

GAS SALES AGREEMENT

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THIS GAS SALE AGREEMENT (the “**Agreement**”) is made at XXXXX on this day of (“**Effective Date**”),

BY AND BETWEEN:

Kiri and Company Logistics Pvt. Ltd., incorporated under the provisions of the Companies Act, 1956 and having its registered office at Plot No. D-222/18, TTC Industrial Area, MIDC, Near London Plisner, Shirvane Pawane, Navi Mumbai, Thane district, Navi Mumbai-400701, Maharashtra, India and Head office at Police Chandmari range, Near news Club, NH-68, Gadan Road, Barmer-344 001, Rajasthan India (**KIRI** hereinafter referred to as the “**Seller**” as its authorized representative for the purposes set out in this Agreement.)

AND

1. [.....], a company incorporated under the Companies Act 1956, having its registered office at [.....] acting through its duly authorized representative (hereinafter referred to as the “**Buyer**”, which expression shall, unless the context requires otherwise, include its successors, and permitted assigns).

(the Sellers and the Buyer above being hereinafter individually referred to as a “**Party**” and collectively as the “**Parties**”).

WHEREAS:

- A.** The Sellers are parties to a Production Sharing Contract dated 23rd September 1994 as amended from time to time (the “**PSC**”) with the Government of India acting through the President of India in respect of the Bhandut Block located in the Maya Faliya, Village+PO- Pinjarat, Taluka- Olpad, Adajan Area, Surat-395 005 (Gujarat), India.
- B.** Kiri and Company Logistics Private Limited was established in the year 2004. The company is situated in Barmer, Rajasthan (detailed address). The company has expanded into exploration and production of oil, natural gas in India. KIRI and Company Logistics Pvt. Ltd. (Kiri Group) has acquired the Bhandut Field from the previous operators namely GSPC and Oilex Ltd and currently holds 100% participating Interest in the field and also is the operator of the block.
- C.** In line with the “Natural Gas Marketing Reforms” notification published by Ministry of Petroleum and Natural Gas on 15th October 2020 and detailed guidelines issued on 3rd December 2020 as “Discovery of Market Price for Domestically Produced Natural Gas through e-bidding” notification (“**MoPNG Notifications**”), Sellers had invited bidders to participate in an e-auction for the gas produced from the Bhandut block. This e-auction was carried out by M/s Mjunction limited which is one of the agencies empanelled under the MoPNG Notifications.
- D.** The Buyer is desirous of purchasing natural gas from the Sellers and had participated in Bhandut block Gas E-auction. The Buyer has been selected through a transparent, competitive online bidding process in complete adherence to the MoPNG notifications.

NOW, THEREFORE, IN CONSIDERATION OF THE PREMISES AND MUTUAL COVENANTS, AGREEMENTS AND OBLIGATIONS TO BE PERFORMED BY THE PARTIES, WHICH ARE SET OUT HEREIN, IT IS HEREBY AGREED BY AND BETWEEN THE PARTIES AS FOLLOWS: -

1. DEFINITIONS AND INTERPRETATION

1.1. **DEFINITIONS.** The following expressions shall, except where the context otherwise requires, have the following meanings in this Agreement:

- (a) **“Affiliate”** means, in relation to a Party, a company or legal entity which (i) controls, either directly or indirectly, a Party; or (ii) which is controlled directly or indirectly by such Party; or (iii) is directly or indirectly controlled by a company or entity which directly or indirectly controls such Party; where **“controls”** or **“controlled”** means holding of more than 50% of share capital of such company (either directly or indirectly through any of its subsidiary Company) OR right held directly or indirectly to appoint majority of Directors of such Company OR it is a holding, subsidiary, associate or Joint Venture Company as per the provision of Companies Act, 2013.
- (b) **“Additional Gas Quantity”** or **“AGQ”** shall mean the quantity of Gas as set out in Clause 4.2.
- (c) **“Additional Gas Supplies”** or **“AGS”** shall mean the quantity of Gas as set out in Clause 4.2.
- (d) **“Annual Year”** or **“Year”** or **“Contract Year”** means a period of twelve (12) consecutive months starting on (i) at 0600 hours on the Start Date and (ii) finishing at 0600 hours on the first (1st) date of the same month each subsequent year.

For the final Year, Contract Year shall mean a period commencing at 0600 hours on the first (1st) date of a Contract Year and ending at 0600 hours on the date of early termination or expiry of this Agreement in accordance with the terms and conditions set out herein.
- (e) **“Annual Contract Quantity”** or **“ACQ”** for each Annual Year shall be equal to the aggregate of the DCQ in effect for each Day of the Annual Year.
- (f) **“Applicable Law”** shall mean any Law, as and to the extent that the same is applicable to the Parties and to this Agreement.
- (g) **“Business Day”** means any day other than a Sunday, the second and fourth Saturday of a calendar month or a day declared to be a public holiday under the provisions of the Negotiable Instruments Act, 1881, as applicable in State of Gujarat.
- (h) **“Buyer’s Facilities”** means the Gas pipelines, installations, transportation arrangement through cascades, machinery, compressors, measurement equipment and other facilities downstream of the Delivery Point which are owned, operated, required and/or controlled by the Buyer, including any facilities owned and/or operated by an Affiliate or a third party with whom the Buyer has contracted to/leased such facilities for Gas transportation and

which are used by the Buyer to take and accept delivery of Sales Gas in accordance with and under this Agreement.

- (i) **“Buyer Nominated Quantity”** shall mean the estimated quantity of Sales Gas (in MMSCMD) as nominated by the Buyer to the Sellers in accordance with Clause 5 of this Agreement.
- (j) **“Change in Law”** shall mean and include
 - (i) any enactment or issuance of any new Law or the commencement of any Law that was not effective on the Start Date;
 - (ii) any change in the interpretation, enforcement, or application of any Law by a judicial or quasi-judicial or other authority (including a court, tribunal, or regulatory commission) having the legal power to interpret or apply such Law and which interpretation, or application is legally binding in India.
 - (iii) any amendment, alteration, or modification of an existing Law.
 - (iv) the repeal of any existing Law;
 - (v) any change in any clearance, Permits, approvals as may be required by the Sellers under Applicable Law for the performance of their obligations under this Agreement, including the imposition of a requirement for an approval from a Governmental Authority not required on the Start Date or an approval from a Governmental Authority not being granted on a timely basis where an application for that approval has been duly made; and after the grant of an approval of a Governmental Authority, a revocation or termination of that approval, a change in the terms or conditions of that approval or an imposition of additional terms or conditions to that approval, or if granted for a limited period, a failure to extend or renew that approval on a timely basis after the timely submittal of an application for extension or renewal, or such approval being renewed on terms or subject to conditions that are materially less favourable to the Sellers other than those terms and conditions attached to the original approval;

the effect of which shall be determined in accordance with the provisions of Article 17.6 herein.

- (k) **“Confidential Information”** shall mean all information and data of any nature whatsoever, which any Party may from time to time receive or obtain (orally or in written or electronic form) from the other Party/ies as a result of entering into, or performing its obligations pursuant to, this Agreement, whether or not such information and data is marked as confidential and which:
 - (i) relates in any manner to this Agreement or any other agreement or arrangement contemplated by this Agreement; or
 - (ii) concerns the intellectual property, business, finances, assets, liabilities, dealings, transactions, know-how, customers, suppliers, processes, or affairs of the Sellers; or
 - (iii) is expressly indicated herein or otherwise to be confidential or is imparted by the Sellers to the Buyer in circumstances creating an obligation of confidence and/or non-disclosure.

