



Notice Inviting Tenders
for
Crude Oil produced
from
KG-D6 Block ex-Onshore Terminal (OT), at
Gadimoga, Tallarevu Mandal, East Godavari District,
Andhra Pradesh, India

Reliance Corporate Park, Bldg. No. 10, A-Wing, 2nd Floor, Thane-Belapur Road, Ghansoli, Navi Mumbai – 400 701, India
Telephone : +91 22 4477 0000, Telefax : +91 22 4471 0050

Registered Office:
Maker Chambers IV
3rd Floor, 222, Nariman Point
Mumbai – 400 021, India

CIN : L17110MH1973PLC019786
Telephone : +91 22 2278 5000
Internet : www.ril.com



Reliance Industries Limited ("RIL") and BP Exploration (Alpha) Limited ("BPEAL") (collectively as the "Sellers", and individually the "Seller") have entered into a Production Sharing Contract (PSC) for the Block KG-DWN-98/3 ("KG D6") dated 12 April 2000 entered with Government of India.

On behalf of the Sellers we invite bids under Single Stage Two Bid System from eligible bidders having the necessary experience, expertise and capability, and requisite statutory & regulatory clearances for purchase of KG D6 Crude Oil, in accordance with the terms & conditions of this Notice Inviting Tender (NIT) and Crude Oil Sale Agreement ("COSA") at Annexure 1 hereto.

The Crude Oil will be available Ex-Works/FCA KG D6 Onshore Terminal (OT), Gadimoga, Tallarevu Mandal, East Godavari District, Andhra Pradesh, India or at such other point as agreed between the Parties in writing (the "Delivery Point") during June 2021 - June 2022, with a provision for extension of the contract term, at Sellers' option, by another six months to one year at the same pricing formula, terms and conditions, as detailed below and the successful bidders will have to enter into COSA with the Sellers in the form provided at Appendix 1 hereto:

1. **Quantity** : At Sellers' option, 30,000 to 40,000 Bbls for first month of COSA, followed by approximately 11,000 Bbls per month for subsequent months in the following proportion:

Sellers entity	Quantity
RIL	66.67%
BPEAL	33.33%

2. **Quality** : As made available at the time and place of loading. KG-D6 Crude Oil assay report dated 3 May 2021 is appended for your reference at Annexure 2 hereto.

3. **Period** : 25 June 2021 – 24 June 2022. Seller shall have the right to terminate the COSA by providing 30 days' notice in writing to the Buyer.

4. **Delivery Terms** : Ex-Works/FCA Loading Terminal

4. (a) **Loading Terminal** : Means (i) the "Truck Loading Facility ("TLF") located at KG D6 Onshore Terminal (OT), Gadimoga, Tallarevu Mandal, East Godavari District, Andhra Pradesh, India and/or (ii) any other location as agreed between the Parties.

4. (b) **Delivery Point** : The nozzle of the loading arm connecting to the Buyer's tank truck at the TLF or such other point as agreed between the Parties in writing. The quantity shall be determined in accordance with the standard practice at the Loading Terminal.

5. **Price** : The Ex-Works/FCA Price, in US Dollars, per Barrel of KG D6 Crude Oil shall be equal to "**A+B+C**"

Wherein, A, B and C are as below,

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"A" = Arithmetic Average of Mean of all FOB Quotes published for Bonny Light in Platts Crude Oil Marketwire, USD/Barrel (Platts assessment code: PCAIC00) during the month in which KG D6 Crude Oil is delivered at the Delivery Point.

+ (Plus)

"B" = Composite Premium for KG D6 Crude Oil over Bonny Light, reflecting quality differential, USD 1.5/Barrel

+ (Plus)

"C" = Premium, up to two decimal places, USD/Barrel, (***bidder to quote***) Please note that "C" cannot be negative and to be bid in USD/Barrel

6. Destination : The Crude Oil sold and delivered shall only be consumed in Buyer's owned and operated facility/(ies)/Refinery/(ies) located within India.

7. Invoicing & Payments Terms:

The Sellers shall raise separate invoices for their respective share of each tank truck-wise quantity of Crude Oil sold. The invoices shall be raised on the basis of relevant quotes of the month preceding the month in which the Crude Oil is delivered.

The respective Sellers shall submit consolidated statement of invoices raised, every fortnight. The Sellers shall also issue debit or credit notes to the Buyer after the end of the month, depending on the final price, which shall be determined on the basis of relevant quotes of the month in which the Crude Oil is delivered.

The Buyer shall make payment to each Seller in accordance with consolidated statements of invoices, within 4 (four) banking days of the date of consolidated statement of invoices ("Due Date"). Amounts to be paid for the Crude Oil supplied during the second fortnight shall be adjusted by the credit or debit notes, as the case may be.

The invoices shall be raised in USD. The conversion from USD to INR shall be on the basis of Financial Benchmark India Limited (FBIL) Reference Rate applicable on the date of payment.

In respect of any payment not made in full by the Due Date, the Buyer shall pay interest @ State Bank of India Marginal Cost Lending Rate ("SBIMCLR") plus seven and a half (7.50) percentage points per annum. Interest shall accrue from the Due Date until the date the payment is received by the Sellers' banks.

Letter of Credit (LC): The Buyer shall establish irrevocable revolving stand-by LC favouring each Seller, with a scheduled bank in India acceptable by Sellers, in

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Reliance

Industries Limited

the format set out by the Sellers as a payment security. The LCs shall be for a term of not less than 1 (one) year and shall, at all times, be for an amount equal to the sum of Crude Oil Price and Taxes of 30 (thirty) Days' Crude Oil sales as advised by the Sellers. All charges relating to issuance and maintenance of the LC shall be on Buyer's account.

8. Taxes and Duties: All taxes and duties, including Excise Duty / VAT / Sales Tax, Goods & Services Tax, will be on account of the Buyer.

