sales Gas has been delivered to the Buyer at the Delivery Point

3.2 Title and Risk

- (a) The facilities up to the Delivery Point shall continue to be constructed, operated, and maintained by the SELLER or operated under a Gas Tolling and Processing agreement with third party at its own risk and cost.
- (b) The facilities downstream from the Delivery Point onwards shall continue to be constructed, operated, and maintained by the BUYER or BUYER'S TRANSPORTER, including any facilities owned and / or operated by an Affiliate or BUYER'S TRANSPORTER at their own risk and cost /
- (c) Title, control and risk of the Gas shall pass from the SELLER to the BUYER at the Delivery Point.

3.3 Delivery Pressure

The pressure at Delivery Point (Ex. Hazira Gas Processing Plant of ONGC) shall be as maintained by ONGC which is expected to be between 40 Bar to 50 Bar or such higher pressure that will be sufficient to deliver the Gas quantities up to DCQ in to BUYER'S TRANSPORTER pipeline downstream of Delivery Point.

ARTICLE- 4 QUANTITY OF GAS AND OBLIGATIONS

- 4.1** The SELLER agrees to transport, sell and deliver at the Delivery Point to BUYER a quantity of Gas of _____Million Standard Cubic Meters per Day (MMSCMD) which shall be deemed as the **Daily Committed Quantity (DCQ)**.
- 4.2** The SELLER shall supply and BUYER shall draw daily the quantity of Gas agreed to in **Article 4.1** at an uniform rate spread over a period of 24 (Twenty four) hours.
- 4.3** In case of default in making payments of Supplementary Invoice/Debit Note by the BUYER, the SELLER shall without prejudice to its other rights under this Agreement, be at liberty to stop/regulate supply of gas to the BUYER without any prior notice and supplies may not be resumed till all due payments are made by the BUYER.
- 4.4** If additional gas quantities are available with the Seller, then subject to acceptance by the BUYER, such quantities can be delivered and offtaken as per Clause 4.8 of this Agreement.
- 4.5** If there is a decrease in the overall production of gas from B-80 field, then the Seller will have the right to reduce the quantity supplied to the BUYER and consequently the DCQ under this Agreement will be reduced. Upon the decrease of the production levels of gas from this field, the Seller will intimate the Buyer, in writing, within [7 (seven)] days of such fall in production and the revised DCQ will be made applicable forthwith.
- 4.6 TAKE OR PAY OBLIGATION**
- i. NA
 - ii. NA
 - iii. The “**Annual Contract Quantity**” (ACQ) for each Annual Year shall be equal to the aggregate of the DCQ in effect for each Day of the Annual Year.
 - iv. The “**Adjusted Annual Contract Quantity**” (AACQ) for any Annual Year shall be equal to the ACQ for such Annual Year minus the sum of the following quantities for each Day during such Annual Year:
 - a. Any quantity of Gas up to the DCQ for the relevant Days on which the SELLER or the BUYER was / were prevented from supplying or off-taking Gas due to Force Majeure Event(s) (including Force Majeure affecting Buyer’s Transporter Facilities).
 - b. Any quantity of Gas up to the DCQ that was rejected by the BUYER in accordance with Clause 5.2 of the Agreement on account of Gas not meeting the Specifications
 - c. Any quantity of Gas upto the DCQ that could not be accepted by the BUYER on account of failure of Seller to deliver gas at the pressure specified in Article 3.3
 - d. Any quantity of Gas up to the DCQ for the relevant Days on which the SELLER or the BUYER was / were prevented from supplying or off-taking Gas due to Planned Maintenance pursuant to Clause 6.4 of this Agreement

- e. Any quantity of Gas up to the DCQ for the relevant Days that the SELLER failed to make available for delivery unless such failure was
 - i. Caused by BUYER'S failure to comply with the terms of this Agreement
 - ii. Due to exercise of SELLER'S right to suspend Gas deliveries pursuant to Clause 1.3
- v. The **"Annual Take or Pay Quantity" (ATOPQ)** for any Annual Year shall be **Seventy-Five (75%)** Percent of the AACQ.
- vi. During the duration of this Agreement, the difference between the ATOPQ and cumulative quantity of Gas off-taken by BUYER during the Annual Year is greater than zero (0), such quantity of Gas shall be called **"Annual Off-take Shortfall Quantity" (AOSQ)**. In such case, BUYER shall pay to the SELLER an amount equivalent to the AOSQ Quantity multiplied by the arithmetic average of the Sales Gas Price during the Annual Year (**"AOSQ Amount"**).

4.7 SHORTFALL GAS AND PENALTY

- i. During the duration of this Agreement the **"Annual Supply Shortfall Quantity" (ASSQ)** shall be equal to difference between Seventy-Five (75%) Percent of the ACQ after removing the following:
 - a. Any quantity of Gas up to the DCQ for the relevant Day that SELLER failed to supply due to Force Majeure of Parties
 - b. Any quantity of Gas up to the DCQ for the relevant Days on which the SELLER was prevented from supplying Gas due to Planned Maintenance pursuant to Clause 6.4 of this Agreement
 - c. Any quantity of Gas up to the DCQ for the relevant Days on which SELLER failed to supply or BUYER failed to offtake for reasons not attributable to the SELLER

and cumulative quantity of Gas supplied by SELLER in the Annual Year.