- (l) **“Consequential Losses”** shall mean any damages, costs, or liabilities, or any losses or deferments of any revenue, profit, opportunity, or use, regardless of cause arising out of or in connection with the Agreement and whether foreseeable at the Start Date or subsequently arising, which are not immediately and directly caused by the relevant act or omission of a Party, and shall include:
 - (i) any indirect damage, losses, cost, or liability arising out of any delay, reduction, or loss of ability to produce or process Gas;
 - (ii) any indirect damage, losses cost, or liability associated with business interruption or increased cost of working during business interruption, including the incremental cost of overhead expenses incurred;
 - (iii) any indirect, special, consequential or punitive damages and penalties of any nature;
 - (iv) any loss or deferment of production, revenue, savings, profit, opportunity, use, bargain, contract, expectation or opportunity; and
 - (v) any or all of the above howsoever caused, including those attributable to the negligence or breach of duty (statutory, contractual or otherwise) of the Parties or by any other act or omission or breach of this Agreement by the Parties.
- (m) **“Day”** means a period of twenty-four (24) consecutive hours beginning at 0600 hours on each day and ending at 0600 hours on the following day.
- (n) **“Daily Contract Quantity” or “DCQ”** means the quantity of Gas as set out in Clause 4.1 herein.
- (o) **“Delivery Point”** shall mean the outlet flange, weld or mark downstream of meter installed by the Sellers at Bhandut EPS, Gujarat.
- (p) **“End Date”** shall mean the end date of this Agreement as defined under Clause 3.2 of this Agreement.
- (q) **“Fortnight”** means a period commencing at 0600 hours on first Day of Month and ending on 0600 hours on sixteenth Day of the Month or from 0600 hours on sixteenth Day of the Month to 0600 hours on the first day of the succeeding calendar month, as the case may be.
- (r) **“Gross Heating Value” or “GHV”** means the number of kilocalories evolved by the complete combustion of one (1) Standard Cubic Metre of Gas with air at Standard Temperature and Pressure and all the water formed by combustion reaction has condensed to liquid and has released its latent heat.
- (s) **“Government”** shall mean the Government of India.
- (t) **“Governmental Authority”** shall mean the Government and any department, authority, ministry, commission, instrumentality, or agency of the Government, or any central, regional, local or municipal authority; any court or governmental tribunal, or any regulatory authority or any other authority of the Government lawfully exercising jurisdiction over this Agreement and / or the operations arising out of this Agreement whether under an Act of parliament, or any state legislature or otherwise.

- (u) **“Law”** shall mean the substantive laws of India and shall include any Central, State or other statute, enactment, ordinance, code, directive, notice, decree, order, regulation, rule, law, or other applicable legislative or administrative action of a Governmental Authority or a final decree, judgement or an order of a court of India or any other public instrument-giving rise to rights and/or obligations which are enforceable before the courts in India.
- (v) **“Material Breach”** shall mean breach of any material conditions of the contract by the buyer, like obligations under; Clause 10.3; Clause 11; Clause 19; Clause 21.1 and Clause 21.7
- (w) **“Measurement Equipment”** means those facilities installed, owned, operated and controlled by the Sellers, including any facilities owned and operated by an Affiliate or a third party with whom Sellers has contracted to/ leased such facilities to perform Gas quality monitoring, Gas volume measurement, recording and telemetry near the Delivery Point, as specified in Annexure 3 hereto.
- (x) **“MMBTU”** means million British Thermal Units (as per International Steam Tables) based on Gross Heating Value.
- (y) **“MMSCMD”** means million Standard Cubic Meters of Gas per day.
- (z) **“Month”** means a calendar month commencing at 0600 hours on the first Day of that calendar Month and ending at 0600 hours on the first Day of the next calendar Month.
- (aa) **“Natural Gas” or “Gas”** means wet gas, dry gas, all other gaseous hydrocarbons, and all substances contained therein, including sulphur and helium, which are produced from oil or gas wells, excluding those condensed or extracted liquid hydrocarbons that are liquid at normal temperature and pressure conditions, and including the residue Gas remaining after the condensation or extraction of liquid hydrocarbons from Gas such that any Gas sold under this Agreement shall be of the quality as indicated in Clause 7.
- (bb) **“Permit”** shall mean any permit, permission, approval, consent, licence, registration, no-objection, waiver or exemption by or from any Government Authority.
- (cc) **“PSC”** means the Production Sharing Contract, dated 23rd September 1994, and any amendments thereof, entered into between KIRI and the Government of India acting through the President of India in respect of the Bhandut Block.
- (dd) **“Public Official”** shall mean any person holding a legislative, administrative or judicial office, including any person employed by or acting on behalf of a Governmental Authority.
- (ee) **“Restricted Party”** means any person who is identified from time to time by any government or legal authority under applicable trade sanctions, export controls, antimoney laundering, non-proliferation, anti-terrorism and similar laws as a person with whom trade or financial dealings and transactions by either Sellers and/or their affiliates are prohibited or restricted.
- (ff) **“Sales Gas”** means any Gas supplied and delivered by the Sellers at the Delivery Point to the Buyer as per the terms of this Agreement.

- (gg) **“Sales Gas Price”** means the price set out in Clause 9 of this Agreement.
- (hh) **“Sales Gas Volume”** means the Gas volume in MMSCMD.
- (ii) **“Start Date”** means the start date of this Agreement as set out in Clause 3.1 of this Agreement.
- (jj) **“Sellers’s Facilities”** means the facilities upstream of the Delivery Point, including wells, oil and gas processing equipments, pipelines, oil loading facility, sampling and pumping facilities for flow control, Measurement Equipment and other equipment necessary for the production, processing, measuring, testing of Oil and Gas to enable delivery of Sales Gas at the Delivery Point in accordance with Clause 4 of this Agreement.
- (kk) **“Sellers Scheduled Quantity”** shall mean the estimated quantity of Sales Gas (in MMSCMD) as proposed to be delivered by the Sellers to the Buyer at the Delivery Point in accordance with Clause 5 of this Agreement.
- (ll) **“Standard Cubic Metre” or “SCM”** means one standard cubic metre of Gas being the amount of Gas required to fill a space of one standard cubic metre with an absolute pressure of one hundred and one decimal three two five kilopascals (101.325 kPa) at fifteen degrees Celsius (15°C).
- (mm) **“Standard Temperature and Pressure” or “STP”** means the temperature of fifteen degrees Celsius (15°C) and at a pressure of one hundred and one decimal three two five kilopascals (101.325 kPa).
- (nn) **Indian rupees:** Indian Rupees means lawful currency of india
- (oo) **SBI US\$ Rate:** the selling TT rate of one (1) Unites States Dollar in Indian rupees as quoted by the State Bank of india.
- (pp) **Floor Price:** Floor Price is the minimum Contract Gas Price (in USD/MMBTU) which will come into effect, only in the event if the Govt. of India notifies discontinuation of domestic natural gas price under the 2014 Guidelines.

1.2. **INTERPRETATION.** In this Agreement, the following rules and interpretations apply unless the context requires otherwise:

- (a) Reference to the singular includes a reference to the plural and vice versa.
- (b) A reference to any gender shall include a reference to all other genders.
- (c) Where a word or phrase is defined, its other grammatical forms have a corresponding meaning.
- (d) A reference to a person includes any natural or juristic person including any individual, firm, corporation, partnership, limited liability company, trust, association, joint venture, or other entity (whether or not having a separate legal personality).
- (e) A reference to a party to any agreement or document includes that party's successors and permitted assigns.

- (f) A reference to any agreement or document is a reference to that agreement or document as amended, novated, supplemented, varied or replaced from time to time unless specified otherwise.
- (g) A reference to any Clause or Annexure or Attachment is a reference to a clause of, or annexure or attachment to, this Agreement.
- (h) In case of any inconsistency between the main body of the Agreement and any Annexure or Attachment hereto, the provisions of the main body of this Agreement shall prevail to the extent of the inconsistency.
- (i) The headings of Clauses in this Agreement are inserted for convenience only and shall not affect the meaning or construction of this Agreement and shall not be construed as having any substantive significance or as indicating that all of the provisions of this Agreement relating to any topic are to be found in any particular clause or sub-clause.
- (j) A reference to a volume of Sales Gas is a reference to the volume at Standard Temperature and Pressure.
- (k) Annexures/Schedules shall form an integral part of the Agreement.

2. SCOPE OF THE AGREEMENT

- 2.1 Subject to the provisions of this Agreement on and from 0600 hours on the Start Date, the Sellers shall use reasonable endeavours to supply and deliver and Buyer shall use reasonable endeavours to buy and off-take the Sales Gas in accordance with the terms and conditions set out herein.
- 2.2 Parties agree that the provisions of this Agreement shall come into effect on the date of signing.
- 2.3 The rights and obligations of the Sellers under this Agreement shall be several to the extent of their respective Participating Interests under the PSC and OA, not joint and several.

3. START DATE AND DURATION

- 3.1 The “**Start Date**” shall be **XXXXXX** (or earlier date based on Buyer’s readiness)
- 3.2 The “**End Date**” shall be **XXXXXX** or such other date as may be determined in accordance with Clause 14 of this Agreement whichever is earlier.
- 3.3 Upon the execution by the Parties, this Agreement shall be in full force and effect from the Effective Date and shall remain in full force and effect until the End Date. This duration shall be called as “**Term**” of the Agreement. The Buyer by no later than the Start Date, shall ensure readiness of evacuation infrastructure to facilitate commencement of Gas supply and maintain the same throughout the Term.

4. QUANTITY OF GAS AND OBLIGATIONS

4.1 Daily Contract Quantity

- 4.1.1 The Sales Gas Volume to the Buyer for the duration of the contract shall be XXXXX scm/day.
- 4.1.2 Daily Contract Quantity (“**DCQ**”) shall be the Sales Gas Volume for the period starting from 0700 hours of start date till End Date.