9. Other Terms:

- (i) The said Crude Oil gets classified under Central Excise/ Tariff Heading No. 2709 00 10, i.e. Petroleum Crude Oil, and is available for sale to actual users.
- (ii) The Buyer shall furnish utilization certificate or statement of value-added products manufactured from the said Crude Oil monthly to the Sellers for the quantity of Crude Oil purchased from the Sellers.
- (iii) The Sellers shall have the right to designate a representative who shall at all times have complete access to the Buyer's premises to inspect the storage, handling and processing facilities of the said Crude Oil. The Buyer shall duly maintain proper records of production, sales and inventory of stocks, which shall be made available for verification by the Sellers' representative during such inspection.
- (iv) Compliance to all statutory and regulatory requirements under the laws shall be the sole responsibility of the Buyer.

10. Submission of Bids: Bids should be submitted in two parts: (i) "**Technical Unpriced Bid**" and (ii) "**Price Bid**", which should be in two separate E-Mail that must be clearly labelled / identified. All bids must be in English language only and in typed or printed form. No bid, which has been corrected or overwritten, shall be accepted.

All Proposals are required to be electronically submitted through an email strictly as per the instructions as cited herein to:

Interested Parties are required to electronically submit their Proposal in Portable Document Format (PDF) files to **nipun.dhingra@ril.com/ milind.narkhede@ril.com**. No oral or telephonic or physically submitted Proposals or modifications in the Proposal shall be considered under any circumstances.

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10.1 **Technical Unpriced Bid**

In order to satisfy the Sellers of its competence, the bidder must provide in the Technical Unpriced Bid, details of the facilities, with supporting documents, where it intends to process the Crude Oil and the end products it intends to manufacture and the types of products manufactured during the last 3 (three) financial years. The complete Technical Unpriced Bid document must be signed and stamped on each page by the authorized signatory of the bidder. Only the Priced Bids of the bidders whose Technical Unpriced Bids are technically acceptable to the Sellers shall be opened for further evaluation. The Sellers reserve the right to reject the Price Bids of those bidders about whose competence the Sellers are not satisfied.

The first PDF file with name "Technical & Un-priced Commercial Proposal" and shall contain duly signed scanned copy of the following particulars:

- (i) Industry Registration certificate issued by Department of Industries to process petroleum products like naphtha, NGL, condensate, Crude Oil etc.
- (ii) Plant layout of bidder's facilities approved by Chief Controller of Explosives.
- (iii) Chief Controller of Explosive's license for bulk storage, handling and processing of Class – "A" petroleum products at bidder's facilities.
- (iv) Solvent, Raffinate & Slop license from State Government authorities by whatever name called.
- (v) No Objection Certificate / environmental clearance for the bidder's facilities from State Pollution Control Board.
- (vi) Insurance coverage of building, plant & machineries and stock at bidder's facilities.
- (vii) VAT Registration.
- (viii) CST Registration.
- (ix) GST Registration.
- (x) Central Excise Registration.
- (xi) A brief report on the appropriate utilisation plan of the Crude Oil to be procured and processing methods to be followed in the Facilities must be submitted along with the Technical Unpriced Bid, clearly undertaking that the Crude Oil shall not be disposed or used for any other purpose.

Failure to furnish all information / documents listed above or submission of incomplete information / documents which are not as per the requirements of this NIT may result in rejection of the bid by the Sellers without seeking any clarifications from the bidder. Further, award of contract to the successful bidder shall be subject to inspection of the bidder's facilities by Sellers' representative and verification of authenticity of the documents listed above.

Interested parties shall submit this first PDF file electronically to the email IDs mentioned above. The subject of the email should contain the words "Technical & Un-priced Commercial Proposal against RFP no. RIL/KGD6/OIL/27052021/01"

10.2 Price Bid

In the Price Bid, bidders have to quote component "C" (up to two decimal places in USD/Barrel) in the pricing formula provided in Section 5 above. It should be typed or printed form and must be signed and stamped by the authorized signatory of the bidder. No Price Bid, which has been corrected or overwritten, shall be accepted.

The second PDF file shall be password protected and shall contain only Price Proposal. This file should be saved with name "Price Proposal".

Interested parties shall submit this second PDF file electronically to the email IDs mentioned above in a separate email. The subject of the email should contain the words "Priced Proposal against RFP no. RIL/KGD6/OIL/27052021/01". Password to open the PDF file for Price Proposal shall be sent separately by e-mail **ONLY** to **milind.narkhede@ril.com** before the due date and time for submission of Proposal.

A prospective bidder requiring any clarification on this NIT may notify RIL through e-mail to gautam.dhar@ril.com.

The bids should be submitted only through E-mail at the address mentioned above by **15:00 hrs IST on 10-June-2021** ("Bid Due Date") and the Technical Unpriced Bids will be opened **at 16:00 hrs on 10-June-2021**. The bids should be valid for 60 (Sixty) days after the date of Technical Bid opening (Bid Due Date).

At the request of RIL, Bidders will make best endeavors to submit hard copies of their Bids in duplicate along with electronic copy on CD/ DVD/ Pen Drive with all details through courier / post.

Bidders shall prepare the bids at their own expense and none of the expenses incurred in the preparation and submission of bids can be claimed from the Sellers, regardless of the outcome of the bidding process.

In order to facilitate comparison amongst the bids on the same terms and conditions, Sellers will not accept conditional bids.

The Sellers reserve the right to withhold or withdraw the bidding process at any stage with intimation to all bidders. The Sellers further, at their sole discretion, reserve the right, without any obligation or liability, to accept or reject any or all of the bids at any stage of the bidding process without assigning any reason whatsoever.

Please also note that absolute right to award rests with the Sellers and this NIT does not impose or create any legally binding obligation whatsoever on the Sellers.