- ii. NA
- iii. The prorated ASSQ (Prorated Annual supply shortfall quantity) for the first three quarters of this agreement is called ASSQ-P. The Sellers shall provide the discount to the Buyer by way of credit note on the ASSQ-P at the beginning of the last quarter. The Price Adjustment shall be an amount equal to ASSQ-P multiplied by Ten percent (10%) of the arithmetic average Sales Gas price in USD/MMBTU on GCV basis during the first 3 quarters of the annual contract period. The rate of exchange to be applied to convert the Price adjustment amount calculated in USD to INR shall be as per Clause 9.1 (b). This Price Adjustment shall be Buyer's sole remedy for Sellers' failure to make available Sales Gas available for delivery under this Agreement.
- iv. The credit note issued in lieu of Price adjustment shall be set off against the value of invoice for the quantities off-taken by the Buyer in the last Quarter, or in case there are no quantities off-taken by the Buyer, the Quarterly price adjustment shall be paid to the Buyer. Applicable sales tax will also be adjusted through credit note issued.

4.8 ADDITIONAL GAS QUANTITY AND SUPPLIES

- i. During the duration of this Agreement, in case the SELLER has any additional volumes of Gas available at Delivery Point over and above the DCQ, SELLER may make it available to the BUYER for supplies at Delivery Point for any Day, subject to acceptance of Buyer. Such quantities of Gas supplied by SELLER and off-taken by BUYER at Delivery Point shall be termed “**Additional Gas Quantity**” (AGQ)
- ii. Any quantities of Gas supplied by SELLER and off-taken by BUYER shall first fulfill the obligation towards DCQ and any additional quantities of Gas supplied by SELLER and off-taken by BUYER over and above DCQ shall be towards AGQ
- iii. Notwithstanding anything to the contrary in this Agreement, provisions of Clause 4.6 and Clause 4.7 shall not be applicable to AGQ at any time.

ARTICLE - 5 - QUALITY OF GAS

- 5.1 The quality of Gas to be delivered to the BUYER shall be similar to typical output gas specification at ONGC Hazira Delivery Point indicated in Annexure 1.
- 5.2 If Gas delivered by the SELLER to the BUYER fails, at any time, to conform to the quality specifications provided in **Annexure-1** hereto, the BUYER shall notify the SELLER or its authorized representative of such deficiency in writing and the SELLER shall take steps to remedy such deficiency within a reasonable time. The BUYER shall have the right to refuse to receive and accept the quantity of Gas not conforming to the quality specifications mentioned above.

ARTICLE – 6 - PLANNED, UNPLANNED AND EMERGENCY SHUT DOWN

- 6.1 The PARTY planning to shutdown for the purpose of maintenance/repairs shall give firsthand information in writing to the other PARTY at least seventy (70) days prior and confirmed notice thirty (30) days prior to the proposed date of shutdown. Provided that the Parties shall be entitled to undertake Planned Shutdown for not more than three (3) times in a Contract Year.
- 6.2 The BUYER shall inform the SELLER immediately about any emergency situation and/or defects in BUYER’s facility requiring complete or partial stoppage of supply of Gas. In all such cases, the BUYER shall take prompt steps to rectify the defects to enable resumption of supply of Gas at the earliest.
- 6.3 The SELLER shall inform the BUYER immediately about any emergency situation and/or defects in SELLER’s facilities requiring complete or partial stoppage of supply of Gas. In all such cases, the SELLER shall take prompt steps to rectify the defects for commencing normal supply of Gas at the earliest.

- 6.4 The PARTIES shall be relieved of their respective obligations to deliver or to receive Gas for a period required for planned maintenance for an aggregate of Ten (10) Days per Annual Year

ARTICLE- 7 - MEASUREMENT and CALIBRATION

- 7.1. The Sales Gas supplied under this Agreement will be measured using the typical procedures for measurement using Gas Custody Transfer Meters at ONGC Hazira Gas Processing plant Delivery Point. The calibration of the Custody Transfer Meters shall be carried out by ONGC as per existing procedures
- 7.2. The GCV of Sales Gas shall be measured based on samples collected by ONGC following typical procedures used at Delivery Point by ONGC
- 7.3 NA

ARTICLE 8 - FORCE MAJEURE

8.1 Non-Performance or Delay Excused

Provided that the relevant Party has complied with and continues to comply with the obligations under this Article 8, any non-performance or delay in performance by any PARTY of any of its obligations under this Agreement shall be excused if, and to the extent that, such non-performance or delay in performance is caused by Force Majeure events as mentioned in this Article.

8.2 Force Majeure Events

- (a) For the purpose of this Agreement, the term “Force Majeure” means any cause or event, which is beyond reasonable control of, or unanticipated or unforeseeable by and not brought about at the instance of, the PARTY claiming to be affected by such event, or which, if anticipated or foreseeable, could not be avoided or provided for and which has caused the non-performance or delay in performance in spite of the Party having acted as a Reasonable and Prudent Operator.
- (b) Without limitation to the generality of the foregoing, , the term Force Majeure shall include the following events arising in the Buyer’s Facilities, Seller’s Facilities, ONGC Facilities at the Delivery Point that prevent the Seller from supplying Gas or the Buyer from receiving, transmitting Gas
- Acts of God such as flood, an atmospheric disturbance, a cyclone, lightning, a storm, a hurricane, a tornado, an earthquake, a landslide, a washout, soil erosion, subsidence, a fire within the SELLER’S or BUYERS’S facilities, explosion, war, embargo, civil or military disturbances which impacts operations at SELLER’S or BUYER’S facilities
 - An epidemic, plague or quarantine officially declared by a Government Authority which impacts the operations at SELLER’S or BUYER’S

