

CRUDE OFFTAKE AND SALES AGREEMENT

BETWEEN

OIL AND NATURAL GAS CORPORATION LTD

&

VEDANTA LIMITED

(Above hereinafter called as SELLERS)

&

<name of Buyer> (CRUDE OIL BUYER)

WITH RESPECT TO CONTRACT AREA
IDENTIFIED AS NELP BLOCK KG-ONN-2003/1 (NAGAYALANKA)

CRUDE OFFTAKE AND SALE AGREEMENT

PREAMBLE:

This CRUDE OFFTAKE AND SALE AGREEMENT (“Agreement”) is made on..... Two Thousand _____ by and between:

Oil and Natural Gas Corporation Limited, a body corporate incorporated in India under the provisions of the Companies Act, 1956 and having its registered office at Deendayal Urja Bhawan, 5A Nelson Mandela Marg, Vasant Kunj, New Delhi-110070 and it’s Rajahmundry Office at Godavari Bhavan, ONGC Base Complex, Rajahmundry – 533 106, Andhra Pradesh (hereinafter referred to as “**ONGC**”, which expression shall, unless repugnant to the context or meaning thereof so requires or permits, be deemed to include its successors and permitted assigns);

And

VEDANTA LIMITED (erstwhile CAIRN INDIA LIMITED), a company incorporated under the Companies Act, 1956, having its registered office at 1st Floor, Wing ‘C’, Unit No. 103, Wing-2, Corporate Avenue, Chakala, Andheri (East), Mumbai – 400093 and place of business at DLF Atria, Jacaranda Marg, DLF City, Phase II, Gurgaon – 122 002, Haryana, India (hereinafter referred to as “**Vedanta**”, which expression shall, unless repugnant to the context or meaning thereof so requires or permits, be deemed to include its successors and permitted assigns);

ONGC AND VEDANTA ARE HEREINAFTER COLLECTIVELY REFERRED TO AS
“**SELLERS**” OF THE FIRST PART

And

<**Name of Buyer**> a body corporate incorporated in India under the provisions of the Companies Act, 1956, and having its registered office at <address of buyer>, as a BUYER (hereinafter called “XXXX” or “**BUYER**” which expression shall where the context so requires or admits to be deemed to include its successors and permitted assigns) of the **SECOND PART**.

WHEREAS

1. Government of India and the Sellers have signed a Production Sharing Contract (hereinafter referred to as the “PSC”) on 23.09.2005 for exploration, development and production of Petroleum from NELP BLOCK KG-ONN-2003/1 (NAGAYALANKA) (hereinafter referred to as the “Block”).
2. SELLERS are engaged in the exploration and production of Crude Oil from the Block and are desirous of selling certain quantities of such Crude Oil to the BUYER.
3. Pursuant to the provisions of Article 18 of the PSC, SELLERS have the rights to sell Crude Oil (as hereinafter defined) from the Block in domestic market. Buyer agrees to purchase the Crude Oil from the Block as per the allocation decided between the Buyer and the Sellers.

4. BUYER has agreed to purchase the Crude Oil or Condensate produced by the Sellers from the Block for its Refinery/ies (*as the case may be*) subject to the terms and conditions appearing hereinafter.
5. Sellers have entered / shall enter into a separate Service Agreement with ONGC AND/OR RAVVA JV (as hereinafter defined) for acting as service provider/s to facilitate receipt, handling, processing and transportation of Crude Oil to BUYER's Refinery/ Terminal.
6. The Parties wish to agree on the terms and conditions upon which Crude Oil will be sold and delivered to the BUYER.

NOW THIS AGREEMENT WITNESSETH AS FOLLOWS:

ARTICLE 1. DEFINITIONS

1.1. In this Agreement, unless repugnant to the subject or context thereof:

- i. **"AFFILIATE"** shall mean a company or legal entity, directly or indirectly, controlling, being controlled by, or under common control of, a Party and the term 'control' with correlative meaning of the terms 'controlling', 'being controlled by' or 'under common control' means the right to exercise more than 50% voting rights of such company or legal entity.
- ii. **"AGREEMENT"** means the terms and conditions set out in this Crude Offtake and Sale Agreement, including all the schedules, annexures, attachments and appendices attached hereto, as amended, modified or supplemented from time to time in accordance with the terms hereof.
- iii. **"APPLICABLE LAW"** shall mean any Law, as and to the extent that the same is applicable to the Parties and to this Agreement;
- iv. **"ARBITRATION ACT"** has the meaning ascribed to it in Article 15.3 of this Agreement;
- v. **"ASTM"** means the American Society for Testing Materials;
- vi. **"BARREL"** means a quantity or unit equal to 158.9074 litres (forty two (42) United States gallons) liquid measure, at a temperature of sixty (60) degrees Fahrenheit (15.56 degrees Celsius) and under one atmosphere pressure (14.70 psia).
- vii. **"BS & W"** means Basic Sediments & Water excluding Free Water;
- viii. **"BLOCK"** means the block known as "NELP BLOCK KG-ONN-2003/1 (NAGAYALANKA)" in respect of which the PSC was executed.
- ix. **"BUYER'S FACILITIES"** shall include those facilities of the BUYER that are located downstream of the Custody Transfer Point (whether owned, operated, 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) and extending to the port, storage, reception facilities and the BUYER's Refinery / Terminal facilities;