All queries related to NIT should be submitted in writing, electronically to the following personnel:

Mr. Nipun Dhingra, E-Mail: nipun.dhingra@ril.com

Mr. Milind Narkhede, E-Mail: milind.narkhede@ril.com

Enclosed:

Annexure 1: Crude Oil Sale Agreement (COSA)

Annexure 2: Crude Oil Assay

CRUDE OIL SALE AGREEMENT

FORM OF AGREEMENT

This Crude Oil Sale Agreement ("**COSA**" or "**Agreement**") for the purchase and sale of KG-DWN-98/3 (KG D6) Crude Oil is executed at Mumbai and dated ____ day of _____ 2021 ("**Effective Date**")

BETWEEN:

Reliance Industries Limited, a company incorporated under The Companies Act, 1956 with its registered Office at Maker Chambers IV, 3rd Floor, 222, Nariman Point, Mumbai (hereinafter referred to in this Agreement as "**RIL**"); and

BP Exploration (Alpha) Limited, a company incorporated and registered in England and Wales with its registered office at Chertsey Road, Sunbury On Thames, TW16 7BP, United Kingdom and having its Project Office at 71 & 73, 7th Floor, 2nd North Avenue, Maker Maxity, Bandra Kurla Complex, Bandra (East), Mumbai (hereinafter referred to in this Agreement as "**BPEAL**")

(RIL and BPEAL shall be hereinafter referred to in this Agreement individually as the "**Seller**" and collectively as the "**Sellers**").

AND

_____ (hereinafter referred to in this Agreement as "**Buyer**");

Each of the above is individually referred to as a "**Party**" and collectively the "**Parties**".

WHEREAS:

The Sellers have right to sell the Crude Oil produced from Block KG-DWN-98/3 under the Production Sharing Contract (the "**PSC**") dated 12 April 2000 entered into between them and the Government of India.

The Buyer is in the business of manufacturing of _____ (the "**Buyer's Facilities**"), and Buyer desires to purchase Crude Oil supplied by Sellers for consumption in Buyers owned and operated facility(y)/(ies) / Refiner(y)/(ies) in the quantities and subject to the terms stated herein.

NOW THIS CONTRACT WITNESSETH AND IT IS HEREBY AGREED AS FOLLOWS:

1. Sellers' Representation and Participation

RIL shall act as the Sellers' Representative for the purposes of administering this Agreement, including the giving and receiving of all notices, nominations, estimates, requests, elections and statements under this Agreement. Any notice required to be delivered by the Buyer under this Agreement shall be deemed to have been delivered to each Seller upon delivery to the Sellers' Representative. No change in the identity of the Sellers' Representative shall be effective until the Buyer receives notice from the Sellers' Representative of the change and the effective date thereof, which must be prospective. The Sellers' Representative shall incur no liability under this Agreement other than in its capacity as a Seller.

The obligations and liabilities of each Seller under the Agreement shall be several and shall not be joint or joint and several and limited to (a) upstream of the Delivery Point and (b) their respective Participating Interests under the PSC which currently is as below:

SELLER ENTITY	PARTICIPATING INTEREST
RIL	66.67%
BPEAL	33.33%

Neither Party shall be liable for lost profits or other business interruption damages, or special, consequential, punitive, exemplary damages, in tort, contract or otherwise, of any kind, arising out of or in any way connected with the performance, the suspension of performance, the failure to perform, or the termination of this Agreement.

2. Grade and Quality:

KG D6 Crude Oil, as usually made available at the time and place of loading.

3. Quantity:

At Sellers' option, approximately 30,000 to 40,000 Bbls for first month of Agreement, followed by approximately 11,000 Bbls per month for subsequent months in the following proportion:

Sellers entity	Quantity
RIL	66.67%
BPEAL	33.33%

Quantity to be based on joint ticket / bill of lading / dispatch document quantity except for fraud or manifest error, for invoicing purposes only, but without prejudice to the rights of any Party to file a claim for quantity and/or quality.

4. Delivery: Sale and Delivery shall be against indents placed on the Sellers. The indent shall specify the destination of the goods indented for.

4.1 **INCOTERMS 2000** : Ex-Works/FCA, Loading Terminal

4.2 **Loading Terminal** : Means (i) the "Truck Loading Facility ("TLF") located at KG D6 Onshore Terminal (OT), Gadimoga, Tallarevu Mandal, East Godavari District, Andhra Pradesh, India and/or (ii) any other location as agreed between the Parties.

4.3 **Delivery Point** : The nozzle of the loading arm connecting to the Buyer's tank truck at the TLF or such other point as agreed between the Parties in writing. The quantity shall be determined in accordance with the standard practice at the Loading Terminal.

4.4 **Transfer of Title and Risk:** Sellers shall sell and deliver Crude Oil at the Delivery Point to Buyer for onward transmission to Buyer's Facilities. Property (title) in and all risks including risks of loss of the Crude Oil delivered hereunder shall pass from Sellers to Buyer at the Delivery Point upon delivery of the Crude Oil to the Buyer at such point.

4.5 **Use of Crude Oil** : The Crude Oil sold under this Agreement shall be exclusively used, processed, refined, stored at the Buyer's Facilities, unless agreed otherwise between the Parties in writing.