facilities

- strikes and lockouts or, other industrial disturbances
- air crash, train wrecks,
- War and direct / indirect consequences of war (declared/undeclared), blockades (of countries, ports or airports), public international trade sanctions, embargoes, insurrections riot, civil war, insurrection, acts of public enemies or civil disturbance, sabotage, riots, terrorism, revolution, revolt, rebellion or insurrection, exercise of military power
- Radioactive contamination or ionizing radiation
- Any Act, order, instructions or rules of the Government of India, which directly affects the ability of performance of this Agreement by either PARTY even after exercising reasonable foresight and planning
- Loss or breakage, freezing or bursting of or serious accidental damage to SELLER'S or BUYER'S facilities resulting in partial or full shutdown of the affected PARTY
- Acts of Government or compliance with such acts, directly affecting the ability of the Buyer or the Seller to perform its obligations under this Agreement
- Unforeseen depletion or loss of reservoir or deliverability or any other unforeseen geological complexities resulting in loss of Gas production or other similar causes beyond control (which could not have been prevented or overcome by such PARTY by exercising reasonable foresight, planning and implementation)

(c) The following shall not constitute Force Majeure

- Any event or circumstance, which comprises or results from any willful misconduct or gross negligence of the affected PARTY or any act of omission by the affected PARTY, which could have been prevented or overcome by the exercise of diligence by the PARTY claiming Force Majeure
- The inability or failure of the BUYER to make payment of any money when due in accordance with this Agreement
- The failure of such PARTY to maintain its facilities or equipment in accordance with the standard of Reasonable and Prudent Operator
- Late performance caused by failure of such Party or its contractors or subcontractors to engage qualified contractors and suppliers or to hire an adequate number of personnel except where such failure is due to Force Majeure
-

8.3 PARTY to Notify Force Majeure Events

Where a PARTY is claiming suspension of its obligations on account of Force Majeure, it shall promptly, but in no case later than 24 hours after the occurrence of the event of Force Majeure, notify the other PARTY in writing giving full particulars of the Force Majeure, the estimated duration thereof, the obligations affected and the reasons for its suspension.

8.4 Duty to Mitigate Effects of Force Majeure

A PARTY claiming Force Majeure shall act in good faith and exercise reasonable diligence to seek to overcome the Force Majeure event and to mitigate the effects thereof on the performance of its obligations under this Agreement provided, the PARTY affected shall promptly notify the other PARTY as soon as the Force Majeure event has been removed and no longer prevents it from complying with the obligations, which have been suspended and shall thereafter resume compliance with such obligations as soon as possible.

8.5 Onus on PARTY claiming Force Majeure

The PARTY asserting the claim of Force Majeure shall have the burden of proving that the circumstances constitute valid grounds of Force Majeure under this Article and that such PARTY has exercised reasonable diligence and efforts to remedy the cause of any alleged Force Majeure. If the PARTIES are unable to agree that a Force Majeure event has occurred, the PARTIES shall submit to the dispute for resolution pursuant to **Article 12** hereof; provided that the burden of proof as to whether a Force Majeure event has occurred shall be upon the PARTY claiming a Force Majeure event.

The PARTY asserting the claim of Force Majeure shall resume performance as expeditiously as possible after termination of the Force Majeure or after the Force Majeure has abated to an extent which permits resumption of performance.

8.6 Extension of Time as a Result of Force Majeure

Where a PARTY is prevented from exercising any rights or performing any obligations under this Agreement due to Force Majeure, the time for the performance of the obligations affected thereby and for performance of any obligation or the exercise of any right dependent thereon may be extended by such additional period as may be agreed between the PARTIES or failing agreement, by resolution in accordance with Article 12.

8.7 Force Majeure Event exceeds 60 Days

Notwithstanding anything contained herein above, if an event of Force Majeure occurs and is likely to continue for a period in excess of sixty (60) days, the PARTIES shall meet to discuss the consequences of the Force Majeure and the course of action to be taken to mitigate the effects thereof or to be adopted in the circumstances.

8.8 Failure to Pay

Notwithstanding the existence of a Force Majeure event, the provisions of this **Article 8** shall not, in any event, allow any failure to pay or delay in paying money

due and payable under this Agreement before the time of occurrence of the Force Majeure event.

- 8.9 The BUYER shall make payment to the SELLER for actual quantity of Gas supplied during the period of Force Majeure.

ARTICLE-9 - PRICE

Commencing from the Start Date and during the Agreement Period, BUYER shall pay the Price which shall be arrived in the following manner –:

9.1 Gas Price

- (a) The Sales Gas Price in (USD/mmbtu) payable by the BUYER to the SELLER shall be calculated as follows:

Sales Gas Price (in USD/MMBTU (GCV Basis) rounded to 3 decimal places = ((10.0% + P)* previous month Average Brent Price in USD/BBL)

Where, P is the premium to slope to Brent Price agreed = () %

“Sales Gas Price” will be calculated on a monthly basis

“Average Brent Price” for any month shall be calculated as the arithmetic average (upto 3 decimal places) of the mean values of the high and low assessments of the benchmark crude oil “Dated Brent” (Platts Code: PCAAS00) as published in “Platts Crude Oil Market Wire” in United States Dollar (“USD”) per barrel for each Day

The Sales Gas Price shall be subject to a Floor Price of PPAC Gas Price Ceiling + USD 0.40

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

For avoidance of doubt, if calculated sales Gas price is less than Floor Price then the Floor price shall apply. If it is more than Floor Price, the calculated sales Gas price shall apply.