- x. **“CALENDAR MONTH”** means any of the twelve (12) months of the Calendar Year.
- xi. **“CALENDAR YEAR”** means a period of twelve (12) consecutive Months according to the Gregorian calendar, commencing with the first (1st) day of January and ending with the thirty-first (31st) day of December.
- xii. **“CONDENSATE”** means those low vapour pressure hydrocarbons obtained from Natural Gas through condensation or extraction and refers solely to those hydrocarbons that are liquid at normal surface temperature and pressure conditions provided that in the event Condensate is obtained from the Block and is segregated at the Delivery Point or transported to the Delivery Point after segregation, then the provisions of this Agreement shall apply to such Condensate as if it were Crude Oil for the purpose of pricing/invoicing.
- xiii. Deleted
- xiv. **“CRUDE OIL” OR “OIL” OR “CRUDE”** means all kinds of hydrocarbons and bitumen produced from the Block, both in solid and in liquid form, in their natural state or obtained from Natural Gas by condensation or extraction from the Block, including distillate and Condensate when commingled with the heavier hydrocarbons and delivered as a blend at the Delivery Point but excluding natural gas.
- xv. **“CUSTODY TRANSFER POINT”** means the point agreed hereunder where the title and risk of Crude Oil and/or Condensate passes on from the Sellers to the BUYER. Under this Agreement, Delivery Point is the Custody Transfer Point.
- xvi. **“DELIVERY POINT”** means, except as may be otherwise mutually agreed between the parties in writing, the point as set forth in Article 3 of this Agreement. .
- xvii. **“DAY”** means the period of time commencing at 0700 hrs on each day and expiring at 0700 hrs on the following day, Indian Standard Time and the date of any such day shall be the day of its beginning as herein defined.
- xviii. **“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;
- xix. **“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, judgment 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;
- xx. Deleted“.

- xxi. **"METRIC TON"** shall mean the unit of weight equal to one thousand (1000) kilograms.
- xxii. **"MONTH"** means the period of time commencing at 07:00 hrs on the first day of Calendar Month and expiring at 07:00 hrs on the first day of the following Calendar Month.
- xxiii. **"ONGC AND/OR Ravva JV"** are service providers to the Sellers for providing Crude Oil handling, processing and transportation services.
- xxiv. **"OPERATOR"** means one of the Parties comprising the SELLERS, appointed as the OPERATOR pursuant to Article 7 of the PSC. At present ONGC has been termed as the OPERATOR pursuant the Article 7 of the PSC.
- xxv. **"PARTIES"** shall mean, collectively, all the parties to this Agreement as listed in the preamble above and term "Party" shall mean any of them individually to this Agreement including their successors and permitted assigns under this Agreement.
- xxvi. **"PARTICIPATING INTEREST"** means in respect of each constituent of the SELLERS, the percentage of the undivided share of interest of such constituent under the terms of the PSC for the "NELP BLOCK KG-ONN-2003/1", presently being Vedanta-49% and ONGC -51 %.
- xxvii. **"PERSON"** shall mean and include any individual, partnership, corporation, limited liability company, unlimited liability company, association, trust, joint venture or unincorporated organisation;
- xxviii. **"PETROLEUM"** means Crude Oil and/or Condensate and/or Natural Gas existing in their natural condition but excluding helium occurring in association with Petroleum or shale.
- xxix. **"PRICE"** means the price to be paid by BUYER to Sellers for Crude Oil or Condensate delivered by Sellers to BUYER at the Custody Transfer Point in accordance with the provisions of this Agreement.
- xxx. **"PSC"** means Production Sharing Contract NELP BLOCK KG-ONN-2003/1 dated 23.09.2005.
- xxxi. **"PUBLIC OFFICIAL"** mean any person holding a legislative, administrative or judicial office, including any person employed by or acting on behalf of a Governmental Authority;
- xxxii. **"REFINERY / TERMINAL"** shall mean Refinery/ Terminal of the BUYER to which the Crude Oil produced from Block is to be transported.
- xxxiii. **"SELLERS' FACILITIES"** shall mean the facilities of the Sellers located upstream of the Custody Transfer Point;
- xxxiv. **"Expert"** means an independent and impartial person of international standing with relevant qualifications and experience pursuant to Article 15 of this Agreement.
- xxxv. **"TMB"** shall mean top, middle and bottom for the purpose of Crude Oil sampling in Tank.

xxxvi. “**YEAR**” OR “**FINANCIAL YEAR**” shall mean the period of time commencing at 0700 hrs on April 1 of any Financial Year and expiring at 0700 hrs on April 1 in the next succeeding Financial Year.

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

- i. The headings are for convenience only and shall be ignored in construing this Agreement.
- ii. The singular includes the plural and vice versa.
- iii. References in Articles, Schedules and Annexures are, unless this context otherwise requires, references to Articles of, Schedules of, and Annexures to, this Agreement.
- iv. In carrying out its obligations and duties and exercising its rights under this Agreement each Party shall have an implied obligation to act in good faith.
- v. The word "including" means "including without limitation".
- vi. References to any document or agreement (including this Agreement) or any Annexures include a reference to that document, agreement or Annexures as varied, amended, supplemented, substituted, novated or assigned from time to time.
- vii. References in this Agreement to any statute, statutory provision, (whether issued jointly with any other person or under any other name) or other legislation include a reference to that statute, statutory provision or other legislation as amended, extended, consolidated or replaced from time to time (whether before or after the date of this Agreement) and include any order, regulation, instrument or other subordinate legislation made under the relevant statute, statutory provision or legislation.
- viii. Any reference to “writing” or “written” includes electronic mail, facsimiles and letters.
- ix. The Annexures form part of this Agreement and shall have the same force and effect as if set out in the body of this Agreement. In the event of any contradiction between the terms of this Agreement and the Annexures, the terms of the body of this Agreement shall prevail.

1.3. Unless repugnant to the subject or context thereof, all other terms used herein would be as per the PSC.

ARTICLE 2. TERM OF AGREEMENT

2.1. This Agreement shall commence from the delivery commencement date and shall continue in full force and effect from 01.04.2024 till 31.03.2025 unless this Agreement is terminated earlier.

ARTICLE 3. CUSTODY TRANSFER AND DELIVERY POINTS

- 3.1. All deliveries of Crude Oil hereunder shall be made by the SELLERS to the BUYER at Delivery Point / Custody Transfer Point which shall be the outlet flange (cam-lock coupling) of the floating hose attached to tanker manifold at the Single Point Mooring ("SPM") offshore delivery facility at the Ravva Field and the title, risk and custody of Crude Oil shall pass from the Sellers to the BUYER at the Delivery Point /Custody Transfer Point.
- 3.2. The responsibility for securing insurance for any type of risks from the DELIVERY POINT/CUSTODY TRANSFER POINT shall rest wholly with the BUYER.

ARTICLE 4. QUANTITY ALLOCATION

- 4.1. Subject always to availability of Crude Oil and SELLERS' ability to supply Crude Oil to the BUYER, the SELLERS agree to sell and deliver the Crude Oil at the aforesaid Delivery Point to the Buyer, the Quantity of Crude Oil set forth in Notification of Award(s) supplemented from time to time to this Crude Oil and Sale Agreement, in accordance with the terms of this Agreement.