5. Term and Termination

- 5.1 This Agreement shall commence on the Effective Date of this Agreement and end on _____, both dates inclusive. Subject to Clause 5.2, the Agreement may be extended, at Sellers' option, for a further period of 6 (six) months to 1 (one) year at the same pricing formula, terms and conditions.
- 5.2 Sellers may at their sole discretion, and in addition to any other legal remedies they may have, forthwith suspend deliveries of the Crude Oil or terminate the Agreement upon giving 30 days' notice to Buyer, if:
- (a) The Buyer, for any reason whatsoever, fails to make any payment due to the Sellers under this Agreement by the Due Date, and such failure remains un-remedied at the expiry of the aforesaid notice period;
 - (b) The Buyer is in breach of its obligations under this Agreement and such breach or failure remains un-remedied at the expiry of the aforesaid notice period;
 - (c) The Buyer fails to take delivery of the Crude Oil that it is obligated to do so under this Agreement and such failures are not excused by any other provision in this Agreement;
 - (d) A Buyer event of Force Majeure continues for 60 days or more;
 - (e) The Buyer becomes insolvent or is adjudged bankrupt or makes an assignment for the benefit of its creditors or does not pay or is, in the Sellers' reasonable opinion, expected to be unable or unwilling to pay its debts as the same become due;
 - (f) The 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 the Buyer and is not discharged until 30 days;
 - (g) Crude Oil production operations have ceased or suspended due to scheduled maintenance at Sellers facilities.
 - (h) The Buyer assigns any or all of its rights or obligations under this Agreement without the prior written consent of Seller.
 - (i) Any Unauthorised Use of Crude Oil by the Buyer as referred in Article 6.1.
 - (j) Any breach of Buyer's obligations mentioned in Article 6.10 below.

6. Buyer's Obligation:

- 6.1 The Buyer covenants and undertakes that it shall not commit an Unauthorized Use of Crude Oil sold and delivered under this Agreement and shall at all times use (or allow the use of) Crude Oil purchased hereunder solely for the consumption in the Buyer's Facilities. For the purposes of this clause, "Unauthorised Use" of Crude Oil means any act on the part of the Buyer resulting in any quantities of Crude Oil not being used for the purposes as stated under this Agreement.
- 6.2 Buyer or Buyer's designee shall take delivery of the Crude Oil at the Delivery Point and shall cause the Crude Oil to be transported to Buyer's Facilities and shall make all requisite arrangements for the movement of the Crude Oil from the Delivery Point to Buyer's Facilities. Buyer shall furnish the Sellers with all supporting documents to evidence such movement of the Crude Oil from the Delivery Point to Buyer's Facilities.
- 6.3 Buyer covenants that it shall not sell (or purport to sell) or transfer title in any manner whatsoever to the Crude Oil purchased hereunder (or commit to do any of the foregoing).

- 6.4 Buyer shall ensure receipt, offtake and transportation of the Crude Oil from the Delivery Point to Buyer's Facilities.
- 6.5 The Buyer shall furnish utilization certificate or statement of value added products manufactured from the Crude Oil on a monthly basis to the Sellers for the quantity of Crude Oil purchased from the Sellers.
- 6.6 The Sellers shall have the right to designate a representative who shall at all times, during the subsistence of this Agreement, have complete access to the Buyer's Facilities to inspect the storage, handling and processing facilities of the Crude Oil. The Buyer shall duly maintain proper records of production, sales and inventory of stocks, which shall be made available for verification by the Sellers' representative during such inspection.
- 6.7 Compliance to all statutory and regulatory requirements under the laws shall be the sole responsibility of the Buyer.
- 6.8 The Buyer shall abide by all statutory / regulatory orders / guidelines in force from time to time during the subsistence of this Agreement. The Sellers shall allow Buyer to uplift the Crude Oil only after:
- (a) submission of duly attested copies of all the requisite documents, certificates and licences as demanded by Sellers at their sole discretion from time to time;
 - (b) the contents of copies stated in item (a) above are scrutinized and accepted by the Sellers.
- 6.9 The Buyer / Buyer's representative shall ensure strict adherence to the Standard Operating Procedure (SOP) for safely loading and dispatching of the Crude Oil to the Buyer's Facilities. The SOP will be prepared by the Sellers in consultation with the Buyer, prior to commencement of sale of the Crude Oil.
- 6.10 The Buyer hereby undertakes and warrants that it has conducted and shall conduct its business in accordance with the highest ethical standards and it shall comply with all applicable Laws in the performance of its obligations under this Agreement including all Laws dealing with ethical business practices viz., the Foreign Corrupt Practices Act 1977, the UK Bribery Act, 2010 and the Prevention of Corruption Act, 1988.
- 6.11 Buyer represents and warrants to the Sellers that it has (and shall continue to have during the term of this Agreement) all the requisite legal and regulatory permissions, contents and approvals which may be necessary for maintaining Buyer's Facilities and for using, processing, storing transporting, etc the Crude Oil purchased under this Agreement.
- 6.12 Buyer represents and warrants that, it shall ensure safe storage, transportation and processing of Crude Oil such that there is no theft/pilferage of Crude Oil purchased under this Agreement and also that there is no tampering or alteration of the measurement equipment at the Delivery Point(s) or otherwise.
- 6.13 The Buyer shall defend, indemnify and hold the Sellers harmless from and against any and all losses, costs, damages and expenses of any kind (including penalties and reasonable attorney's fees) directly or indirectly arising from the Buyer's (i) breach of this Agreement; (ii) and any failure to comply with applicable laws and regulations.

7. Price:

7.1 The Ex-Works/FCA price, in U.S. Dollars per joint ticket / bill of lading / dispatch document barrel, shall be calculated in accordance with Annexure A.

"Barrel" or "bbl", for all purposes under this Agreement, shall mean a quantity or unit equal to 158.9074 litres (forty two (42) U.S. Gallons) liquid measure, at a temperature of sixty (60) degrees Fahrenheit (15.56 degrees Celsius) and under one atmosphere pressure (14.70 psia).

7.2 Any corrections which are published to the relevant quotes shall be taken into account for purpose of determining the Final Price.

7.3 All arithmetic averages, whether intermediate in arriving at the Final Price or Final, shall be rounded to three decimal places, using the following convention:

- a) If the fourth decimal place is five (5) or greater than five (5), then the third decimal place shall be rounded up to the next digit.
- b) If the fourth decimal place is four (4) or less than four (4), then the third decimal place shall remain unchanged.