- (b) The above price shall be converted to INR /MSCM at RBI reference exchange rate of the month previous to the month during which supply of gas is made. The RBI exchange rate of the month would be calculated by taking the average of the RBI reference exchange rates for all days in the relevant month for which the rate is available on the RBI website.

- (c) The formula for calculating the Gas price would be as below:

Gas Price (INR / MSCM) = [Sales Gas Price * 3.968254 * GCV * Exchange rate]/1000

Where

- “Sales Gas Price” - As defined in **Article 9.1 (a)**
- “GCV” – Measured Gross Calorific Value (KCAL) of Gas per one standard Cubic meter
- “Exchange Rate” – As defined in **Article 9.1 (b)**
- “3.968254” – Factor for converting Kcal to Btu

9.2 DELETED

(a) DELETED

9.3 The above Price is exclusive of Taxes, Duties, cess, VAT, GST, education cess and all other statutory levies as applicable at present or to be levied in future by the Government or State Government or Municipality or any other local body or bodies payable on sale from SELLER to the BUYER and these shall be borne by the BUYER over and above the aforesaid Price.

ARTICLE – 10 - BILLING AND PAYMENT

10.1 Fortnightly Invoice

The SELLER shall raise invoice on BUYER on fortnightly basis specifying the following

1. Gas quantity supplied for the applicable Billing Period
2. Latest accepted Gas composition and analysis report for measurement of GCV
3. Gas Price as mentioned in **Article 9**
4. Details of Short-lifted quantity and amount towards short-lifted quantity, if any
5. Other charges, taxes, and duties as applicable

10.2 The SELLER shall raise the invoices for First Fortnight and Second Fortnight and the BUYER agrees to pay the invoices so raised as per Due Dates mentioned below:

Billing Period	Due Date
First Fortnight	22 nd of the current Month
Second Fortnight	07 th of the succeeding Month

In case of due date being a holiday either for Buyer’s or Seller’s banks, the payment due date will be on the next banking day.

Notwithstanding the above, Buyer will have a minimum of 5 business days to make

payment on receipt of invoice from seller.

- 10.3** In case of any doubt or clarification by the BUYER whether a particular Cess or Tax or Fee(s) 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 and/or State Governments or local authority or any such other body and/or bodies without withholding the payments thereto due to the SELLER under this Agreement and shall inform the SELLER regarding the decision of such authorities with documentary evidence.

10.4 Payment Security

1. The BUYER shall provide to the SELLER as security for its payment obligations under this Agreement an irrevocable, unconditional, on demand Bank Guarantee from a reputed bank of good standing, acceptable to the SELLER, in favour of SELLER, for an amount specified in Clause 10.4.2 below, in a mutually agreed format, to be in place five (5) days prior to the Start Date.
2. The amount of the guarantee to be provided and maintained under clause 10.4.1 above shall be thirty (30) Days equivalent Gas supplies to BUYER and shall be determined as follows:

Payment Security Bank Guarantee amount (INR) = DCQ * Last Available GCV * Sales Gas Price * 3.968254 * 30 * Exchange Rate + all applicable taxes and duties

Where the Sales Gas Price and Exchange Rate are as per Clause 9.1 above.

3. Payment Security Bank Guarantee shall be submitted at the time of execution of this Agreement or five (5) Days prior to the Start Date whichever is later and shall be valid for a period of one (1) Year from the Start Date. Three (3) months before the end of validity of the Bank Guarantee, it shall be renewed for duration as agreed in article 2.1 of this contract as per Clause 10.4.2 above after necessary adjustment to the value by the BUYER, if applicable
4. In case of no offtake by Buyer continuously for a period of 15 days at any point during the duration of the contract, without any intimation or adequate notice that is acceptable to buyer, the SELLER shall have the right to invoke, in part or in full the Payment security guarantee.
5. The SELLER shall have the right to invoke, in part or in full, the Payment Security Bank Guarantee on account of failure of the BUYER in meeting its payment obligations under this Agreement.

- 10.5** Interest on overdue payments shall accrue as of and including Due Date for payment and ending on but excluding date of payment. Delay in payment will attract interest at State Bank of India (SBI) Base Rate plus 6% per annum compounded quarterly

for each due payment that is overdue until paid.

- 10.6** If BUYER disputes any invoice or supplementary invoice or debit note, then BUYER shall make payments in full and may notify the disputed amount to SELLER within thirty (30) days of receipt of the relevant invoice or debit note. If a dispute is decided in favour of BUYER, SELLER shall refund the overpayment within 7 Business Days following resolution of the dispute. SELLER shall pay interest at State Bank of India (SBI) Base Rate plus 6% per annum compounded annually for the period from the day that the overpayment is made by BUYER until date of refund by SELLER.
- 10.7** If and when Payment Security Bank Guarantee is invoked by SELLER, the BUYER shall promptly replenish the same appropriately

ARTICLE 11 - NOMINATION AND SCHEDULING PROCEDURE

11.1 SELLER shall no later than 10 Days prior to the start of each Month inform BUYER about the estimated quantity of Sales Gas available for sale at the Delivery Point for each day of the immediately succeeding Month (“**SELLER Scheduled Quantity**” (SSQ))