ARTICLE 5.QUALITY AND METHODOLOGY FOR OIL SAMPLING, TESTING AND MEASUREMENT

- 5.1. The Crude Oil supplied to BUYER shall meet the quality requirements as agreed between the Parties in accordance with the provision of this Agreement.
- 5.2. Standards and methods for determining the quality and measurement of Crude Oil is as per Annexure I.
- 5.3. The quality of the Crude Oil delivered hereunder shall be the quality of such Crude Oil as is usually made available by SELLERS at the Custody Transfer Point.
- 5.4. All Crude Oil delivered hereunder shall be accepted by BUYER.
- 5.5. BUYER shall accept delivery of such Crude Oil at the CUSTODY TRANSFER POINT and pay the SELLERS the price for the Crude Oil subject to quantity and quality details certified by ONGC in respect of the Crude Oil in accordance with the provision of this Agreement.
- 5.6. Notwithstanding anything contained herein, a different procedure may be mutually agreed by the Parties and will be adopted suitably recording the reference of the procedure used / agreed to.
- 5.7. SELLER's / BUYER's representative will witness the joint analysis of the Crude Oil carried out by ONGC at ONGC OUS laboratory. ONGC shall certify to SELLERS the quantity in Barrels at 60° F and in Metric Tons of net dry Block Crude Oil delivered over to BUYER at the CUSTODY TRANSFER POINT and the quality thereof as per Annexure-I within 7 (seven) days and the quality thereof as per Annexure-I (Testing and Measurement Standards) during each day and shall deliver a copy to the SELLERS as soon as reasonably practicable thereafter.
- 5.8. BUYER shall accept delivery of such Crude Oil at the CUSTODY TRANSFER POINT and pay the SELLERS the price for the Crude Oil [subject to quantity and quality details certified by ONGC in respect of the Crude Oil in accordance with the provision of this Agreement.

ARTICLE 6. PRICE

- 6.1. The price to be paid by BUYER to SELLERS for the quantity of Crude Oil sold shall be set forth in Annexure II of this agreement. The Crude Oil price arrived as per this Article will be used for the purpose of billing and payment.
- 6.2. Deleted.
- 6.3. Deleted.
- 6.4. Deleted
- 6.5. Deleted
- 6.6. Deleted

ARTICLE 7. INSURANCE ON CRUDE OIL

- 7.1. The responsibility for securing and maintaining insurance, for marine and any other risks from the CUSTODY TRANSFER POINT shall rest wholly with the BUYER.
- 7.2. Deleted.
- 7.3. Deleted.

ARTICLE 8. BILLING AND PAYMENT

- 8.1. SELLERS shall nominate its authorized representatives who shall raise invoice(s) for crude oil supplied as well as receive payment from BUYER and similarly the BUYER shall nominate the authorized representative who shall receive the invoice from SELLERS and make payments to SELLERS.
- 8.2. SELLERS shall raise **the invoices separately for each of the seller's portion**, on BUYER for the quantity (in Barrels and in Metric Tons) of net dry Crude Oil received by BUYER at the CUSTODY TRANSFER POINT as per certificate for the quantity loaded in marine tanker of BUYER. The invoice shall be sent to the BUYER not later than 5 working days prior to the due date.
- 8.3. For all deliveries through Ocean Tankers, the Due Date for payment shall be 30 days from the bill of lading date. B/L date to be considered as day zero.
- 8.4. It is recognized that all the pricing inputs (as referred in Annexure - II) applicable for the crude oil supplies, made during any particular Billing Period shall be available only after the end of the month. Hence the invoicing and the payment methodology shall be as under:
 - (a) Provisional invoice for the tanker shall be raised considering the pricing inputs applicable for the previous month. Subsequently, supplementary invoice/ debit/ credit note shall be raised, immediately upon the availability of all the actual inputs.
 - (b) BUYER shall ensure payment based on the actual applicable inputs, if the same are available on or before the above mentioned payment due dates provided supplementary debit/ credit note is issued by Seller before the payment due date. In case actual inputs are not available or Seller has not provided the supplementary debit/credit note on or before the payment due dates, the BUYER shall release the payment on the due date, based on the provisional invoices raised by the Seller and adjustments, if any shall be made immediately within 5 working days upon the availability of all the actual inputs and after issuance of debit/credit note by the Seller.
- 8.5. Commencing with the end of the Billing Period following the Delivery Commencement Date Seller shall submit to Buyer, not later than 5 working days prior to the Due Date:

- a) An Invoice setting out Seller's computation of the Amount Due for that Billing Period /shipment in accordance with this Agreement;
- b) A Supplementary Invoice, if any.
- c) In case Supplementary Invoice /Debit Note / Credit Note, if any raised less than 5 working days prior to the payment due dates, as specified in sub clauses Clause (a) and (b) above, payment for the Supplementary Invoice /Debit Note / Credit Note shall be made by the Buyer or the Seller within 5 working days from the date of such Supplementary Invoice /Debit Note / Credit Note.

8.6. In the event of dispute regarding billing and payment, Buyer agrees that all payments due hereunder shall be paid in full, without any set off or deduction, and shall be subsequently adjusted if so agreed by the Parties or, failing agreement within 90 days, the same shall be referred to an Expert. Buyer shall not make any unilateral/ arbitrary deduction/adjustment on any account, other than for Crude oil supplies, from payments due for crude oil supplies.

8.7. BUYER shall arrange remittance of the Amount Due for invoice and any amount due on a Supplementary Invoice on or before the Due Date specified herein via electronic transfer/telegraphic transfer to the bank(s) and account(s) nominated from time to time by SELLER by notice. BUYER shall provide (by facsimile transmission/e-mail to a designated officer of SELLER) details of BUYER's payment at the time of any such payment. The cost incurred in arranging electronic or telegraphic transfers shall be borne by the BUYER.

8.8. On the Due Date if BUYER's banks are closed but SELLER's banks are open, BUYER will arrange remittance on or before the Due Date.