8. Order of Precedence

8.1 This Agreement shall comprise of this Form of Agreement along with Part I - Special Provisions annexed herewith, which shall be deemed to form and be read and construed as integral parts of this Agreement and therefore interlinked to each other, but in the event of any ambiguity or inconsistency between such documents, the documents shall take precedence in the following order of priority:

Priority 1 - Form of Agreement

Priority 2 - Part I- Special Provisions

9. Other Terms

9.1 The Crude Oil gets classified under Central Excise Tariff Heading No. 2709 00 10 i.e. Petroleum Crude Oil and is available for sale to actual users.

10. Repetition

10.1 For the avoidance of doubt, any repetition of any Article, section or subsection of this Agreement shall be for emphasis only and shall not, by reason of such repetition, exclude any other provision of this Agreement.

11. Special Provisions

11.1 This Agreement constitutes the entire agreement of the Parties on the subject matter and supersedes any prior discussions between the Parties. Only those terms and conditions, and any amendments therefor, specifically agreed to by Parties in writing shall become part of the Agreement, and acceptance of delivery alone shall not constitute agreement.

RELIANCE INDUSTRIES LIMITED

BUYER

AUTHORISED SIGNATORY:

AUTHORISED SIGNATORY:

WITNESS:

WITNESS:

BP EXPLORATION (ALPHA) LIMITED

AUTHORISED SIGNATORY:

WITNESS:

PART I – Special Provisions

1. Determination of Quantity and Quality

Quantity and quality shall be determined in accordance with standard practice at the Loading Terminal, which shall be as per Approved Industry Practice. The Loading Terminal shall employ methods of measurement and sampling in the following orders of preference:

1.1 Quantity Measurement:

- A) Custody Transfer Meter (CTM) readings (turbine meter) at the TLF;
- B) Manual dip measurements of tank loaded tank trucks at any other Delivery Point;

Quantities shall be net of free water and suspended sediment and water. Suspended sediment and water shall be determined from analysis of the Crude Oil samples.

1.2 Sampling Method:

- A) Composite spot sample taken from Crude Oil storage tank before loading;
- B) Composite of representative samples taken manually from loaded tank trucks after draining;

2. Inspection:

2.1 At the Loading Terminal, the Sellers' shall appoint a mutually acceptable independent inspector/surveyor for determination of quantity and quality of the Crude Oil and the cost for such inspection shall be shared equally between Buyer and Sellers.

2.2 The quantity and quality of the Crude Oil delivered as determined by the independent inspector/surveyor at the loading terminal shall be final and binding on both the Buyer and the Sellers', save for fraud or manifest error.

3. Claims in respect of Quantity:

3.1 In the event of any apparent deficiency in quantity or quality, in the case of the Buyer, or any apparent excess in the quantity, in the case of the Sellers, a claim shall be made in writing to the Sellers or the Buyer, as the case may be, immediately after the apparent deficiency or excess is discovered. Any such claim of deficiency in quality or excess in quantity shall be admissible only if formally notified in writing to the Sellers or the Buyer, as the case may be, within 15 (fifteen) calendar days of the joint ticket / bill of lading / dispatch document date and accompanied by evidence fully supporting the claim. If no such formal claim notification is received by the Sellers or the Buyer, as the case may be, within the aforesaid 15 (fifteen) day time limit, the claim shall be deemed waived.

3.2 Notwithstanding the foregoing, no claim shall be admitted in respect of any deficiency in quality or excess of quantity where the difference between the joint ticket / bill of lading / dispatch document quantity and the quantity received by the Buyer is equal to or less than 0.3% of the joint ticket / bill of lading / dispatch document quantity.

3.3 If the claim is not settled within 60 (sixty) calendar days of receipt of the formal claim notification, then the claim shall be resolved in accordance with the provisions of Section 12 (Dispute Resolution) of Special Provisions of this Agreement.

4. Invoices:

- 4.1 The Sellers shall raise separate invoices for their respective shares of each tank truck-wise quantity of Crude Oil sold. The invoices shall be raised by the Sellers on the price, which shall be determined as per the provision of Section 7.1 of Form of Agreement, on the basis of relevant quotes of the month preceding the month in which the Crude Oil is delivered.
- 4.2 The respective Sellers shall submit consolidated statement of invoices raised, every fortnight. The Sellers shall also issue debit or credit notes to the Buyer after the end of the month, depending on the Final Price, which shall be determined as per the provision of Section 7.1 of Form of Agreement, on the basis of relevant quotes of the month in which the Crude Oil is delivered.
- 4.3 The Buyer shall make payment to each Seller in accordance with consolidated statements of invoices, within 4 (four) banking days of the date of consolidated statement of invoices ("Due Date"). Amounts to be paid for the Crude Oil supplied during the second fortnight shall be adjusted by the credit or debit notes, as the case may be.
- 4.4 In addition to invoices, Sellers shall raise debit notes or credit notes as may be required from time to time.

5. Payment:

- 5.1 All the invoices under the Agreement shall be raised in USD. All payments due to the Sellers under this Agreement shall be made by the Buyer through electronic transfer to the bank accounts advised in writing by the Sellers, free of all charges and without asserting any set-off, counter-claim or right to withhold payment in accordance with Section 3 hereinabove in immediately available Indian Rupees ("**INR**").
- 5.2 Buyer shall make payment to Sellers in accordance with sub-Section 5.1 hereinabove upon presentation of the following documents by the Sellers to the Buyer:
- a) Sellers' fax or email consolidated statement of invoices, supported by tank truck-wise dispatch details, prepared in accordance with the provisions of this Agreement; and
 - b) 3/3 original joint tickets / bills of lading / dispatch documents issued or endorsed to the order of either the Buyer or any party as requested by the Buyer in writing; and
 - c) Original certificates of quantity and quality (or equivalent documents issued at the Loading Terminal); and
 - d) In the case of BPEAL, tax withholding certificates, if any, from the Indian Income Tax Department.
- 5.3 If the Sellers are unable to present the documents referred to in sub-Section 5.2 b) & c) above, the Buyer shall make payment to the Sellers upon presentation to the Buyer of the following documents:
- A) Sellers' fax or email copies of invoices; and
 - B) Sellers' fax or email Letter of Undertaking in the format set out in Annexure B hereto.
- 5.4 For all payments under this Agreement, conversion from U.S. Dollars to INR shall be based on the Financial Benchmark India Limited (FBIL) reference rate applicable on the day on which payment is made, provided that if such rate is not available, then the last available FBIL reference rate shall be used.