- 4.1.3 During the Term of this Agreement, the Sellers shall supply and deliver the Sales Gas to the Buyer at the Delivery Point on reasonable endeavour basis as per the provisions of this Agreement.
- 4.1.4 If Additional Gas Quantity are available with the Sellers, then subject to acceptance by the Buyer, such quantities can be delivered and off taken as per Clause 4.2 of this Agreement.
- 4.1.5 During the Term of this Agreement, the Buyer shall be obligated to take and pay, or pay for if not taken Sales Gas as per the provisions of this Agreement.
- 4.1.6 During the Term of this Agreement, the Sellers shall supply and deliver the Sales Gas to the Buyer at the Delivery Point failing which Sellers shall be liable for Shortfall Penalty as per the provisions of this Agreement.
- 4.1.7 Sellers and Buyer shall deliver and offtake Gas quantities available in excess of DCQ on reasonable endeavour basis.

4.2 Take or Pay Obligations

4.2.1 Quarterly Take or Pay Obligation

- (a) The “**Quarterly Contract Quantity**” or “**QCQ**” for each Quarter shall be equal to the aggregate of the DCQ in effect for each Day of the Quarter.
- (b) The “**Adjusted Quarterly Contract Quantity**” or “**AQCCQ**” for any Quarter shall be equal to the QCQ for such Quarter minus the sum of the following quantities for each Day during such Quarter:
- i. Any quantity of Gas up to the DCQ for the relevant Days on which the Sellers or the Buyer was/were prevented from supplying or taking Gas due to Force Majeure Event(s);
 - ii. Any quantity of Gas up to the DCQ for the relevant Days that was rejected by the Buyer in accordance with Clause 7 of the Agreement;
 - iii. Any quantity of Gas up to the DCQ for the relevant Days on which the Sellers or the Buyer was/were prevented from supplying or taking Gas due to Planned Maintenance pursuant to Clause 12 of the Agreement;
 - iv. Any quantity of Gas up to the DCQ for the relevant Days that the Sellers failed to make available for delivery unless such failure was: (i) caused by Buyer’s failure to comply with the terms of this Agreement; or (ii) due to exercise of Sellers’ right to suspend Gas deliveries pursuant to Clause 14
- (c) The “**Quarterly Take or Pay Quantity**” or “**QTOPQ**” shall be Eighty (80%) of the Adjusted Quarterly Contract Quantity.

4.3 Makeup Gas

- (a) If the Buyer has paid QGNT Amount during a Quarter, the Buyer shall be entitled to a credit for the quantity of Sales Gas, up to a quantity equal in value to that of QGNT Amount in subsequent Quarters, until the expiry of the End Date (“Makeup Gas”); provided, that the Buyer must first have taken delivery of the QTOPQ for that Quarter in which the Buyer wishes to draw Makeup Gas, Sellers shall not be under obligation to supply Sales Gas beyond DCQ for the purpose of supplying such Make-up Gas.
- (b) The value ascribed to Makeup Gas quantity for the purpose of setting off against QGNT Amount shall be the Arithmetic Average of the Sales Gas Price applicable during the Quarter in which Makeup Gas is offtaken by the Buyer. Sellers shall provide a credit towards the Makeup Gas quantities taken by Buyer up to QGNT Amount.
- (c) The order in which Makeup Gas shall be offtaken shall be the same order in which the Makeup Gas accrued. It is hereby agreed between the Parties that the Buyer

shall offtake all quantities of Makeup Gas as per this Clause 4.3 before the expiry of the End Date.

4.4 Additional Gas Quantity and Supplies

- (a) In case the Sellers have any "Additional Gas Quantity" or "AGQ" available at the Delivery Point over and above the DCQ, Sellers may make it available to the Buyer for supplies at the Delivery Point for any Day, subject to acceptance of the Buyer. Sellers shall use reasonable endeavors to supply and Buyer shall use reasonable endeavors to offtake this Additional Gas Quantity at the Delivery Point. Such quantities of Gas supplied by Sellers and off taken by Buyer towards AGQ at the Delivery Point shall be termed as "Additional Gas Supplies" or "AGS")
- (b) For avoidance of doubt, unless expressly agreed otherwise between Sellers and Buyer, any quantities of Gas delivered by Sellers and offtaken by Buyer on any Day shall first fulfill the obligation towards DCQ and any additional quantities of Gas supplied by Sellers and offtaken by Buyer over and above DCQ shall be towards AGQ.
- (c) Notwithstanding anything to the contrary in the Agreement, the provisions of Clause 4.2 "Take or Pay Obligation", Clause 4.5 Shortfall Gas of this Agreement shall not be applicable on AGQ at any time. For the avoidance of any doubt in this regard it is hereby expressly clarified that unless agreed otherwise; all the other terms and conditions including Sales Gas Price under this Agreement shall be applicable to AGQ.

4.5 Shortfall Gas and Shortfall Penalty

- (a) In any Quarter, if the Sellers fail to supply Eighty (80%) percent of the DCQ on any Gas Day for reasons other than:
 - (i) Force Majeure of Parties; or
 - (ii) Planned Maintenance of Parties, subject to Clause 12 of the Agreement; or
 - (iii) Any quantity of Gas up to the DCQ for the Days on which the Sellers fails to supply or the Buyer fails to offtake for reasons not attributable to the Sellers during that Quarter
- (b) then, the positive difference, if any, between Eighty percent (80%) of DCQ (after adjusting quantities of Gas under clause 4.5 (d) (i), (ii) and (iii)) and the quantity of Sales Gas supplied by the Sellers on the Gas Day aggregated for the respective Quarter shall be classified as the "Quarterly Sellers Supply Deficiency" and such days shall be called "Shortfall Days".
- (c) Notwithstanding anything to the contrary, the number of Shortfall Days considered for calculating Quarterly Sellers Supply Deficiency in any Quarter shall not be more than ten (10) days. In any Quarter, if Shortfall occurs on more than 10 days, days with highest shortfall incurred will be considered as Shortfall Days.
- (d) The Sellers shall pay the Buyer a penalty on the Quarterly Sellers Supply Deficiency in that Quarter ("Quarterly Shortfall Penalty"). The Quarterly Shortfall Penalty for any Quarter shall be an amount equal to Quarterly Sellers Supply Deficiency in that Quarter multiplied by eight percent (8%) of the average Gas Sales Price for that quarter on Gross Heating Value basis.

- (e) The Shortfall Penalty shall be set off against the value of invoice for the quantities off-taken by the Buyer in the Quarter or subsequent Quarters.

5. NOMINATION AND SCHEDULING PROCEDURE

- 5.1 The Sellers shall no later than the 15th Day 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 ("**Sellers Scheduled Quantity (SSQ)**").
- 5.2 The Buyer shall no later than the 18th Day of each Month inform the Sellers, of the quantity that it wishes to offtake and purchase for each day of the immediately succeeding Month ("**Buyer Nominated Quantity (BNQ)**") as per the Sellers Scheduled Quantity format provided by the Sellers.
- 5.3 In case Sellers wish to supply and Buyer wishes to offtake AGQ gas through the course of the month, Sellers may revise the Sellers Scheduled Quantity and Buyer may revise the Buyer Nominated Quantity before the start of the Day.
- 5.4 Buyer shall endeavor as a reasonable and prudent operator to take sales gas at a uniform hourly rate on continuous basis to avoid any large fluctuation.

4. DELIVERY POINT

- 6.1 Sales Gas shall be delivered by the Sellers to Buyer at the Delivery Point.
- 6.2 Title of the Sales Gas shall be transferred to the Buyer at the Delivery Point
- 6.3 All the Risk of the Sales Gas shall pass on to the Buyer at the Delivery Point.
- 6.4 The Buyer shall make all proper and adequate arrangements for receiving the Sales Gas at the Delivery Point at its own risk and cost from the Delivery Point onwards and in the event that any defect arises in such arrangements, the same shall be promptly rectified by the Buyer. The Sellers' responsibility will cease once Sales Gas is delivered to the Buyer at the Delivery Point.
- 6.5 Sales Gas shall be evacuated from the Delivery Point onwards by means of Buyer's Facilities, to be provided and maintained by the Buyer.

5. SPECIFICATION OF SALES GAS AND DELIVERY PRESSURE

- 7.1 The quality of Sales Gas to be delivered by the Sellers to the Buyer shall conform to the specifications provided in Annexure – 2 hereto ("**Specification**").
- 7.2 The Sellers shall deliver Sales Gas at the pressure between 1 – 3 barg at Delivery Point ("**Delivery Pressure**").
- 7.3 If the Sales Gas supplied does not conform to Specification or Delivery Pressure and the Buyer is willing to take the Sales Gas or has already offtaken such Sales Gas, the price applicable for such Sales Gas shall be as per Sales Gas Price.
- 7.4 Buyer shall use all reasonable endeavours to accept delivery of any sales gas that does not conform to Specification or Delivery Pressure.