8.9. If both BUYER's banks and SELLER's banks are closed on the Due Date the payment will be made on the working day previous to the aforesaid Due Date.

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

8.11. In case of unscheduled closure of both BUYER and SELLER's banks on the Due Date, the payment will be made on the following working day.

8.12. Notwithstanding anything contained in clause 8.8 to 8.11, in case payment Due Date falls on Saturday, payment shall be made on Friday whereas when payment Due Date falls on Sunday, payment shall be made on Monday.

8.13. Interest on overdue payments beyond the due date shall accrue as of and including the Due Date for payment and ending on but excluding the date of payment. Interest shall be calculated at State Bank of India (SBI) Yearly MCLR plus 4% for first 30 days and thereafter at SBI Base Rate plus 5% compounded each quarter.

8.14. Buyer shall provide Form "C" (wherever applicable) within the prescribed time limit. In case the Buyer fails to submit Form "C", VAT at the prevailing rates along-with interest/ penalty, if any, would be payable by the Buyer

ARTICLE 9. AUTHORITY OF OPERATOR

- 9.1. In all matters relating to this agreement all acts, deeds, matters and things of whatever nature or kind required to be done, signed and / or presented, as the case may be, and all appointments required to be made shall be made as the case may be, shall be done, signed, presented and/ or made by the OPERATOR for and /or on behalf of the SELLERS and all parties constituting the SELLERS any such act, deed, matter or thing, signed, made, done or presented or any such appointment made shall be binding upon the persons/ companies constituting the SELLERS and their successors and assigns in the same manner and to the same extent as if done by them and each of them individually with the intent that BUYER shall deal with the OPERATOR as the sole authorized representative of the SELLERS for the purposes of this agreement. This authority shall not be subject to revocation except by writing issued by all parties constituting the SELLERS.

ARTICLE 10. INDEMNITY

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

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

Actual physical loss to a Party's facilities; which is caused by either Party's operations at or near the CUSTODY TRANSFER POINT, shall be borne by the Party causing such loss, damage and/or cost or the Party which has engaged the relevant employee or CONTRACTOR or sub-CONTRACTOR, causing such loss, damage and/or cost and the Party bearing as aforesaid such loss, damage, liability, cost and/or expense shall defend, indemnify, hold harmless and release the other Party in respect of such loss, damage, liability, cost and/or expense.

- 10.2. Whenever a Party (the "INDEMNITEE") becomes aware of a claim in respect of which it will or may be entitled to require the other Party (the "INDEMNITOR") to defend, indemnify, hold harmless and release it pursuant to this Article above, the INDEMNITEE shall promptly notify the INDEMNITOR and the INDEMNITEE shall take such action as the INDEMNITOR may reasonably request to avoid, dispute, resist, appeal, compromise or defend the relevant claim and any judgement in respect thereof, subject to the INDEMNITEE being indemnified and secured to its reasonable satisfaction by the INDEMNITOR against all losses, costs, damages and expenses relating to such claim including, without limitation, those thereby incurred or to be incurred. If the INDEMNITOR does not request the INDEMNITEE to take any appropriate action as aforesaid, or shall fail to indemnify and secure the INDEMNITEE to its reasonable satisfaction within twenty-eight 28 days of the notice to the INDEMNITOR, the INDEMNITEE shall be free to pay or settle the relevant claim on such terms as it may in its absolute discretion think fit and thereafter recover from the INDEMNITOR pursuant to the INDEMNITEE's rights under this Article.

ARTICLE 11. TAXES, ROYALTIES, RENTALS, DUTIES ETC

- 11.1. Other than the duties and taxes mentioned in Annexure II (for the purpose of Price Build-up), all taxes, duties, imposts, fees, charges and dues of every description imposed or levied by any governmental, local or port authority on the Crude Oil supplied hereunder, in respect of any stage prior to transfer of title and risk in such Crude Oil being transferred to Buyer, before the Delivery Point shall be to Seller's account.

11.2. The duties and taxes of every description imposed by Govt. authority in respect of transfer of title and risk in the crude oil (including sales tax / VAT) shall be borne by the Buyer. However, Buyer agrees to pay the taxes as per the price built-up formula.

11.3. In the event of any change or amendment of any Act or Law, Rules or Regulations of Govt. of India or Public body or any change in the interpretation or enforcement of any said Act or Law, Rules or regulation by Indian Govt. or Public body which becomes effective after the date of the agreement and which results into liabilities on account of any additional taxes, duties, levies etc., the same shall be borne either by SELLER/S or BUYER keeping in view the applicability of such taxes to be decided after mutual discussion. However, GST as and when introduced will be borne by the Buyer.

ARTICLE 12. TERMINATION

12.1 This agreement shall terminate upon expiry of its Term.

12.2 Seller may at its sole discretion, and in addition to any other legal remedies it may have, forthwith upon giving [30] days' notice to Buyer, suspend deliveries of the Crude Oil or upon giving [30] days' notice to Buyer terminate the Agreement if:

12.2.1.1 Buyer for any reason whatsoever fails to make any payment due to Seller under the Agreement by the Due Date, and such failure remains unremedied at the expiry of the aforesaid notice period;

12.2.1.2 Buyer is in substantial breach of its material obligations under the Agreement and such breach or failure remains unremedied at the expiry of the aforesaid notice period;

12.2.1.3 Buyer fails to take delivery of Crude Oil it is obligated to under this Agreement and such failures are not excused by any other provision in the Agreement;

12.2.1.4 A Buyer event of Force Majeure continues for 30 days or more;

12.2.1.5 A petition is filed with the court having jurisdiction or an order is made or an effective resolution is passed for the dissolution, liquidation, or winding up of Buyer;

12.2.1.6 Buyer becomes insolvent or is adjudged bankrupt or makes an assignment for the benefit of its creditors or does not pay or is in Seller's reasonable opinion expected to be unable or unwilling to pay its debts as the same become due;

12.2.1.7 A receiver is appointed for the whole or significant part of the assets or undertaking of Buyer;

12.2.1.8 Buyer ceases or threatens to cease to carry on its business or a major part thereof or a distress, execution or other process is levied or enforced or sued out upon or against any significant part of the property of Buyer and is not discharged until [90] days;