11.2 BUYER shall no later than 5 days from receiving SSQ information from the SELLER shall inform the SELLER of the quantity that it wishes to purchase and offtake for each Day of the immediately succeeding Month (“**BUYER Agreed Quantity (BAQ)**”)

11.3 On a day to day basis, the Seller shall endeavor that the gas delivered be within 90% to 110% of quantity arrived at after the nomination & scheduling procedure by Buyer & Seller

ARTICLE 12 - DISPUTE RESOLUTION

- 12.1** The PARTIES shall use their best efforts to settle amicably all disputes, differences or claims arising out of or in connection with any of the terms and conditions of this agreement or concerning the interpretation of the provisions of this agreement or performance thereof (hereinafter in this Article referred to as a “dispute”).
- 12.2** Parties may agree to refer the dispute to a sole expert who shall be an independent and impartial person of international standing with relevant qualifications and experience appointed by a written 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 the Parties fail or are unable to agree on a sole expert within thirty (30) days or such longer period as may be mutually agreed by the Parties, the matter shall be referred to arbitration. Any sole expert appointed shall be acting as an expert and not as an arbitrator and the

- decision of the sole expert on matters referred to him/her shall be final and binding on the Parties and shall not be subject to arbitration.
- 12.3 Subject to the provisions of this agreement, the Parties hereby agree that any dispute arising between the parties which cannot be amicably settled within sixty (60) days after the dispute arises, may (except those referred to a sole expert as per clause 12.2) be submitted to conciliation or an arbitral tribunal for final decision as hereinafter provided.
- 12.4 The arbitral tribunal shall consist of three arbitrators. Each Party to the dispute shall appoint one arbitrator and the Party shall so advise the other Parties. The two arbitrators appointed by the Parties shall appoint the third arbitrator.
- 12.5 Any Party may, after appointing the arbitrator, request the other Party in writing to appoint the second arbitrator. If such other Party fails to appoint an arbitrator within thirty (30) days of receipt of the written request to do so, such arbitrator may, at the request of the first Party, be appointed in accordance with Arbitration and Conciliation Act, 1996.
- 12.6 If the two arbitrators appointed by or on behalf of the Parties fail to agree on the appointment of the third arbitrator within thirty (30) days of the appointment of the second arbitrator and if the Parties do not agree otherwise, at the request of either Party, the third arbitrator shall be appointed in accordance with Arbitration and Conciliation Act, 1996.
- 12.7 If any of the arbitrators fails or is unable to act, his successor shall be appointed by the Party who originally appointed such in the manner set out in this Article as if he was the first appointment.
- 12.8 The decision of the arbitral tribunal shall be pronounced within four (4) Months unless otherwise extended by the Parties, and, in case of difference among the arbitrators the decision of the majority shall be final and binding on the Parties.
- 12.9 The arbitration agreement contained in this Article shall be governed by Arbitration and Conciliation Act, 1996. Arbitration proceedings shall be conducted in accordance with the rules for arbitration provided therein.
- 12.10 The right to arbitrate disputes under this Agreement shall survive the expiry or termination of this Agreement.
- 12.11 Prior to submitting a dispute to arbitration, the Parties may by mutual agreement subject the matter for conciliation in accordance with Part III of the Arbitration and Conciliation Act, 1996. No arbitration proceedings shall be instituted while conciliation proceedings are pending provided that a Party may initiate arbitration proceedings in the event that dispute has not been resolved by conciliation within sixty (60) days of the date of agreement by the Parties to submit such dispute to conciliation.
- 12.12 The venue of the sole expert, conciliation or arbitral proceedings pursuant to this Article, unless the Parties agree otherwise, shall be Chennai, India and shall be conducted in the English Language.
- 12.13 The fees and expenses of a sole expert or conciliator appointed by the Parties shall be borne equally by the Parties. The cost and expenses of the arbitrator appointed by a Party shall be borne by the respective Party and the cost and expenses of the third arbitrator and other incidental expenditure in relation to arbitration and liability thereof shall be at the discretion of the arbitrators.

12.14 Continue performance

While any dispute/difference/ claim under this Agreement is pending for consultation/resolution under Article 12, the PARTIES shall continue to perform all of their respective obligations under this Agreement without prejudice to the final determination under this **Article 12**.

12.15 No payments due to the SELLER shall be withheld by the BUYER on account of initiation / pendency of consultation / arbitration proceedings.

ARTICLE 13 -TERMINATION OF AGREEMENT

13.1 Except as provided otherwise, this Agreement may be terminated at any time before expiry of the Agreement Period based on mutual consent of the PARTIES.

ARTICLE 14 - GENERAL PROVISIONS

14.1 Assignment

No PARTY can assign its rights and obligations under this Agreement to any other party without the prior written consent of the other PARTY, which is not to be withheld unreasonably. Provided however that no such consent of the other Party shall be required when an assignment is the result of and part of a corporate acquisition, merger or reorganization to an Affiliate. The Parties acknowledge and consent to such permitted assignment as described in this Article 14.1 and the right of any permitted assignee to enforce its rights and remedies following such assignment. The permitted assignee shall be liable for the obligations of the assignor after the date of the assignment.

14.2 Waiver

No breach of any provisions of this Agreement shall be waived except with the express written consent of the PARTY not in breach. Any waiver or delay by any PARTY of any default by any of the other PARTY or PARTIES in the performance of this Agreement shall not operate as a waiver of any other default of that PARTY or those PARTIES.

14.3 Governing Law

This Agreement and the rights and obligations of each PARTY under this Agreement are subject to and shall be governed by the Laws of India.