6. MEASUREMENT OF GAS

- 8.1 The volume of Gas supplied under the Agreement shall be measured by the Custody Transfer Meter (CTM) installed by the Sellers at the upstream of Delivery Point.
- 8.2 Deleted
- 8.3 The Measurement Equipment shall be designed and operated so as to achieve accuracy within an uncertainty of +/- 1.5% of Volume basis Sales Gas Composition.
- 8.4 Gas Turbine Meter will be installed post callibration approval from DGH at seller custody point.
- 8.5 Deleted
- 8.6 Sellers shall be responsible to carry out the verification of the accuracy of the Measurement Equipment. Sellers shall intimate Buyer and invite them at the time of carrying out verification of the accuracy of the Measurement Equipment. If the Sellers or Buyer at any time desire a special test of Measurement Equipment or any part of it, they shall notify the other party in writing, and Parties shall cooperate to secure a prompt test. The cost of such verification shall be borne by the Party requesting such special test.
- 8.7 If on joint verification/ third party validation the Measurement Equipment registers a variation of outside the accuracy limits as defined under Annexure – 3 of this Agreement or if the meter is out of service or fails, stops or breaks down, the following procedure in order of priority, whichever is feasible for arriving at the computation of Sales Gas during the period between the last joint verification/ third party validation, failure, stoppage or breakdown and present one shall be followed:
- a) Check meter, if any installed by Buyer at Kiri Bhandut EPS (downstream to the metering skid installed by Sellers)
 - b) By correcting the error if the percentage of error is ascertainable by a calibration/ validation, test, or mathematical calculation, or
 - c) In default thereof by estimating the value of Gas delivered by comparison with deliveries during period under similar conditions when the meter was
 - d) registering accurately.
- 8.8 The period to which the above corrections shall apply shall be as under:
- (a) If any period during which the meter is out of service or fails, stops, or breaks down is known or agreed upon, that shall be the period to which the correction shall be applied.
 - (b) If the period is not known, the correction shall be made for a period equal to half of the time elapsed since the date of the preceding joint verification/ third party validation.
- 8.9 Deleted

7. SALES GAS PRICE

- 9.1 Buyer shall pay to the Sellers the Sales Gas Price for the quantity of Sales Gas supplied at the Delivery Point under this Agreement as per below.

9.1.1 Contract Gas price (in USD/MMBTU rounded off to 2 decimals)

APM Domestic Gas Price (in USD/MMBTU) + \$3.0 (mark-up) + 'P'

Bidders are required to quote 'P', which would be the minimum 0.5 (>0.5) premium over the Gas Price in the first attempt. The "P" can be made in the increment minimum of USD 0.10/MMBTU from 2nd attempt onwards. Only upward increments of the price shall be allowed and it cannot be decreased.

"APM" shall mean gas price issued by the Petroleum Planning & Analysis Cell from time to time under the New Domestic Natural Gas Pricing Guidelines, 2014, issued by the Ministry of Petroleum & Natural Gas ("MoPNG"), Government of India, (Ref No.22013/27/2012-ONG D.V.) on 18th October 2014. Any directive, instruction, order, clarifications etc. of the MoPNG /Government of India issued from time to time in respect of gas price shall be applicable and such gas price shall be payable by the Buyer for gas supplies under this Agreement. Any revision in gas price resulting from such directive, instruction, order, clarifications etc. shall be applicable from the date as specified therein, whether retrospective or prospective".

Floor Price for Sale of Natural Gas from BHANDUT BLOCK, SURAT GUJARAT: USD 10.0 (in USD/MMBTU).

9.2 The Gas Sales price indicated above is exclusive of all applicable taxes, duties and transportation tariffs. Responsibility to pay any such taxes, including excise duty on compression if applicable relies fully on the Buyer.

8. BILLING AND PAYMENT

10.1 Based on the Tickets for the Fortnight during which Sales Gas was supplied, within three (3) Days from the start of the succeeding Fortnight, the Sellers shall raise an invoice on the Buyer for the quantity of Sales Gas delivered to the Buyer at the Delivery Point in the preceding Fortnight.

10.2 The invoice for each Fortnight shall set out among other things:

- (a) The applicable Contract Gas Price is in US Dollar.
- (b) The aggregate of allocated quantities of Gas in month delivered by the Seller at the delivery point in each Day during the billing Period multiplied by the Contract Gas price prevailing for the Billing period; and
- (c) The applicable Taxes, which are to be paid by the Buyer in respect of the Gas delivered during that Billing period
- (d) Any other amount due and payable in accordance with the contract.
- (e) the interest on delayed payment for previous invoices, if any.

10.3 Invoicing shall be done on Fortnightly basis and the Buyer shall make the payment on or before the "**Due Date**" which shall be 22nd of every Month for the supplies made during the first fortnight and 7th of every succeeding Month for the supplies made during the second fortnight of any Month.

10.4 Invoices for the supply of Sales Gas to the Buyer shall be raised in US Dollar and payment shall be made:

- a) in Indian Rupees (INR) to KIRI to the credit of their designated account with a bank in India. Payment for the purchase of Gas supplied in accordance with the contract and payment of taxes shall be made in

Indian Rupees (INR) converted from US Dollar at the SBI US\$ rate on the banking day preceding the date of issuance of invoice by the seller.

- b) If for any reason, the SBI rate on such banking day is not published then the last available SBI US\$ rate prior to issuance of the relevant invoice shall be applicable.

- 10.6 All duties, taxes, levies mentioned in the invoice to be paid to designated bank account mentioned in the invoice in INR by applying exchange rate in accordance with clause 10.5 of the Agreement.
- 10.7 In case Sellers raises the invoice after three (3) Days i.e. after 18th of every Month for supplies made during the first Fortnight and after 3rd of every Month for supplies made during the second Fortnight then Due Date shall be extended by the number of Day(s) by which invoice has been delayed beyond the stipulated three (3) Days, provided that the Buyer has submitted all the requisite data to the Sellers to raise the invoice latest by 1800 hours of 16th of every Month and 1800 hours 1st of every Month for the first and second Fortnight respectively.
- 10.9 If the Buyer has a bona fide dispute as to any amount, quantity, value or sum mentioned in an invoice (the "**Disputed Item**"), the Buyer shall notify the Sellers in writing within seven (7) Days of receiving the invoice. The notice shall specify the Disputed Item and the reasons why the Buyer disputes such item. Whether or not any sum is disputed, the Buyer shall make payment of the entire invoice amount as per Clause 10.3.
- 10.10 The Sellers and the Buyer shall resolve the Disputed Item as provided for in accordance with Clause 18. The amount agreed or determined to be due in relation to the Disputed Item shall be paid within fourteen (14) days from the date that the Dispute Item is resolved. If a dispute is decided in favour of Buyer, Sellers shall refund the overpayment within fourteen (14) Business Days following resolution of the Dispute Item and Sellers shall pay interest at the Interest calculated for each day as per Clause 10.11 for the period from the day that the overpayment is made by Buyer until the date of refund by Sellers.
- 10.11 If a Party fails to pay any sum due and owing under this Agreement by the Due Date, the interest on that sum shall accrue from the date when such payment was due, until the date the payment is finally made. The Interest shall be calculated, in the case of INR payments as SBI one month Marginal Cost of Funds based Lending Rate (SBI MCLR) applicable on the due date plus five percentage (5%) points compounded quarterly.

9. Payment Security

- 11.1 The Buyer shall provide to the Sellers as security for its payment obligations hereunder an irrevocable, unconditional, on payment security bank guarantee from a reputed bank of good standing, acceptable to the Seller, in favour of the Seller, for an amount specified in Clause 11.2 below, in a form provided at Annexure 7, to be in place from the Start Date. Bank Guarantee in favour of KIRI shall be in INR.
- 11.2 The amount of the guarantee to be provided and maintained under Clause 11.1 above shall be thirty (30) Days equivalent Gas supplies to Buyer and shall be determined as follows:

Payment Security Bank guarantee amount (in United States Dollar) = [XXX scm * 9,431.03 kcal/scm XXXX MMBTU] * [Sales Gas Price (plus all applicable taxes and

duties on sales]] * [30 Days]. The exchange rate to be used for purpose of calculating the Bank Guarantee amount in INR for Sellers shall be the rate published by Financial Benchmarks India Private Limited on the Day prior to issuance of the Bank Guarantees. The Sales Gas Price to be considered for the purpose of calculating the amount of Bank Guarantee shall be the average Sales Gas Price calculated for preceding three (3) Month's period.