12.2.1.9 In case the Parties fail to agree to a new Price or terms satisfactory to both Parties;

- 12.2.1.10 If Buyer is adjudged bankrupt or enters into an agreement with its creditors or takes advantage of any law for the benefit of debtors; or
- 12.2.1.11 Buyer has passed a resolution to apply to a competent court for liquidation.
- 12.3 *Buyer may at its sole discretion, and in addition to any other legal remedies it may have, forthwith upon giving [30] days' notice to Seller, terminate the Agreement if:*
- 12.3.1.1 Seller is in substantial breach of its material obligations under the Agreement and such breach or failure remains unremedied at the expiry of the aforesaid notice period;
- 12.3.1.2 A Seller event of Force Majeure continues for 30 days or more;
- 12.3.1.3 A petition is filed with the court having jurisdiction or an order is made or an effective resolution is passed for the dissolution, liquidation, or winding up of Seller;
- 12.3.1.4 Seller becomes insolvent or is adjudged bankrupt or makes an assignment for the benefit of its creditors or does not pay or is in Buyer's reasonable opinion expected to be unable or unwilling to pay its debts as the same become due;
- 12.3.1.5 A receiver is appointed for the whole or significant part of the assets or undertaking of Seller;
- 12.3.1.6 Seller ceases or threatens to cease to carry on its business or a major part thereof or a distress, execution or other process is levied or enforced or sued out upon or against any significant part of the property of Seller and is not discharged until [90] days;
- 12.3.1.7 In case the Parties fail to agree to a new Price or terms satisfactory to both Parties;
- 12.3.1.8 If Seller is adjudged bankrupt or enters into an agreement with its creditors or takes advantage of any law for the benefit of debtors; or
- 12.3.1.9 Seller has passed a resolution to apply to a competent court for liquidation.
- 12.4 In the event that the Government withdraws its consent to the Sellers selling crude oil to the domestic private refiner(s), the Sellers may without prejudice to any claim, remedy, suit or right of action the Sellers may have against the Buyer, terminate this Agreement by giving thirty (30) days notice to the Buyer to that effect.
- 12.5 In the event of Seller suspending deliveries of Crude Oil in any of these circumstances referred to in Article 15, Seller may, so long as the event continues, and in addition to any other legal remedies it may have, forthwith upon giving the appropriate notice to Buyer , terminate the Agreement.
- 12.6 If pursuant to the provisions of Article 15, Seller withholds, reduces or suspends delivery of the Crude Oil, then Seller shall be under no obligation to make up any quantity of the Crude Oil which would have been delivered to Buyer but for such withholding, reduction, or suspension.
- 12.7 Any termination of the Agreement shall be without prejudice to the rights and obligations of either Party as accrued at the date of termination.

12.8 Notwithstanding anything to the contrary express or implied elsewhere herein:

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

12.8.1.1.1.1 fails to make any payment due to Seller under the Agreement in full and punctually by the Due Date;

12.8.1.1.1.2 fails to take delivery in accordance with the Quantity or Delivery provisions of the Agreement

12.9 In event of termination of the "PSC" as per provisions of the Article 30 of the PSC, this Agreement will stand terminated without any liability of compensation and/or damages, arising out of such termination.

12.10 The following provisions of this Agreement shall survive expiry or termination, howsoever effected: Articles 9, 10, 11, 15, 16 and 19. In addition, any and all accrued liabilities under this Agreement shall survive termination unless this Agreement expressly states the contrary.

ARTICLE 13. FORCE MAJEURE

13.1. Except for its obligation to make payment for any past dues already accrued, neither Seller nor Buyer shall be responsible for any failure or delay in fulfilling any terms of this Agreement caused due to Force Majeure. The term "Force Majeure" shall mean unavoidable causes reasonably beyond the control and without the fault or negligence of either party including but not restricted to acts of God or sabotage, fires, floods, cyclones, typhoons, earthquakes, wars (declared or undeclared), hostilities, invasion, blockades, riots, epidemics, quarantine restrictions, nationwide strikes, freight embargos, civil commotion or any order of Government, any court, local authority having jurisdiction or anybody or person purporting to be or to act for such authority. In case of Force Majeure, the Parties agree to provide 48 hours' notice to be served by the affected Party as per Article 12 herein below

13.2. In the event of Force Majeure, the affected Party shall provide notice promptly and in no case later than 48 hours after the occurrence of event of Force Majeure, notifying the other Party with respect to the ongoing Force Majeure event, giving full particulars of the Force Majeure, the estimated duration thereof, the obligations affected and the reasons of its suspension and the affected Party's ability to recommence performance of its obligations under the Agreement as soon as possible.

13.3. 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.

13.4. In the event of Force Majeure, the Parties agree to use best efforts to remedy the event of and mitigate the effect of Force Majeure.

ARTICLE 14. SCHEDULED OUTAGES

14.1. Buyer / Seller shall give the other party sufficient notice, in writing, before the beginning date and the duration of the Scheduled Outage. Both parties agree to coordinate for matching the outage period wherever feasible. Under normal circumstances, total period of Scheduled Outage shall not be more than 60 days in one year.

ARTICLE 15. DISPUTE RESOLUTION

15.1. Except as otherwise provided elsewhere in the Agreement, if any dispute, difference, question or disagreement arise between the parties hereto or their respective representatives or assignees, at any time in connection with construction, meaning, operation, effect, interpretation of the Agreement or breach thereof which parties are unable to settle mutually, the same shall be referred to Arbitration as provided under **Annexure-IV** of this Agreement.

ARTICLE 16. LAW and JURISDICTION

16.1. This Agreement shall be subjected to Indian laws both substantive and procedural, rules and regulations and notifications etc. issued under such laws and the court at New Delhi shall have exclusive jurisdiction in the matter.

ARTICLE 17. ENTIRE AGREEMENT, AMENDMENTS, WAIVER AND MISCELLANEOUS

17.1. This Agreement and the documents referred to therein or that are expressed to be entered into in connection with it and other agreements entered into contemporaneously with this Agreement constitute the entire agreement of the Parties with respect to the subject matter of this Agreement and supersedes any past understanding, agreement, side letter, amendments, etc. Each of the Parties hereby acknowledges that, in entering into this Agreement it has not relied on any representation or warranty save as set out expressly herein or in any document referred to herein..