14.4 Notices

(a) Any notice, request, demand or other statement, document or communication required or permitted to be given or provided for under this

Agreement shall be in writing and in English and sent or delivered by hand or by registered post, E-mail, facsimile (confirmed by a copy sent by registered mail or courier) and shall be addressed to the PARTY to whom it is to be sent or delivered at the address of such PARTY set out in this **Article 14.3** or such other address of such PARTY as such PARTY may from time to time notify in writing to the other PARTY.

(i) If to the SELLER:

Asset Manager(B-80)
Hindustan Oil Exploration Company Ltd,
192, St. Mary's Road,
Alwarpet,
Chennai – 600018.

With copy to:
Head –
Finance
Hindustan Oil Exploration Company Ltd,
192, St. Mary's Road,
Alwarpet,
Chennai – 600018.

General Manager – Commercial & Procurement
Hindustan Oil Exploration Company Ltd,
192, St. Mary's Road,
Alwarpet,
Chennai – 600018.

(ii) If to the BUYER:

With copy to:

14.5 **Amendment**

Any amendment to this Agreement or any of its provisions shall be valid and binding only if all the PARTIES to this Agreement agree to in writing and agree to its incorporation in this Agreement under the signature and seal of person or persons duly authorized and empowered by the PARTIES for that purpose.

14.6 **Entire Agreement**

This Agreement shall constitute the full Agreement between the PARTIES and shall supersede all prior negotiations, representations, proposals, and agreements, whether oral or written, regarding the subject matter of this Agreement.

14.7 Severability and Renegotiation

Should any provision of this Agreement for any reason be declared invalid or unenforceable by final and unappealable order of any court or regulatory body having jurisdiction, such decision shall not affect the validity of the remaining portions, and the remaining portions shall remain in force and effect as if this Agreement had been executed without the invalid portion. If any provision of this Agreement is so declared invalid or unenforceable, the PARTIES shall promptly negotiate in good faith to frame new provisions to eliminate such invalidity or unenforceability and to restore this Agreement as nearly as possible to its original intent and effect.

14.8 Consequential Losses

Except as provided in this Agreement, the PARTIES are not entitled to any consequential or indirect losses.

14.9 Survival

Any provision of this Agreement that expressly or by implication comes into or remains in force following the termination or expiration of this Agreement shall survive the termination or expiration of this Agreement.

14.10 Insurance

The SELLER shall be totally responsible for all insurance coverage relating to person, third PARTY, the Gas supply etc. upto the point of delivery of Gas. Likewise, the BUYER shall be responsible for the above from the point of delivery of Gas and thereafter.

14.11 Consent

The BUYER and SELLER hereby expressly declare and admit that the above provisions have been read and understood to their satisfaction and are executing this Agreement out of their free will and consent.

14.12 Confidentiality

a) the following information (“Disclosed Information”) shall be treated as confidential during the Contract Period and for a period of three (3) years after the termination of this Agreement: (i) the terms and conditions of this Agreement and

all information disclosed hereunder, (ii) all information disclosed by either Party in writing from time to time during the course of negotiations prior to the conclusion of this Agreement including any information disclosed by BUYER relating to BUYER's Facilities and/or any information relating to BUYER's customers.

b) The following information shall be excluded from the scope of "Disclosed Information" covered by this Article 14.12 : (i) any information which, when used or disclosed has been made public other than through a breach of this Agreement or has been or could have been lawfully acquired, other than in accordance with this Article 14.12 by the Party or person using the same or to whom disclosure is made; and (ii) information legally obtained from third party

c) Disclosed Information shall not (i) be disclosed in whole or in part by either Party to any person, or (ii) be used except in connection with the operation of this Agreement in whole or in part by either Party; without the prior with the consent of the other Party.

d) Notwithstanding the provisions of this Article 14.12 neither Parties shall be required to obtain the prior consent of the other in respect of disclosure of Disclosed Information in accordance with the following: (i) after it becomes part of public domain by publication or otherwise except through fault of any Party, (ii) which is required to be produced by law or before any Government Authority, (iii) where required by any bank or financial institution or any investor providing finance to a Party

ARTICLE 15 - WARRANTIES AND INDEMNITIES

15.1 SELLER's Warranties

- (a) All licenses, permissions, consents and authorizations necessary to enable the SELLER to perform their obligations under this Agreement are valid and subsisting;
- (b) The SELLER (or their Affiliates), is the beneficial owner of interest in the Gas being supplied;
- (c) Pursuant to this Agreement, the SELLER have such rights as are necessary for the SELLER to perform (to the extent such performance is dependent thereupon) its obligations under this Agreement and all such Agreements are valid and subsisting;

15.2 SELLER's Covenants

Except as otherwise mentioned, the SELLER covenants with the BUYER throughout the period of this Agreement;

- (a) Not knowingly to do, or omit to do, any act or thing, or (to the extent that it is within its power to prevent) agree to or permit any amendments or modifications of this Agreement whereby the warranties given under this Article may be rendered invalid or would not be true in all material respects if repeated in full at such time; and
- (b) To exercise and enforce its rights under the aforesaid agreements in a manner which will not result in a breach of this Agreement.