- 5.5 In case payment falls due on a Sunday or a Monday which is not a banking day in Mumbai, then payment shall be made on the immediately succeeding banking day in Mumbai. If payment due date falls on any other day which is not a banking day in Mumbai, then such payment shall be made on the immediately preceding banking day in Mumbai.
- 5.6 Without prejudice to any other rights and remedies available under this Agreement or under law, if the Buyer fails to make a payment to each of the Seller of any amount due under this Agreement, interest thereon shall accrue at a rate per annum equal to the State Bank of India Marginal Cost Lending Rate ("SBIMCLR") plus seven and a half (7.50) percentage points, for each day from and including the day on which such sum became due up to the day prior to the day on which payment thereof is received. If no SBIMCLR is available for such day then the SBI Base Rate shall be the comparable interest rate applicable on the last day before such day for which such interest rate is applicable.

State Bank of India

6. Letter of Credit:

- 6.1 No later than 5 (five) banking days following the execution of this Agreement by the Buyer, the Buyer shall provide each Seller with an irrevocable, revolving stand-by letter of credit ("LC") issued in favour of each Seller by a scheduled bank in India acceptable to each Seller as payment security.
- 6.2 The Buyer shall bear all charges payable to the bank issuing such LC, including advising charges payable to advising bank of Sellers.
- 6.3 The LC shall be for a term of not less than 1 (one) year and shall, at all times, be for an amount equal to the sum of Crude Oil Price and Taxes of 30 (thirty) Days' Crude Oil sales, subject to, where applicable, Seller seeking revision of LC as provided herein. The value of the LC in U.S. Dollars shall be on the basis of the relevant assessment for the month preceding the month in which the LC is issued. INR value of the LC shall be calculated based on the FBIL reference rate applicable on the day on which the LC value is notified by the Sellers' Representative to the Buyer, provided that if such rate is not available as to any day, the last available exchange rate shall be used.
- 6.4 The LC shall be in a format as specified in Annexure C. The LC shall cover an additional amount of up to 5% above the face value to cover any increase in the Crude Oil Price and exchange rate. Seller may seek revision in the face value of LC in case increase in the Crude Oil Price and exchange rate is 5% or more and Buyer shall provide the same within 5 (five) banking days of such demand from the Sellers.
- 6.5 In the event the Buyer fails to pay any amount due under the terms of this Agreement to the Sellers within the period specified in this Agreement, the Sellers may, without prejudice to any other rights and remedies available under this Agreement or under law, draw upon the LC for payment of such amounts due and payable under any invoices and or debit notes and or interest charges raised under this Agreement. Recourse against the LC shall be without limitation to any other right or remedy of the Sellers in relation to the payment default. The Buyer shall, upon drawal of any amount by the Sellers, ensure that the value of the LCs are automatically reinstated forthwith to their original face value.
- 6.6 Sellers' obligation to deliver and sell the Crude Oil under this Agreement to the Buyer shall be subject to Buyer's provision of LCs in accordance with this Agreement.

7. Taxes:

- 7.1 All taxes and duties, applicable on/and/or after title & risk transfer, whether levied on the Buyer or on the Sellers or Crude Oil / qua the Crude Oil, including but not limited to sales tax, value added tax, goods and services tax, excise duty, customs duty, local body tax, entry tax, advance tax, additional tax, surcharge, octroi duty, works contract tax, construction cess, service tax and stamp duty and all other State and Central levies as applicable from time to time and all outgoings of any nature whatsoever, shall be borne by the Buyer or reimbursed by the Buyer to the Seller, as the case may be.
- 7.2 For the avoidance of any doubt, the liability for payment of taxes shall include any taxes that are paid, levied or accrued and payable or assessed or demanded or imposed pursuant to any interim order, provisional assessment, revision assessment, judicial or executive review, final assessment or any other order made at any time by any Relevant Authority, Tribunal or Court. Buyer shall also be liable for fines, penalties or interest on taxes which are required to be paid by Seller under order made at any time by the Relevant Authority, Tribunal or Court.
- 7.3 For sale in the course of inter-State trade, subject to other provisions of CST Act, the rate of CST applicable is 2% (two percent) against submission of C- Form by the Buyer. If Buyer fails to submit any such forms, returns or documents to Sellers within the prescribed time or if such forms, returns or documents are not accepted by the authorities, then Sellers shall have the right to raise necessary invoices or debit notes for any differential liability for Taxes and interest thereon that may arise as a result of such failure of Buyer and Buyer shall make payment of such invoices or debit notes within four (4) banking days.
- 7.4 The buyer shall deduct tax at source in accordance with the provisions of the Income tax Act. In doing so, the buyer would take into account any lower tax deduction certificates submitted by the Seller Parties. The Seller shall collect tax at source in accordance with the provisions of Income Tax Act, as may be applicable.

8. Nomination:

- 8.1 During each month, the Sellers shall make available quantities of Crude Oil to be delivered to the Buyer at the Delivery Point. The Parties shall use their reasonable endeavours to mutually cooperate for planning the scheduling of Crude Oil delivery and the send-out rate to ensure there is no adverse effect on operations.
- 8.2 Every month the Sellers shall notify the Buyer of (a) nominal quantities of Crude Oil up to which each Seller shall make available for delivery during the month in question; and (b) the loading date range within the month in question during which Crude Oil shall be delivered under the terms of this Agreement. The Sellers shall ensure that such notification is provided to the Buyer no later than 7 (seven) calendar days prior to the first day of the loading date range. The Buyer shall accordingly take such nominal quantities of Crude Oil on such loading date range.
- 8.3 Indents shall be issued 15 (fifteen) calendar days prior to the first day of the loading date range, inter alia, specifying the destination of the goods and nominal quantity to be taken by the Buyer.
- 8.4 The indent for interstate purchase shall be in the format marked as Annexure D.