- 11.3 Payment Security Bank Guarantee shall be submitted no later than thirty (30) days prior to the Start Date and shall be valid initially for a period of one (1) Years from the Start Date. Three (3) months before end of validity of the previous Bank Guarantee, it shall be renewed for further duration of one (1) Years as per Clause 11.2 and necessary adjustment in value shall be done by the Buyer. This renewal of BG shall be continued for the entire term of this Agreement so as to ensure uninterrupted coverage to the Sellers for thirty (30) days equivalent Gas supply.
- 11.4 The Sellers shall have the right to invoke, in part or in full, the respective Bank Guaranty on account of a failure of the Buyer in meeting its payment obligations under this Agreement.
- 11.5 The Bank Guarantee shall be from an agreed bank and in a form substance acceptable to the Seller. BG shall be capable of allowing multiple and partial drawings by the Seller on demand, without recourse to the buyer, irrespective of any pending disputes between the Parties, upon a submission by the Seller of a statement to the bank with which the BG is maintained:
- a) certifying that the amounts are due and payable from the Buyer to the Seller in accordance with the Contract; or
 - b) confirming full or partial drawdown of the BG is required since the BG has not been replaced, renewed, replenished or revised in accordance with the Contract.
- 11.6 All bank charges, interest or other payment related to security will be to the Buyer's account.
- 11.7 The Payment Security Bank Guarantee valid upto 90 days after expiry of contract.

10. PLANNED, UNPLANNED AND EMERGENCY SHUTDOWN

- 12.1 Both the Sellers and the Buyer shall notify the other Party at least thirty (30) days in advance (except in case of emergency or operational necessity) in the event that they wish to carry out maintenance work on their respective facilities and of any interruptions in Sales Gas delivery or offtake. 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 thirty (30) Days per Contract Year ("Planned Maintenance") each for the Buyer and Sellers. In case Contract Year is less than 365 days, the Planned Maintenance period shall be reduced on pro-rata basis.

11. TAXES

- 13.1 The Buyer shall be responsible for the payment of all taxes, levies, duties or similar fees or charges which arise from time to time on or after delivery of Sales Gas. The Buyer shall indemnify, defend, and hold harmless each of the Sellers in respect of such taxes, levies, duties or similar fees or charges.
- 13.2 The Buyer shall reimburse the Sellers of all taxes, levies, duties or similar fees or charges and surcharge thereon or any other taxes payable to Government of India, a state Government or local authority on account of the sale of Sales Gas to the Buyer. For avoidance of doubt, Buyer shall be liable to re-imburse the Sellers, Taxes

related to Sale of Gas and shall not be liable to pay any taxes / levies related to upstream operation of Sellers.

12. SUSPENSION AND TERMINATION

A. Suspension: Without prejudice to any other rights and remedies, Sellers may suspend delivery of Gas, upon five (5) Business Days' notice to Buyer, in any of the following circumstances: (i) Buyer's failure to make payments in full when due; (ii) Buyer's failure to establish, maintain or renew the Bank Guarantee as required herein; (iii) where suspension is required due to Law or in the event of any defect or unsafe operation in the Buyer's Facilities or downstream of the Delivery Point; (iv) Buyer's breach of its representations set out under this Agreement; (v) Buyer's breach of Anti Bribery obligations set out under this Agreement; or (vi) the occurrence of any termination event under Clause 14(B) (and without, for the avoidance of doubt, any need to await the expiry of any notice, cure or grace period provided for therein). (vii) if the Buyer, its Affiliates, or associated persons become a Restricted Party. Upon and for the duration of such suspension, Sellers shall be relieved of their obligation to make Gas available for delivery to Buyer under this Agreement, but Buyer shall not be discharged of any of its obligations under this Agreement, except for event mentioned under Clause 14(A)(iii). Sellers shall resume delivering Gas as soon as reasonably practicable following the cure of the events listed above and in any case within forty-eight (48) hours of such cure.

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

- (a) fails to pay any amount in full within thirty (30) days after the due date
- (b) commits any material breach of this Agreement, and if that breach is capable of remedy, fails to remedy such breach within thirty (30) Days of receipt of written notice from the Sellers of that breach; or
- (c) fails to remedy within five (5) days following suspension of the Agreement in accordance with clause 14(A)(ii) in the event the Bank Guarantee as required herein has expired.
- (d) becomes insolvent or bankrupt or makes a composition or arrangements with its creditors; is wound up or a resolution for its winding up is made (other than for the purposes of an amalgamation or reconstruction while solvent); has a liquidator, provisional liquidator, receiver, administrator or an administrative receiver or manager of its business or undertaking appointed, then the Sellers may, without prejudice to any claim, remedy, suit or right of action that the Sellers may have against the Buyer, terminate this Agreement by giving at least ninety (90) Days' notice in writing to that effect;

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

C. This Agreement may be terminated by the Buyer, if the Sellers or any one or more of them:

- (a) commits any material breach of this Agreement, and if that breach is capable of remedy fails to remedy that breach within thirty (30) Days of receipt of notification in writing from the Buyer of such breach; or,
 - (b) becomes insolvent or bankrupt or makes a composition or arrangements with its creditors; is wound up or a resolution for its winding up is made (other than for the purposes of an amalgamation or reconstruction while solvent); has a liquidator, provisional liquidator, receiver, administrator or an administrative receiver or manager of its business or undertaking appointed, then the Buyer may, without prejudice to any claim, remedy, suit or right of action that the Buyer may have against the Sellers, terminate this Agreement by giving at least ninety (90) Days' notice in writing to that effect;
 - (c) Sellers fail to pay any undisputed amount in full within thirty (30) days after t/he due date of such payment.
- D. The termination of this Agreement shall be without prejudice to the rights and obligations of the Parties up to and including the date of such termination and shall not affect or prejudice any provisions of this Agreement that is expressly or by implication provided to come into effect on, or continue in effect after, such termination.

13. INDEMNITIES

15.1 Buyer's Indemnities

The Buyer shall defend, indemnify and hold each of the Sellers, their Affiliates, contractors, sub-contractors and the respective directors, officers, employees and agents of the foregoing ("**Sellers's Personnel**") harmless from and against any and all costs (including legal costs), losses, damages, expenses, demand, claims, actions or suits that they may suffer or incur that relate to the loss, damage or destruction of any of the Buyer's Facilities, or the injury to or death of any of the Buyer's Personnel arising out of or in connection with this Agreement.

15.2 Sellers' Indemnities

The Sellers shall defend, indemnify and hold the Buyer, its Affiliates, contractors, sub-contractors and the directors, officers, employees and agents of the foregoing ("**Buyer's Personnel**") harmless from and against any and all costs (including legal costs), losses, damages, expenses, demand, claims, actions or suits that they may suffer or incur that relate to the loss, damage or destruction of any of the Sellers Facilities or the injury to or death of any of the Sellers Personnel arising out of or in connection with this Agreement.

14. LIMITATION OF LIABILITIES

16.1 Consequential Loss

Notwithstanding anything contained in this Agreement, neither Party shall be liable to the other Party for any indirect, special, consequential, punitive, and/or exemplary damages or losses arising from any act or omission by that Party relating to this Agreement and each Party (the "**Indemnifying Party**") shall defend, indemnify and hold the other Party (the "**Indemnified Party**") harmless in respect of any and all such indirect, special, consequential, punitive, and/or exemplary damages or losses

suffered or incurred by the Indemnifying Party (provided that nothing in this Clause 16 shall relieve any Party from any express obligation under this Agreement to make any payment to another).

16.2 Mitigation of Losses

Each Party shall use reasonable endeavours to mitigate or avoid any loss or damage caused by the failure of the other Party to meet its obligations under this Agreement, whether or not such failure is the result of the existence of a Force Majeure event.

16.3 Application of Indemnities

All indemnities given pursuant to this Agreement shall apply irrespective of the cause and notwithstanding the negligence or breach of duty (statutory or otherwise) of the Party seeking the indemnity or any other person.