17.2. No delay or omission on the part of either Party in exercising any right, power or remedy provided by law or under this Agreement, nor any indulgence granted by any Party to any other Party, shall impair such right, power or remedy, or be constructed as a waiver thereof, nor shall the single or partial exercise of any right, power or remedy provided by law or under this Agreement preclude any other or further exercise thereof or the exercise of any other right, power or remedy.

17.3. Any waiver shall relate only to the matter, non-compliance or breach as it expressly relates to and shall not apply to any subsequent or other matter, non-compliance or breach

17.4. No variation of or amendment to any of the terms of this Agreement shall be effective unless it is in writing and signed by or on behalf of each of the Parties and no waiver of any provision hereof shall be effective unless it is in writing and signed by the Parties against whom such waiver is sought to be entered.

17.5. This Agreement is without prejudice to the rights and responsibilities of the SELLERs vis-à-vis Government under the PSC, provided that as between the SELLERs and the BUYER, the SELLERs' rights and obligations under the PSC shall not affect the SELLERs' and BUYER's rights and obligations under this Agreement.

ARTICLE 18. NOTICES

18.1. All notices given by either party to the other under this Agreement shall be in writing.

18.2. Any notice or other communication required to be given pursuant to this Agreement shall be given by delivering the same by hand at, or by sending the same by registered/speed post (air mail if to an address outside the country of posting) to the address of the relevant Party set out in this Agreement or by fax, e-mail using the relevant number set out below or such other address as either Party may notify to the other from time to time. Any notice or other communication given as aforesaid shall be deemed to have been given at the time of delivery (if delivered by hand) or on transmission of the recipient's automatic answerback (if sent by fax) or when received (if sent by post):

- a) For Seller: As set forth in Annexure-IA of this Agreement as Seller's address and Contact; and
- b) For Buyer: As set forth in Annexure-IA of this Agreement as Buyer's address and Contact.

ARTICLE 19. CONFIDENTIALITY

19.1. Subject to the further provisions of this Article 19, each Party shall maintain in confidence in accordance with the standards of care and diligence that it utilises in maintaining its own confidential information the terms of this Agreement and any information supplied or obtained by a Party pursuant to the terms hereof ("**Confidential Information**").

19.2. Notwithstanding Article 19.1, confidential information will not be termed as confidential if

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

ARTICLE 20. ANNOUNCEMENTS

20.1. Neither of the Parties shall make any announcement relating to this Agreement, the transactions contemplated hereby, or any ancillary matter (otherwise than as required by any statutory or legal or existing contractual obligation or the requirement of any securities exchange or regulatory or governmental body, wherever situated, to which any party is subject or submits, whether or not the requirement has force of law) other than with the prior written approval of the other Party (such approval not to be unreasonably withheld or delayed)

ARTICLE 21. EFFECT OF INVALIDITY, ILLEGALITY, UNENFORCEABILITY

21.1. The invalidity, illegality or unenforceability of any of the terms of this Agreement in any respect for whatever reason under the law of any jurisdiction, shall not affect or impair the validity, legality or enforceability in that jurisdiction of any other provision of this Agreement, or under the law of any other jurisdiction of that or any other provisions of this Agreement. The Parties shall make all reasonable endeavours to agree as far as possible that invalid terms shall be amended or replaced by valid terms with a similar effect in order to maintain the purpose and continuity of this Agreement and till the amendments are carried out, such invalid terms will be inoperative in relation to the rights and obligations of the Parties under this Agreement.

ARTICLE 22. REPRESENTATIONS

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

ARTICLE 23. ASSIGNMENT

23.1. No assignment or other transfer of any right, title or interest in this agreement shall be made by any Party without the prior written consent of the other Party(ies), which shall not be unreasonably withheld provided that in the case of any Party constituting the CONTRACTORS, each such Party shall be entitled to assign its interest, rights and/or obligations in and under this Agreement to any third party if it has concurrently assigned its corresponding interest, rights and/or obligations in and under the PSC in accordance with Article 28 of the PSC.

ARTICLE 24. PROHIBITED PAYMENTS

24.1. Each Party covenants that it and its Affiliates, officers, directors and employees (collectively, the "Representatives") have not to the best of its knowledge and belief made, offered, or authorized and will not make, offer, or authorize, with respect to the matters which are the subject of this Agreement, any payment, gift, promise or anything of value or advantage, whether directly or through any other person or entity, to or for the use or benefit of any Public Official or any political party or political party official or candidate for office, where such payment, gift, promise or advantage would violate any Applicable Laws. Each Party further covenants and represents that it will not request any service, action or inaction by any person or entity which would constitute such violation.

24.2. Each Party shall defend, indemnify and hold the other Party harmless from and against any and all claims, damages, losses, penalties, costs and expenses arising from or related to, any breach by such first Party of this Article 25. Such indemnity obligation shall survive the early termination or expiration of this Agreement. Each Party shall promptly: (i) respond in reasonable detail to any notice from any other Party reasonably connected with the above-stated warranty; and (ii) furnish applicable documentary support for such response upon request from and at the expense of such other Party. In the event of a breach of any of the provisions of this Article 25, each Party reserves the right to take whatever action it deems appropriate to ensure that it is in compliance with any Applicable Law in this regard, which may include the immediate termination of this Agreement.

ARTICLE 25. NO AGENCY

Neither Party shall, and each shall procure that its directors, officers and employees in that capacity, shall not, represent itself or otherwise hold itself out as an agent or other representative of the other Party or otherwise hold itself out as having any authority to bind the other of them unless such person is validly authorized to do so.

ARTICLE 26. GOOD FAITH

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

ARTICLE 27. CUMULATIVE REMEDIES

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

ARTICLE 28. NO PARTNERSHIP

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

ARTICLE 29. PRIVACY

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

ARTICLE 30. COUNTERPARTS

This Agreement may be executed in multiple counterparts simultaneously, each of which shall be an original, but all of which shall constitute a single instrument.

ARTICLE 31. COMPLIANCE WITH LAWS

In carrying out the obligations, the Parties shall comply with all applicable statutes of India as may be amended from time to time.