9. Buyer's Failure to Lift

9.1 In respect of any quantity of Crude Oil hereunder, should the Buyer fail to load or take delivery of the contractual quantity during the loading period due to:

1. Buyers' withdrawal of tank trucks; or
2. Delay in arrival of tank trucks at the Loading Terminal; or
3. Rejection of any tank truck by the Loading Terminal or by the Sellers pursuant to the terms of this Agreement; or
4. Any breach by the Buyer of its contractual obligations hereunder;

then, the Sellers shall be under no obligation to supply that volume of Crude Oil which would have been loaded on such tank truck. Further, the Sellers shall be entitled to dispose freely of, and may sell or otherwise dispose of, any such quantity of the Crude Oil, in any fashion whatsoever in its sole and absolute discretion (including without limitation selling the Crude Oil under distressed sale terms, chartering tank trucks to lift the Crude Oil and hiring storage facilities outside OT, Gadimoga to store the Crude Oil, and taking any other actions to prevent the storage capacity of the Crude Oil storage tanks at OT, Gadimoga from exceeding safe and efficient operating levels, and to prevent any other adverse effect on operations at OT and/or the production wells and other production facilities). Notwithstanding the provisions of Section 10 herein below, the Sellers shall be indemnified by the Buyer for any and all costs, damages or expenses incurred by the Sellers as a result of the Buyer's failure to lift the contractual quantity due to any of the aforesaid reasons.

10. Force Majeure

10.1 Neither Party shall be deemed in breach of the Agreement as a result of, or be liable to the other(s) for, any failure, omission or delay in its performance in whole or in part of any of the terms or conditions of the Agreement (except in relation to obligations to make payments or provide security for payment under the Agreement) if such failure, omission or delay arises or results from any cause reasonably beyond, or to be treated as reasonably beyond, the control of that Party (any such event being hereinafter referred to as "Force Majeure").

10.2 For the purposes of this Section 10, and without limitation to the generality of sub-Section 10.1 hereinabove, an event shall be treated as being reasonably beyond the control of the Seller if it arises or results from, or in connection with:

- a) Compliance, voluntary or involuntary, with a direction or request of any national, port, transportation, local government or other authority or person purporting to act with such authority; or
- b) Any natural calamity, earthquake, storm, flood, fire, explosion or other act of God; or
- c) Any war, hostilities declared or undeclared, embargo, blockade, riots, terrorism, civil unrest and any consequence thereof; or
- d) Any strike, lockout, stoppage, restraint of work or other labour difficulty from whatever cause arising, even in the event that the same could be settled by acceding to the demands of a labour group; or
- e) Ionizing radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of any nuclear fuel, radioactive toxic explosives or other hazardous properties of any explosive nuclear assembly or nuclear components thereof.
- f) Any curtailment, reduction in, interference with, failure or cessation of supplies of Crude Oil from any of the Sellers' sources of supply including for reasons of reservoir failure or reduction in reservoir deliverability.

- g) Any curtailment of, hindrance to, interference with, or delay to the availability, delivery or transportation up to the Delivery Point of:
- i) the Crude Oil or the grade of Crude Oil deliverable under the Agreement; or
 - ii) any Crude Oil, whether or not of the grade to be delivered under the Agreement, as a result of Sellers' actions based on, or arising in connection with, compliance with a request to, or requirement of, Government of India, from any one or part of Sellers' sources or their anticipated sources of supply (whether or not such source is a source or anticipated source for the purposes of the Agreement).

For the purposes of this sub-Section 10.2, the availability to the Sellers on the spot market of any quantity of Crude Oil, whether or not of the grade deliverable under the Agreement, shall not be taken into account in determining whether or not a Force Majeure event has occurred.

If the Buyer is a Government owned party, any actions of any governmental authority shall not relieve the Buyer of its obligations under this Agreement unless such actions apply generally and are not undertaken primarily to relieve the Buyer's obligations under this Agreement.

- 10.3 If any Force Majeure event occurs, then at any time thereafter and for so long as the effect of that event continues, the Sellers shall be entitled to withhold, suspend, reduce or cancel delivery hereunder.
- 10.4 Prompt written notice of any event of Force Majeure and, so far as possible, of its extent and anticipated duration shall be given by the Party so affected. That Party shall also give prompt written notice when the effects of the Force Majeure event come to an end.
- 10.5 If any failure, omission or delay in performance of the Agreement under this Section 10 continues for more than 30 (thirty) consecutive days after the day the notice of Force Majeure has been sent, then any Party shall be entitled after the said duration to cancel delivery of the shipment(s) affected by the event of Force Majeure by written notice to the other Parties, without any liability on any side save that such cancellation shall be without prejudice to any other accrued rights and (if applicable) to other deliveries under this Agreement. Performance under this Agreement shall resume to the extent made possible by the end of the effects of the Force Majeure event pursuant to this Section 10.
- 10.6 Each Party shall bear its own costs incurred as a result of any event of Force Majeure.
- 10.7 Nothing in this Section 10 shall be taken to limit or prevent the operation of the common law doctrine of frustration (including frustration of the adventure, of purpose, or of the agreement).
- 10.8 If the Sellers are, due to an impediment reasonably beyond their control, prevented, delayed or hindered from obtaining or bringing to the Loading Terminal or from making available for delivery at the Delivery Point, the Crude Oil required for the shipment hereunder or any part thereof, then notwithstanding any terms that might otherwise be applicable to the supply of the Crude Oil by such Loading Terminal any time lost, whether in the commencement, carrying out or completion of the delivery, shall not be counted or included in calculating the time taken by the Seller to load such shipment. Any such impediment shall be an impediment for the purposes of this Section 10.