15. FORCE MAJEURE

- 17.1 In the event of any Party being rendered unable by Force Majeure to perform any obligations required to be performed by them under this Agreement, the relative obligation of the Party affected by such Force Majeure shall be suspended over the period during which such cause lasts, except for the payment of monies due under this Agreement.
- 17.2 For the purpose of this Agreement, "Force Majeure" shall mean any event or circumstance, the occurrence of which is beyond the reasonable control of a Party claiming such a Force Majeure and which directly results in such Party being unable to perform one or more of its obligations under this Agreement, which inability could not have been prevented or overcome by such Party by exercising reasonable foresight, planning and implementation. For the purposes of this Agreement and to the extent that they satisfy the requirements set out in the preceding sentence and subject to the proviso to this definition, Force Majeure shall be limited only to the following events and circumstances:
- (a) Acts of God such as a 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 Sellers or the Buyer's Facilities (as the case may be), explosion, war, embargo, civil or military disturbances which results in the operations located in the Sellers or the Buyer's Facilities (as the case may be) coming to a complete standstill;
 - (b) an epidemic, plague or quarantine officially declared by a Governmental Authority which results in the operations located in the Sellers or the Buyer's Facilities (as the case may be) coming to a complete standstill;
 - (c) war (whether declared or not), riot, civil war, insurrection, acts of public enemies or civil disturbance, sabotage, riots, terrorism, revolution, revolt, rebellion or insurrection, exercise of military power;
 - (d) radioactive contamination, or ionizing radiation;
 - (e) any act, order, instruction or rules of the Government of India, which directly affects the ability of performance of the Agreement by either Party, including any act, order, instruction or rules of the Government of India, that even after exercising reasonable foresight and continuous efforts to mitigate by a relevant Party, affects the ability of the Sellers or Buyer to perform its obligations under this Agreement.

- (f) any events of unrest, disputes and strikes by the Buyer's or Sellers' workmen or other labour working at the Buyer's Facilities or Sellers Facilities;
 - (g) loss or breakage of, freezing or bursting of or serious accidental damage to, or inoperability of the Sellers Facilities or Buyer's Facilities resulting in partial or complete shutdown of the affected Party; and
 - (h) unforeseen depletion or loss of reservoir or deliverability or any other unforeseen geological complexities resulting into loss of Gas production or other similar causes beyond its reasonable control (which could not have been prevented or overcome by such Party by exercising reasonable foresight, planning and implementation).
- 17.3 Provided that the following events and circumstances, without any limitation, shall not constitute Force Majeure:
- (a) any event or circumstance, which comprises or results from any Wilful Misconduct or gross negligence of the affected Party or any act or omission by the affected Party, which could have been prevented or overcome by the exercise of diligence by the Party claiming Force Majeure;
 - (b) changes in market conditions, including changes that directly or indirectly affect the demand for or price of Gas or any other commodity or goods produced or loss of customers or loss of market share; any event or circumstance, which makes the performance of this Agreement uneconomic or commercially impracticable or the financial hardship or the inability of a Party to make a profit or receive a satisfactory rate of return from its operations;
 - (c) the inability or the failure of the Party claiming Force Majeure to make payment of any money when due in accordance with this Agreement or the inability or the failure of the Party claiming Force Majeure to raise any financing required in connection with the performance of such Party's covenants or obligations set out in this Agreement;
 - (d) the inability or the failure of the Buyer to offtake Gas under this Agreement due to the inability or the failure of the Buyer to take and accept delivery of Gas at the Delivery Point due to any reasons whatsoever including but not limited to reasons related to specification or composition of Sales Gas;
- 17.4 Where a Party is claiming suspension of its obligations on account of Force Majeure, it shall promptly and in any case no later than (seventy-two) 72 hours after becoming aware of the occurrence of the Force Majeure event, notify the other Parties in writing giving full particulars of the Force Majeure event, the estimated duration thereof, the obligations affected and the reasons for its suspension.
- 17.5 Provided that Party affected by Force Majeure has complied and continues to comply with the obligation of this Clause 17, and subject to the further provisions of this Agreement, the obligations of the Parties under this Agreement due to the extent performance thereof is prevented or impeded by the event of Force Majeure shall be suspended and the Parties shall not be liable for the non-performance thereof for the duration of the period of Force Majeure. The term of this Agreement shall not be extended due to an event of Force Majeure.
- 17.6 Notwithstanding anything in this Clause 17, if an event of Force Majeure occurs, and continues for a period in excess of thirty (30) consecutive Days, and the effect of such event is to reduce the ability of the Sellers to deliver Gas or the Buyer to offtake Gas, then the Parties shall meet and discuss the future course of action to mitigate

the effects of the Force Majeure event. In case the Force Majeure continues for a consecutive period of more than one hundred and twenty (120) Days, the Party not relying on the Force Majeure event, except in case of a Force Majeure event mentioned under Clause 17.2.(e), wherein either party, may terminate this Agreement by giving not less than thirty (30) Days' prior written notice to the other following the conclusion of discussions

17.7 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 Clause and that such Party has exercised reasonable diligence and efforts to remedy the cause of any alleged Force Majeure.

17.8 Notwithstanding anything to the contrary in this Clause 17, if, at any time during the Term of this Agreement, the Buyer or Sellers is a Government Owned Party, then Buyer or Sellers may not claim an event of Force Majeure for any action or inaction of a Governmental Authority that prevents Buyer or Sellers from complying with any obligation under this Agreement unless such action or inaction applies equally to all public and private entities doing business in India and was not undertaken by the Governmental Authority to benefit Buyer or Sellers.

16. GOVERNING LAW AND DISPUTE RESOLUTION

18.1 Save in respect of any dispute on matters, which are to be referred to expert determination with respect to technical matters only or in respect of any dispute on matters which the Parties otherwise agree shall be referred to expert for determination. Any dispute, controversy, difference or claim arising out of or relating to this Agreement or the breach, termination or validity scope thereof, whether in contract, tort, statutory or otherwise ("**Dispute**") shall at the first instance be mutually settled between the Parties within a period of 45 (forty-five) days after giving notice by one Party to the other Party that such Dispute has arisen. In the event of failure of a settlement of any such Dispute, the Dispute shall be referred to and finally resolved by arbitration under the Arbitration and Conciliation Act, 1996 (the "Act") in force at the time such arbitration is commenced. Notwithstanding the provisions of the Act, the procedure for appointment of arbitrator shall be as follows:

- a) If a Dispute is to be settled by arbitration pursuant to clause 18.1, then an arbitral tribunal (the "**Tribunal**") shall be established in accordance with the provisions of this clause 18.1.a). The number of arbitrators shall be 3 (three). Each Party shall nominate an arbitrator within 30 (thirty) days of the date of a request for arbitration, and the two nominated arbitrators shall within 30 (thirty) days of the date of the nomination of the second arbitrator jointly nominate a third arbitrator to act as Presiding Arbitrator of the Tribunal.
- b) If an arbitrator is not nominated within the time limits set out in clause 18.1.a), then either Party may seek that such an arbitrator appointed in accordance with the provisions of the Act.

18.2 Conduct of Arbitration

- a) The seat of the arbitration shall be at New Delhi, India.
- b) The language to be used in the arbitral proceedings shall be English.

18.3 Arbitration Award

- a) The award rendered in any arbitration commenced under this Agreement shall be final and binding on the Parties.

18.4 Governing Laws

- a) This Agreement shall be governed by and construed in accordance with laws of India. Subject to Clause 18, where reference to courts are allowed under the Arbitration and Conciliation Act, 1996, courts of New Delhi shall have exclusive jurisdiction.

17. CONFIDENTIALITY

19.1 Each Party shall, and shall cause its Affiliates and its and their respective directors, officers, employees, and agents to:

- (a) keep all information provided in connection with this Agreement strictly confidential; and
- (b) not, subject to Clause 19.2, disclose or permit the disclosure of such confidential information or any part of it to a third party.

19.2 A Party may disclose confidential information, or a part of it, in the following circumstances:

- (a) with the prior written consent of the other Parties;
- (b) where the confidential information is, at the time of its disclosure, in the public domain except through a breach of this Agreement or otherwise through the fault of any Party or its directors, Affiliates, employees or agents, as evidenced by printed publication or otherwise;
- (c) where the confidential information or the Agreement is to be shared with Central or State Government or to Buyer's End Consumer;
- (d) after its disclosure becomes part of the public domain by publication or otherwise except through a breach of this Agreement or otherwise through the fault of any Party or its directors, Affiliates, employees or agents;
- (e) where the confidential information is required to be produced by law or by the order of, or under any contractual relationship with, any Government, State Government or governmental agency or any court or judicial authority of competent jurisdiction or the rules of the stock exchanges on which the shares and other securities of a Party or its Affiliates are listed or of the rules and/or regulations of listing authorities governing the listing of shares or other securities on such stock exchanges and the company whose shares are so listed;
- (f) where the confidential information is obtained by a Party from a third party who is lawfully in possession of such confidential information and is not subject to any contractual or fiduciary relationship which would preclude its disclosure;
- (g) where required by a bank or other financial institution (and its employees, agents and consultants) that is providing finance to the Party wishing to disclose such confidential information in whole or part on the security of a charge or other encumbrance or other such disclosing Party's interest in this Agreement, or its interest in the PSC and/or the OA, as the case may be, provided, that the bank or financial institution has entered into a written agreement with the disclosing Party agreeing to keep such information disclosed to it as confidential;

- (h) to consultants of the disclosing Party, provided, that the consultant has entered into a written agreement with the disclosing Party agreeing to keep such information disclosed to it confidential; and
- (i) to potential assignees of a Party's interest in this Agreement, its interest in the PSC or its interest in the OA, provided, that such potential assignee has entered into a written agreement with the disclosing Party agreeing to keep such information disclosed to it confidential.