ARTICLE 32. APPROVALS

Each Party shall be responsible for obtaining all consents, authorizations, approvals and assurances of whatsoever nature necessary to enable it to comply with its obligations under the Agreement.

ARTICLE 33. CONSEQUENTIAL LOSS, LIMITATION OF LIABILITY

Except as expressly provided for in this Agreement, neither Buyer or Seller shall be liable for consequential, indirect, remote, unforeseen or special losses/damages or for loss of control, profit or product of any kind arising out of or in any way connected with the conclusion, the performance or non or mis-performance or the termination of this Agreement, and whether arising in contract, tort including negligence or breach of duty, statutory, or otherwise.

ARTICLE 34. NON-EXCLUSIVITY

Both parties to this agreement agree that entering into this agreement will not be a bar / limitation for either party to enter into similar agreements with other parties

IN WITNESS WHEREOF, the parties hereto acting through their properly constituted representatives have set their hands to cause this AGREEMENT signed and execute in their respective names and on their behalf.

SIGNED & DELIVERED

For and on behalf of SELLERS Oil and Natural Gas Corporation Ltd. By:	For and on behalf of BUYER <Name of Buyer> By:
--	--

In the presence of

SIGNED & DELIVERED

For and on behalf of _____

by _____

In the presence of

SIGNED & DELIVERED

For and on behalf of _____

by _____.

Annexure I

Measurement of Volume	Dip Tape / Dip Stick Method. API Standard 2545
Sampling	ASTM 4057 or ASTM 4177 or as mutually agreed
Density	IP-160/99 ;ASTM D 1298; ISO 3675:1998
Sp Gravity	Conversion Table
API Gravity	Calculation Method
Pour Point	IP -15/95 or ASTM D-97 or ISO 3016: 1994
RVP	IP-69/01 or ASTM D 323/94 or ISO 3007:1999
Water Content	IP-358/97 or ASTM D 4006/81 or as per ISO 9029:1990
Sediments	IP-53/2000 or ASTM D 473-01 or ISO 3735:1999
Salinity	IP-77
Organic Chloride	ASTM 4929 A
Sulphur Content	XRF Method D 4294/98
Quantity	Measurement System as per recommendation of MPMS (Manual of Petroleum Measurement System) published by API
Volume Reduction Factor(Correction of Volume to 15°C against density at 15°C)	ASTM Table 54-A
Buoyancy Correction	IP-189 OR ASTM Table 56
Density Correction(Correction of crude density to 15°C against density at 15°C)	ASTM Table 53-A

ANNEXURE II

Attached as Schedule B to the Crude Oil Sales Agreement dated [] between Oil and Natural Gas Corporation Ltd and <Name of Buyer>

Price: The Price applicable to quantities of Crude Oil sold and purchased under this Agreement expressed in Indian Rupees per Barrel shall be calculated as follows:

Price built-up formula = FOB x ER + T&D

Where:

1. **FOB = FOB PRICE**

Pricing of crude oil shall be on FOB basis. The FOB price will have components viz. (i) Base Price (ii) Adjustment differential

(i) **Base Price:**

Base Price will be the Price in US Dollar for Ravva crude oil discovered through e-auction (Detailed computation provided in Annexure III)

(ii) **Adjustment for Differential:** In order to arrive at net amount of Nagayalanka Crude oil, the Base price at Sl No (i) above shall be reduced by an amount computed as under:

Sl No	Crude Oil Type	Amount to be reduced from the Base Price (in US Dollar)	Net Amount (in US Dollar)
1	Nagayalanka Crude Oil	Base Price x (3.88)%	96.12% of Base price]

2. **ER: Exchange Rate**

The Foreign Exchange rate to be used for converting US Dollar to Indian Rupees shall be the Reference Rate of Reserve Bank of India published on website www.fbil.org.in. The Foreign Exchange rate shall be the monthly average rate for the month of loading/ supply and shall be rounded off to two decimal places.

3. **T&D = Taxes and Duties:**

Buyer shall pay Taxes and Duties as per the formula below:

Actual Basic Excise duty, NCCD (both taxes, if applicable) and Sales Tax/VAT/CST/GST shall be payable by Buyer at the prevailing rate/s.

A template illustrating crude oil price working/ built-up as per provisions of this COSA is attached as ANNEXURE III. Both parties agree to use the template at for working out crude oil prices

4. Non-availability of any of the above inputs

- (i) If, at the time the applicable price is calculated using above formula, the value of any factor is temporarily not available from the relevant publication or source, but is likely to be available at a later date, or has been computed or published in an erroneous form, the parties shall promptly agree on a provisional value in good faith. Immediately upon availability of such exact factor on a later date, Seller shall raise a supplementary corrected invoice incorporating such revised factor and the parties agree to make the payments to the party to whom it is due within 7 days of receipt of such supplementary invoice. Any disputes on the value of such factors, the matter shall be referred to an expert for determination.
- (ii) In the event at the time of any price being calculated using the above formula, any of the above formula factors ceases to be published, Buyer and Seller shall promptly confer with one another in good faith to reach an agreement to amend the formula to reflect
 - (a) a formula that is reliable or representative of the initial intent of the pricing formula and,
 - (b) a formula that continues to reasonably coincide with the original pricing formula agreed at the time of signing the agreement.

If the parties are unable to agree a new formula, the matter shall be referred to an expert for determination of a new or revised formula.

- (iii) In the event the parties are unable to promptly agree alternate values for factors, alternate factors, and/or a new formula (either temporarily in the case of point no (i) above or permanently in the case of point no (ii) above), the parties agree to use the last available value for that factor used in calculating price hereunder not in need of correction, replacement or review in order to calculate a provisional price, which shall be the price for purposes of invoicing and payment of deliveries of crude oil made hereunder.

Upon the matter being either settled by agreement of the parties or determined by an expert, the accounts shall be adjusted between the parties to reflect the revised price calculation taking into account that which was determined or agreed.