15.3 BUYER's Warranties

The BUYER has obtained all licenses, permissions, consents and authorizations necessary to enable the BUYER to perform its obligations under this Agreement and that the same are valid and subsisting;

15.4 BUYER's Covenants

The BUYER covenants with the SELLER throughout the period of this Agreement:

- (a) not knowingly to do, or omit to do, or (to the extent that it is within its power to prevent) permit to be done, any act or thing, whereby the warranties given under this Article may be rendered invalid or would not be true in all material respects if repeated in full as at such time; and
- (b) Without prejudice to the BUYER's other payment obligation ensure the payment all such sums from revenues received, prior to making recourse to other sources of income or finance which may be available to the BUYER.

15.5 Indemnities

- (a) The BUYER shall defend, indemnify and hold harmless SELLER against any and all liability for death, injury or illness (arising out of the operation of this Agreement) caused to or suffered by any employee of the BUYER or its Affiliates howsoever caused or arising (including the negligent act or omission of the SELLER, its servants or agents) and shall indemnify and hold harmless the SELLER against any and all costs, damages or expenses whatsoever incurred in respect of any claims, demands, proceedings or causes of action arising in connection with any such death, injury or illness caused or suffered by any employee of the BUYER or its Affiliates.
- (b) The SELLER shall defend, indemnify and hold harmless the BUYER against any and all liability for death, injury or illness (arising out of the operation of this Agreement) caused to or suffered by any employee of the SELLER or its Affiliates howsoever caused or arising (including the negligent act or omission of the BUYER, its servants or agents) and shall indemnify and hold harmless the BUYER against any and all costs, damages or expenses whatsoever incurred in respect of any claims, demands, proceedings or causes of action arising in connection with any such death, injury or illness caused or suffered by any employee of the

- SELLER or its Affiliates.
- (c) The SELLER shall indemnify and hold harmless the BUYER against any and all losses, damages, penalties, costs and expense on account of any claims raised by any Third Parties with respect to the ownership of Gas delivered by SELLER or on behalf of the SELLER to the BUYER under this Agreement (including legal expenses and professional advisory service expenses) suffered or incurred by BUYER on account of any adverse claims of any or all person to the Gas or third party interest or any legal proceedings by a third party with respect to the Gas delivered to BUYER at the Delivery Point including but not limited to any such costs and expenses due on account of unpaid royalties, taxes or any other charges in respect of the production, gathering, processing and tendering of Gas arising on or before delivery by SELLER at the Delivery Point. The BUYER shall consult with the SELLER with respect of any claim or action or legal proceeding and the SELLER agrees to cooperate fully upon any such request of the BUYER in connection with any such action, claim or legal proceeding.
 - (d) Each PARTY shall defend, indemnify and hold harmless the other PARTY from and against any and all losses, damages, penalties, costs and expenses on account of any claims demands, proceedings or judgements brought by any third party (including employees of either PARTY) or any Government Authority, caused by or resulting from or attributable to the installation, existence, ownership, possession, operation or maintenance of the PARTY'S facilities including but not limited to any loss or harm to the environment or any death, injury or illness (arising out of the operation of this Agreement) caused to or suffered by any employee of the PARTIES or its Affiliates howsoever caused or arising and shall indemnify and hold harmless the other PARTY against any and all costs, damages or expenses whatsoever incurred by the PARTY in respect of any claims, demands, proceedings or cause of action arising in connection with any such death, injury or illness caused or suffered by any employee of the PARTY or its Affiliates except to the extent caused by the willful misconduct of the other PARTY.
 - (e) For the purpose of this Clause: (i) "SELLER" shall include its directors, officers, employees, authorized representatives and agents of each of them, (ii) "BUYER" shall include its directors, officers, employees, authorized representatives and agents of each of them

15.6 Limitation of Liability

- (a) The Parties recognise that, with respect to breaches of this Agreement (and acts or omissions which constitute breaches), their relationship is contractual and that neither Party shall have any claim against the other Party in tort with respect to such breaches. Remedies set out herein are cumulative and are the exclusive remedies available to the Parties for a breach of this Agreement.
- (b) Neither Party shall be liable to the other Party for any indirect, incidental or consequential loss, loss of profit, loss of revenue, or any special, punitive or

exemplary damages, howsoever caused, including by negligence or breach of duty or any other act or omission (even in the case of wilful misconduct).

15.7 Change in Law

- (a) “**Change in Law**” shall mean the occurrence of any of the following after the date of this Agreement: (i) any enactment or issuance of any new Law, (ii) any amendment, alteration, or modification of an existing Law, (iii) the modification, repeal or re-enactment of any existing Law (other than a re-enactment which merely consolidates or codifies existing law), (iv) any cancellation, revocation, withdrawal or suspension of or failure or refusal to issue or renew any authorisation which is not due to default of any party, (v) the commencement of any Law which had not at the date of this Agreement yet entered into effect to the extent such Law was enacted prior to the date of this Agreement with a commencement date after the date of this Agreement and which Law takes effect on that commencement date without material amendment and (f) any act, decision decree or the exercise of any powers after the date of this Agreement of or any government or regulatory authority with power to regulate, control or direct the activities of a Party which affects the Party in respect of the performance of its obligations or the exercise of its rights under this Agreement (other than due to default of any Party; and which, in any case (A) has a material adverse effect on either Party from exercising its material rights or (B) prevents or relieves either Party from performing its material obligations under this Agreement (any Party so effected being referred to as an “Affected Party”) provided that such material adverse effect could not have been prevented or overcome by the Seller or the Buyer (as the case may be)

In the event of any change in law including (any Change in Law) arising from regulatory action of the PNGRB, the Parties shall discuss the manner in which the effect of such Change in Law shall be dealt with in this Agreement.

..