19.3 The provisions of this Clause 19 shall supersede any existing confidentiality agreements between the Parties in respect of the subject of this Agreement and shall survive for a period of three (3) years after the termination of this Agreement.

19.4 Notwithstanding anything contained in this Clause 19, a Party may issue public releases or make public announcements concerning the supply and offtake of Sales Gas contemplated hereby.

18. NOTICES

20.1 Any notice or other communication required or given under this Agreement shall be in the English language and delivered in writing by hand, courier, registered mail, registered airmail, electronic-email, or fax, addressed as follows:

TO THE BUYER:

Company Address:
.....
.....
.....
Email:
Kind Attention:

TO THE SELLER:

KIRI.

Company Address:
.....
.....
.....
Email:
Kind Attention:

For quality and operational matters

KIRI
Company Address:
.....
.....
.....
Email:
Kind Attention:

- 20.2 Any notice or communication to be given by the Buyer or by the Seller under this Agreement may be given and received by the Buyer to KIRI or by the KIRI to the Buyer, as the case may be.
- 20.3 Any Party may change its address or addresses or representative or fax number for the purpose of receiving notices shall intimate of the change to the each of the other Parties.

19. MISCELLANEOUS

21.1 **No Assignment**

Neither this Agreement nor any of the rights and / or obligations of either Party hereunder may be assigned or transferred without the other Party's prior written consent, except for assignment by a Party of its rights and / or obligations to an Affiliate for which prior written information shall be given to the other Party. For avoidance of doubt, assignment by a Party of its rights and / or obligations to an Affiliate shall be done only after informing the other Party in writing but do not require consent of the other Party and in case of such assignment the obligation of the Assigner shall continue. This Agreement will be binding upon and inure to the benefit of the Parties and their respective successors and assigns.

21.2 **Construction**

This Agreement may be amended only by written agreement of the Parties, which is signed by authorized representative of both the Buyer and the Sellers. Should any provision of this Agreement be held invalid or unenforceable, such invalidity will not invalidate the whole of this Agreement, but rather that invalid provision will be amended to achieve as nearly as possible the same economic effect as the original provision and the remainder of this Agreement will remain in full force. Waiver by either Party of the breach of any provision of this Agreement by the other Party will not operate or be construed as a waiver of any subsequent, similar, or other breach by the breaching Party. In any interpretation of this Agreement, an ambiguity shall not be resolved by interpreting the Agreement against the drafter. The language of this Agreement shall be interpreted according to the true interpretation of the relevant clause and fair meaning of such provisions and not for or against either Party.

21.3 **No Joint Venture**

Nothing in this Agreement will be construed to create a partnership, joint venture, principal-agent or employer-employee relationship between the Buyer and the Sellers.

21.4 **No Third-Party Beneficiary**

Save as expressly provided herein, this Agreement is made and entered into for the sole protection and benefit of the Parties to this Agreement and is not intended to convey any rights or benefits to any third party, nor will this Agreement be interpreted to convey any rights or benefits to any person except the Parties to this Agreement.

21.5 **Entire Agreement**

This Agreement, together with the Annexures hereto, (i) embodies the final, complete and exclusive understanding between the Parties with respect to its

subject matter; (ii) replaces and supersedes all previous oral or written agreements, understandings or arrangements between the Parties; (iii) may be signed in counterparts, each of which will be an original and all of which will constitute one and the same document; and (iv) may only be amended in a writing signed by an authorized officer of both Buyer and the Sellers hereto.

21.6 **Further Assurances**

Each of the Parties will from time to time, at the request of the other Party and without further consideration, execute and deliver other documents and take such actions as the other Party may reasonably request to consummate more effectively the supply and offtake of Sales Gas under this Agreement.

21.7 **Compliance with Laws**

This Agreement and the performance of this Agreement is subject to all present and future applicable laws, rules, orders, statutes, and regulations of governmental authorities having jurisdiction over the Parties. Both Parties will comply with all applicable laws, rules, orders, statutes, and regulations. Both Parties confirm that they have complied all present laws, rules, orders, statutes, and regulations of governmental authorities having jurisdiction over the Parties.

Parties agree that in the performance of its obligation, both Parties will comply with all applicable laws, decrees and regulations of India and its states as applicable which inter alia includes measures for prevention of corrupt practices, unfair means and illegal activities including compliance of all applicable anti-bribery and anti-corruption laws and regulations of India.

IN WITNESS whereof the Parties have duly signed this Agreement:

SIGNED for and on behalf of	
_____	_____
Name:	Signature of Witness
Designation:	Name:
Signed for and on behalf of KIRI	
_____	_____
Name:	Signature of Witness
Designation:	Name:

ANNEXURE-1: LOCATION DETAILS OF Bhandut Block

Location details of the Bhandut EPS

Coordinates: N- 21° 15' 21" E- 72° 28' 33"

ANNEXURE - 2: GAS SPECIFICATION

The Gas shall have the following limits of composition at the delivery point:

- a) Methane: Not less than 80% by volume
- b) Other Gaseous Hydrocarbons: Not more than 25% by volume
- c) Non-combustible Gases other than Hydrocarbons including Not more than 5% by volume Nitrogen, Carbon-dioxide.
- d) Total Sulphur content not exceeding 10 ppm by wt. max
- e) H₂S not exceeding 5 ppm by wt. max
- f) Moisture content: No free water will be present
- g) Gas temperature: 60-75 Deg C
- h) Gas pressure between 8.10 Barg

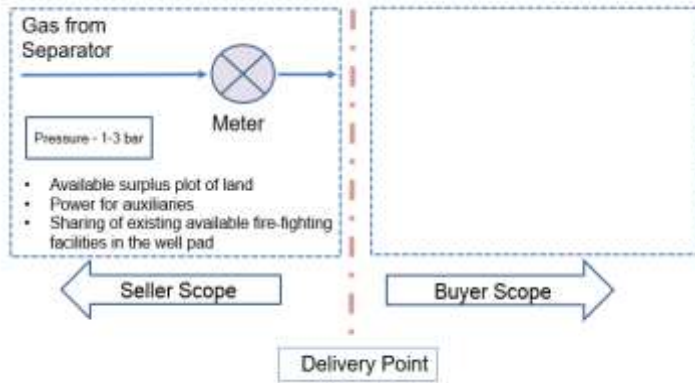
ANNEXURE – 3: ACCURACY OF MEASUREMENT EQUIPMENT

1. The Sales Gas linked measurement (quantity/ quality) is based on following standards
 - A. Metering Skid
 - a) AGA 3 Senior Orifice Metering applicable standard
 - B. Verification System
 - a) Senior Orifice metering being a mechanical device shall be verified physically. The pressure transmitters shall be calibrated as part of standard operating practice.
 - C. Gas density and Compressibility
 - a) AGA 8 - Calculation as per AGA 8 is available in Flow Computer, required values of Density and Compressibility shall be feed manually.
2. System Performance
 - (a) Volume: The metering system uncertainty shall be +/-1.5% of Volume basis
3. Verification

The metering skid is designed as per AGA 3. The offered Senior Orifice is mechanical device, the Orifice Plates can be taken out and verified physically, the pressure transmitters can be calibrated. This is regular practice followed with Senior Orifice meter.