ANNEXURE III

Template illustrating crude oil price working / build up

<u>COMPUTATION OF CRUDE PRICE:</u>															
1	<p>Base Price: (Price in US Dollar for Ravva crude oil discovered through e-auction) will be calculated as under:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 70%;">a) Dated Brent(\$/bbl) month average – as published by Platts (The benchmark crude oil will be “Dated Brent” – ‘Platts Code: PCAAS00’. The benchmark crude oil assessment shall be based on the average of the daily mean values of the high and low assessments as published in ‘Platts Crude oil Market wire’ in United States Dollar (US\$) per barrel during the period of supply.)_</td> <td style="text-align: center; vertical-align: middle;">A</td> </tr> <tr> <td>b) Premium, \$/bbl as applicable</td> <td style="text-align: center; vertical-align: middle;">B</td> </tr> <tr> <td>(c) BS&W Discount, \$/bbl as applicable (As considered for Ravva JV Crude Pricing)</td> <td style="text-align: center; vertical-align: middle;">C</td> </tr> <tr> <td>(d) Derived Ravva Crude Price (\$/bbl)</td> <td style="text-align: center; vertical-align: middle;">D=A+B-C</td> </tr> <tr> <td>(e) Price post adjustment for CST</td> <td style="text-align: center; vertical-align: middle;">E = D/((1+(X/100)) where X= 2, currently</td> </tr> <tr> <td>(f) Custom Duty ((Duties of Custom including but not limited to Basic customs Duty (BCD), Additional Duty of customs - Countervailing duty (CVD), Social Welfare Surcharge). (currently INR 2.2/MT) (As considered for Ravva JV Crude Pricing)</td> <td style="text-align: center; vertical-align: middle;">F</td> </tr> <tr> <td>(g) Final Price (Base Price for Nagayalanka Crude Oil)</td> <td style="text-align: center; vertical-align: middle;">G=E+F</td> </tr> </table>	a) Dated Brent(\$/bbl) month average – as published by Platts (The benchmark crude oil will be “Dated Brent” – ‘Platts Code: PCAAS00’. The benchmark crude oil assessment shall be based on the average of the daily mean values of the high and low assessments as published in ‘Platts Crude oil Market wire’ in United States Dollar (US\$) per barrel during the period of supply.)_	A	b) Premium, \$/bbl as applicable	B	(c) BS&W Discount, \$/bbl as applicable (As considered for Ravva JV Crude Pricing)	C	(d) Derived Ravva Crude Price (\$/bbl)	D=A+B-C	(e) Price post adjustment for CST	E = D/((1+(X/100)) where X= 2, currently	(f) Custom Duty ((Duties of Custom including but not limited to Basic customs Duty (BCD), Additional Duty of customs - Countervailing duty (CVD), Social Welfare Surcharge). (currently INR 2.2/MT) (As considered for Ravva JV Crude Pricing)	F	(g) Final Price (Base Price for Nagayalanka Crude Oil)	G=E+F
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b) Premium, \$/bbl as applicable	B														
(c) BS&W Discount, \$/bbl as applicable (As considered for Ravva JV Crude Pricing)	C														
(d) Derived Ravva Crude Price (\$/bbl)	D=A+B-C														
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(f) Custom Duty ((Duties of Custom including but not limited to Basic customs Duty (BCD), Additional Duty of customs - Countervailing duty (CVD), Social Welfare Surcharge). (currently INR 2.2/MT) (As considered for Ravva JV Crude Pricing)	F														
(g) Final Price (Base Price for Nagayalanka Crude Oil)	G=E+F														
2	Adjustment Differential: Base Price x (3.88%) (To be rounded off upto 3 decimal points)														
3	Monthly Average Exchange Rate for the month of supply (RBI Reference rate as published by FBIL), to be rounded off to TWO decimal places														
4	<u>Applicable FOB price:</u>														
(a)	in USD/bbl ,to be rounded off to THREE decimal places: Base Price LESS Adjustment Differential (To be rounded off upto 3 decimal points)														
(b)	in Rs/bbl (Price in USD/bbl * FE rate), to be rounded off to THREE decimal places														
5	Actual Basic Excise Duty & NCCD (If applicable)														
6	Base for Sales Tax {(4(b) + 5 } to be rounded off to 3 decimal places														

7	Applicable Taxes & Duties (VAT/ Sales Tax /CST /GST) on Sl.no. 6 above: NOT to be Rounded off.
8	Amount to be paid by the Buyer including taxes in Rs./bbl (6+7), rounded-off to THREE decimal places

ARBITRATION AND DISPUTE RESOLUTION

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

(ii). Sole Expert

Matters which, by the terms of this Agreement, the Parties have agreed to refer to an expert and any other matters which the Parties may agree to so refer, may be referred to a sole expert ("Expert") who shall be an independent and impartial person of international standing with relevant qualifications and experience, appointed by agreement between the Parties and who shall not, by virtue of nationality, personal connection or commercial interest, have a conflict between his/her own interest and his/her duty as a sole expert. In the event that the Parties fail or are unable, to agree on an Expert within 30 days or such longer period as may be mutually agreed by Parties, the matter shall be referred to Arbitration pursuant to this Schedule. Any Expert appointed shall be acting as an expert and not as an arbitrator and the decision of the Expert on matters referred to him/her shall be final and binding on the Parties and shall not be subject to [AMRCD and Arbitration]. The Parties intend that the Expert will primarily deal with "technical matters" (meaning matters involving issues including metering or measurement of crude oil and payment disputes which are capable of determination by reference to engineering or scientific or commercial knowledge and practice). The fees and expenses of an Expert appointed by the Parties shall be borne equally by the Parties.

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

Arbitration

(a) ***For Public Sector Undertaking:***

In the event of any dispute or difference relating to the interpretation and application of the provisions of this Agreement, between Central Public Sector Enterprise (CPSEs), such dispute or difference shall be taken up by either party for resolution through AMRCD as mentioned in DPE OM No. 4(1)/2013-DPE(GM)/FTS-1835 dated 22-05-2018.

(b) **Other than Pubic Sector Undertaking:**

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

The claimant(s) and respondent(s) shall share the cost of arbitration equally. The seat and venue of the arbitration shall be New Delhi, provided that the Arbitrator may with the consent of Seller and Buyer agree upon any other venue. The language of arbitration shall be English.

Notwithstanding the existence of any arbitration in terms thereof or otherwise, the Parties shall continue and be bound to continue and perform all its/his

outstanding obligations in all respects under this Agreement and the Parties shall remain liable and bound in all respects under this Agreement.