- (b) In the event of any Change in Law, the affected PARTY shall send a notice in writing to the other PARTY regarding such event and both the PARTIES shall meet and agree on the manner in which such Change in Law should be incorporated in this Agreement or to modify / alter / add relevant Clause(s) in this Agreement to achieve the same / near to the purpose / objective / meaning of the affected Clause(s) of this Agreement, to the extent possible. The Parties agree and undertake promptly to implement and give effect to all modifications or adjustments to the provisions of this Agreement as may be agreed or determined pursuant to this Article 15.7.
- (c) Provided that the relevant Party claiming Change in Law has complied and continues to comply with the obligations of this Article 15.7, such Party shall be entitled to the following relief effective from the date on which notice is given by that Party under this Article 15.7: (i) the obligations of such Party under this Agreement to the extent performance thereof is prevented or impeded by the

Change in Law shall be suspended for the duration of the Change in Law period, (ii) the time period(s) for the performance of the obligations of the Affected Party under this Agreement to the extent performance thereof is prevented or impeded by the Change in Law shall be extended on a Day for Day basis for the duration of the relevant Change in Law period,

IN WITNESS WHEREOF the PARTIES hereto acting through their properly constituted representative have set their hands to cause this Agreement signed and executed for and on their behalf:

<p>SIGNED AND EXECUTED</p> <p>By : _____</p> <p>_____</p> <p>Managing Director</p> <p>for and on behalf of Hindustan Oil Exploration Company</p> <p>Witness:</p> <p>Signature:</p> <p>Name: Head – Commercial</p>	<p>SIGNED AND EXECUTED</p> <p>By : _____</p> <p>for and on behalf of</p> <p>Witness:</p> <p>Signature:</p> <p>Name:</p>
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Annexure 1: Ex- Hazira Gas Processing Plant of ONGC – Typical Gas Specifications

Parameter	
Hydrocarbon Dew Point* (°Celsius), max	0
Water Dew Point* (°Celsius), max	0
H ₂ S (PPM by wt. max.)	5
Total Sulphur (PPM by wt. max.)	10
Carbon Dioxide (Mole % max.)	6
Total Inerts (Mole%)	8
Temperature(° Celsius), max	55
Oxygen (% Mole vol. max.)	0.2

Annexure 2 – Bank Guarantee format for Payment Security

To: [SELLER/ BENEFICIARY]
[ADDRESS]

BANK GUARANTEE. NO.: _____

Name of Beneficiary: _____

Name of Applicant: _____

Bank Guarantee Amount: ₹ _____ . Expiry Date: _____ .

At the request of the _____ (“Applicant”), we, _____ (“Issuing Bank”) hereby provide bank guarantee no. _____ Dt. _____ in favour of _____, (the “Beneficiary”) for Rs. _____ (the “Value”) as per following terms and conditions:-

1. This Bank Guarantee is issued as required under Gas Sale and Purchase Agreement [the Agreement] dated _____ to cover payments to be made by the Applicant to the Beneficiary for supply of natural gas under the AGREEMENT executed between the Applicant and the Beneficiary. This Bank Guarantee will be valid in respect of the documents such as Invoices/Debit notes/Statement of claims/ Demand letters etc. raised under the Agreement, as well as supplementary agreements, Side Letters, Term Sheet, amendments etc. and other addenda thereof.

Notwithstanding the above provision, it is further provided that if the Applicant continues to draw gas supplies from _____ (Name of the Beneficiary) beyond validity period of the Agreement (without written extension prior to expiry of the Agreement validity for any reason whatsoever) payments due for such gas supplies and such period (including MMGO charges) shall be fully covered by this Bank Guarantee.

2. All bank charges including opening, negotiation, handling, amendment, renewal, related to this Bank Guarantee shall be borne by the Applicant. However, charges of the advising bank shall be borne by the Beneficiary.
3. We _____ (Name of the Bank) hereby irrevocably and unconditionally undertake to promptly pay all amounts drawn upon this Guarantee under the terms of the Agreement up to the Guaranteed Amount.
4. This Bank Guarantee shall also cover Beneficiary’s requests for partial payment and/or multiple drawings. If and when invoked, the Applicant shall replenish the Bank Guarantee sum promptly.
5. The validity of Bank Guarantee will be up to _____ from date of issuance.
6. The Issuing Bank undertakes not to amend any of the terms and conditions of this Bank Guarantee without prior consent of Beneficiary during the validity of this Bank Guarantee.

7. This Guarantee shall not be affected by any appointment of receiver, liquidator, administrator of assets, insolvency, bankruptcy or winding up, amalgamation, re-organization or restructuring of _____ (Name of the Applicant) or any pending legal proceedings or dispute between the parties.
8. Payments under this Guarantee to _____ (Name of the Beneficiary) shall be made in full without any set off or counter claim and free and clear of and without deduction or withholding any present or future taxes, duties any / or other charges and any amounts withheld shall be grossed up accordingly.
9. This Bank Guarantee shall be subject to jurisdiction of courts of law in Chennai.

Notwithstanding anything to the contrary contained hereinabove

- a) Bank's liability under this Bank Guarantee shall not exceed Rs. _____
- b) This Bank Guarantee shall be valid upto _____ and,
- c) Bank is liable to pay the Bank Guarantee amount or any part thereof under this Bank Guarantee only and only if the Beneficiary serve upon us a written claim or demand on or before _____ (Expiry Date).

Yours faithfully

(Sign of authorized Officer of Bank)