ANNEXURE – 4: TICKET FORMAT

ANNEXURE 5: TYPICAL SCHEMATIC DIAGRAM OF FACILITIES



Buyer's scope to be filled based on details provided by successful bidder in Form C2 and/or C3

ANNEXURE-6: TYPICAL GAS COMPOSITION OF Bhandut Wells

Parameters	Mole%
Methane (C1)	98.2193%
Ethane (C2)	0.1721%
Propane (C3)	
i-Butane + n-Butane	
Other HC (C5+)	
CO2	0.03%
Nitrogen	0.077%
Energy Parameters	
Gross Calorific Value (Kcal/scm)	9431.03

ANNEXURE – 7: BANK GUARANTEE FORMAT

BANK GUARANTEE

No

To,
KIRI.
Company Address

Kind attention: Chief Marketing Officer

Sir,

1. In consideration of KIRI., a body corporate established under the laws of the India, and having its registered office at XXXXXX, India, and corporate office at XXXXXXXX (hereinafter referred to as “Company”, which expression shall, unless repugnant to the context or meaning thereof, include all its successors, administrators, executors and assigns) having entered into a Contract No. _____ dated _____ (hereinafter called the “Contract” which expression shall include all the amendments thereto) with [insert the Contractor Name], a company incorporated and validly existing under the laws of India, having its registered office at [insert address of Contractor] (hereinafter referred to as the “Contractor”, which expression shall, unless repugnant to the context or meaning thereof, include all its successors, administrators, executors and assigns) and the Contract having been formally signed by the Contractor and Company, one of the terms of the Contract requires that the Contractor furnishes to Company a bank guarantee for INR _____ (in figures & words) along with submission of acceptance for execution of the Contract for guaranteeing the satisfactory performance by the Contractor under the Contract.
2. We, _____, (Name of the bank) registered under the laws of _____, having head / registered office at _____ (hereinafter referred to as the “Bank”, which expression shall, unless repugnant to the context or meaning thereof, include all its successors, administrators, executors and assigns), do hereby guarantee and undertake to pay to the Company (or if the Bank has accepted the assignment of the benefit of this bank guarantee to any third party pursuant to Clause 4 of this bank guarantee then to that third party) within twenty four (24) hours after receipt by the Bank of a demand complying with the requirements of this bank guarantee on first demand in writing any / all moneys to the extent of INR _____ (in figures & words) without any demur, reservation, recourse, contest or protest and without any reference to the Contractor. Any such demand made by Company on the Bank by serving a written notice, shall be conclusive and binding, without any proof whatsoever, as regards to the amount due and payable, notwithstanding any dispute (s) pending before any court, tribunal, arbitrator or any other authority and / or any other matter or thing whatsoever, as Bank’s liability under these presents being absolute and unequivocal. For the purposes of this Clause 2 “business day” means a day on which commercial banks are open for business in [mention city of the bank branch]. Bank hereby agree and acknowledge that this guarantee is irrevocable and continues to be enforceable until it is fully and finally discharged by Company in writing or [insert date] whichever is earlier. This bank guarantee shall not be determined, discharged, or affected by the liquidation, winding up, dissolution or insolvency of the Contractor and shall remain valid, binding and operative against the Bank.

3. The Bank also agrees that Company at its option shall be entitled to enforce this bank guarantee against the Bank as a principal debtor, in the first instance, without proceeding against the Contractor and notwithstanding any security of other guarantee that Company may have in relation to the Contractor's liabilities.
4. The benefit of this bank guarantee may be assigned, charged or transferred by the Company to any person, company, bank or other institution to which the benefit of the Contract is assigned in accordance with its terms only when the prior written consent of Bank is obtained (which shall not be unreasonably withheld). The Bank shall be given written notice of any such assignment in advance. However, Bank reserve the right at any time to refuse payment of or to reject documents presented bearing reference to any country, entity or individual that may be the subject of any boycott, sanction or embargo imposed by any laws, executive orders or regulations of the government and/or authorities of the [insert the country name] or other countries ("applicable restrictions"). This includes documents evidencing transshipment through any country affected by any applicable restrictions. Bank shall not be liable for any delay or failure to make payment under this bank guarantee or disclosure of information in connection with such documents, or any other consequence thereof. Further, this bank guarantee may not be assigned or transferred to any person or entity that is the subject of any boycott, sanction, or embargo under any applicable restrictions.
5. The Bank further agrees that Company shall have the fullest liberty without the Bank's consent and without affecting in any manner the Bank's obligations hereunder to vary any of the terms and conditions of the Contract or to extend time of the Contract by the said Contractor and to enforce, or to forebear to enforce any of the terms and conditions relating to the Contract and the Bank shall not be relieved from its liability by reason of any such variation, or extension being granted to the Contractor or any forbearance, act or omission on the part of Company or any indulgence shown by Company to the Contractor or any such matter or thing whatsoever which under the applicable laws may, but for this provision, have effect of relieving the Bank.
6. The Bank further agrees that the bank guarantee herein contained shall remain in full force till it is validly discharged by the Company or [insert date] whichever is earlier, and all dues of Company under or by virtue of this Contract have been fully paid and all its claims satisfied or discharged or till Company discharges this bank guarantee in writing, whichever is earlier.
7. The bank guarantee shall not be discharged by any change in Bank's constitution, constitution of Company or that of the Contractor or change in appropriate laws.
8. The Bank confirms that this bank guarantee has been issued with observance of appropriate laws of [insert country name].
9. The Bank also agrees that this bank guarantee shall be governed and construed in accordance with [insert country name]. laws and subject to the exclusive jurisdiction of Delhi courts.
10. All charges, fees, commission, and other costs shall be to the account of the Contractor. Failure of the Contractor to make such payments shall not in any way affect the bank's obligation under this bank guarantee and Company shall be paid the money due to it under this bank guarantee without any deduction.
11. Notwithstanding anything contained hereinabove:

Commented [PS1]: To be removed

- (i) Bank's liability under this bank guarantee is limited to INR _____ (in figures & words) and Bank's guarantee shall remain in force until [insert date].
- (ii) Any claim under this bank guarantee must be received by Bank before the 1 year from the date of expiry of this bank guarantee i.e. [insert date]. If no such claim has been received by us by the said date, the right of Company under this bank guarantee will cease.
- (iii) Any letter from the Company to the Manager of [insert full branch address] branch of the Bank, under the seal of Company shall be deemed to be sufficient and valid demand for payment under this bank guarantee.
- (iv) The Bank undertakes not to revoke this bank guarantee before the expiry of this bank guarantee including during extension period, if any.

Commented [PS2]: To be removed

In witness whereof, the Bank through its authorized officer has set its hand and stamp on this [insert date] day of [insert month], [insert year] at [insert place of execution]

(Signature)

(Signature)

Full name and official address
with bank stamp
Attorney as per power of
Attorney No.....
Dated

Full name and official address
with bank stamp

WITNESS No. 1

WITNESS No. 2

Notes

1. **To be executed as deed.**
2. Buyer shall have to submit Bank Guarantee as per the prescribed formats for each of the Sellers

Details for Copy of SFMS Confirmation

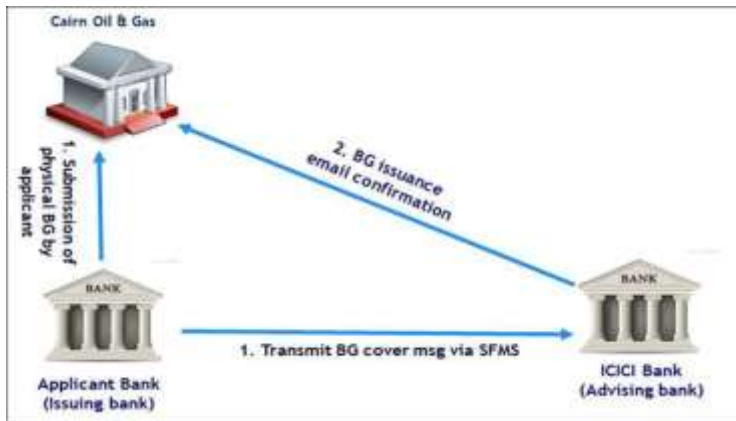
SFMS FOR BG AUTHENTICITY IS TO BE SENT BY THE ISSUING BANK TO KIRI's BANK (Advising Bank of SFMS). KIRI's BANK DETAILS ARE MENTIONED BELOW:

BANK:

IFSC CODE:

(Trans Trade Centre, Seepz, MIDC, Andheri (E) Mumbai 93),

Notes for Issuing Bank:



List of acceptable Banks for issuance for Bank Guarantee

<u>PSU Banks</u>	<u>Private Banks</u>	<u>Foreign Banks</u>
Bank Of Baroda	Axis Bank Ltd.	Barclays Bank Plc.
Bank Of India	Federal Bank Ltd.	BNP Paribas
Bank of Maharashtra	HDFC Bank Ltd.	Citibank N.A.
Canara Bank	ICICI Bank Ltd.	Credit Agricole Corporate and Investment Bank
Central Bank Of India	IDFC First Bank Ltd.	Deutsche Bank
Indian Bank	IDBI Bank Ltd.	DBS Bank Ltd.
Indian Overseas Bank	IndusInd Bank Ltd.	HSBC Bank PLC
Punjab National Bank	Kotak Mahindra Bank Ltd.	Societe Generale
Punjab & Sind Bank	Yes Bank Ltd.	Standard Chartered Bank
State Bank Of India		
UCO Bank		
Union Bank Of India		