11. Governing Law

- 11.1 The construction, validity and performance of this Agreement shall be governed by Indian Law to the exclusion of any other law which may be imputed in accordance with choice of law rules applicable in any jurisdiction. However, neither Party shall be precluded from pursuing arrest, attachment and/or other conservatory, interlocutory or interim actions in any court or exercising any contractual rights in relation to the Crude Oil or tank truck provided for elsewhere in this Agreement.

12. Dispute Resolution

- 12.1 If the Parties from time to time agree to use fast track arbitration, then, within 60 (sixty) days the Parties shall decide upon an independent third party mutually acceptable to the Parties (the "**Fast-Track Arbitrator**") and an alternate third party (the "**Alternate**") to decide disputes to be referred to the Fast-Track Arbitrator as provided in this Section. Failure to agree on the Fast-Track Arbitrator and the Alternate shall invalidate the provisions of this Section, in which case the provisions of Section 12.2 herein below shall apply to all disputes. The Fast-Track Arbitrator and the Alternate each must have relevant experience related to the dispute. Only disputes mutually agreed shall be referred to the Fast-Track Arbitrator or the alternate. In the event that the Fast-Track Arbitrator is unavailable to resolve the dispute within the time period stated in this Section, the dispute shall be referred to the Alternate. The Fast-Track Arbitrator or the Alternate, as the case may be (the "**Arbitrator**" for the purposes of this sub Section), shall have summary powers and shall be directed to resolve the dispute within 30 (thirty) days of referral (or such shorter time as the Parties shall agree). The Parties shall co-operate in good faith in providing to the Arbitrator any information reasonably needed to resolve the dispute. The Fast-Track Arbitration shall be held at a mutually agreeable location. The Fast Track Arbitration shall be conducted in English language. The decision of the Arbitrator shall be final, binding and non-appealable. Judgment upon any award rendered may be entered in any court having jurisdiction or application may be made to such court for judicial acceptance of the award or an order of enforcement, as the case may be. The Arbitrator shall not be required to give reasons for his award in writing. The costs and expenses of the Arbitration will be borne by the losing Party, unless the Arbitrator finds that it would be manifestly unfair to honour this Agreement of the Parties and determines a different allocation of costs.
- 12.2 All disputes between the Parties shall be referred to a panel of 3 (three) arbitrators. Appointment of arbitrators and arbitration proceedings shall be conducted in accordance with the Indian Arbitration and Conciliation Act, 1996, or any statutory modifications thereof. The latest United Nations Commission on International Trade Law (UNCITRAL) rules shall apply to the extent such corresponding rules are not provided in the Indian Arbitration and Conciliation Act, 1996. The place and seat of the arbitration shall be New Delhi, and the arbitration proceedings shall be conducted in the English language. The arbitration award shall be final, binding, and enforceable without the recourse of appeal to courts. Judgment on the award may be entered and execution had in any court having jurisdiction or application may be made to such court for a judicial acceptance of the award and an order of enforcement and execution, as applicable. Any damages which may be awarded by the arbitration tribunal shall bear interest from the date of any relevant breach or violation to the date of full satisfaction of such award at a rate equal to the lesser of (i) State Bank of India Base Rate plus 2 (two) percentage points and (ii) the maximum rate permitted by Applicable Law.

13. Assignment:

- 13.1 Except as provided in this Section 13, neither Party shall assign any or all of its rights or obligations under this Agreement without the prior written consent of the other Party, which consent shall not be unreasonably withheld or delayed, and any attempt to assign or delegate without obtaining a required consent shall be of no effect.
- 13.2 Sellers shall have the right to assign any or all of its rights or obligations under this Agreement, without the consent of the other Party but upon written notice of such intent, to an Affiliate.
- 13.3 Notwithstanding anything to the contrary contained in this Agreement, if the Government of India has consented to the Assignment by a Seller or by the holder of a mortgage, charge or other encumbrance over all or part of that Seller's participating interest ("Assigning Seller") of the whole or part of its Participating Interest to another Seller or a third party ("Assignee") under the relevant provisions of the PSC, the assigning Seller shall, with effect from the effective date of that assignment be deemed to have assigned its rights and obligations under this Agreement to the Assignee in the same proportion which the Participating Interest which the Assigning Seller assigned to the Assignee bears to Assigning Sellers total Participating Interest immediately prior to that assignment.
- 13.4 For the purpose of this Agreement, "Affiliate" and "Associated Company" means any company (i) which is directly or indirectly controlled by a Party, (ii) which, directly or indirectly, controls a Party or (iii) which is, directly or indirectly, controlled by a company which also, directly or indirectly, controls a Party. For the purposes of this definition, "control" means the right to cast more than 50% of the votes exercisable at an annual general meeting of such Party (or its equivalent) or ownership of more than 50% of the equity share capital of or other ownership interests in such entity, or the right to direct the policies or operations of such entity.

14. Certain Definitions

- 14.1 In this Agreement, "Approved Industry Practice" means the measurement, sampling and analysis activities and methods of a standard generally accepted in the international oil industry.
- 14.2 "Effective Date" means the date of execution of this Agreement.

15. Notices

- 15.1 Except as otherwise specifically provided in this Agreement, any notice authorised or required between the Buyer, RIL and BPEAL by any of the provisions of this Agreement (including invoices and statements) shall be in writing in the English language and may be delivered in person or by courier service or by any electronic means of transmitting written communications which provides confirmation of complete transmission and shall be addressed as set forth below:

A) BUYER'S CONTACTS

(BUYER TO PROVIDE THE CONTACT DETAILS)

I. BUSINESS

ATTENTION:
TELEPHONE NO.
EMAIL:

II. FINANCE

ATTENTION:
TELEPHONE NO.
EMAIL:

III. OPERATIONS

ATTENTION:
TELEPHONE NO.
EMAIL:

B) RIL'S CONTACTS

I. BUSINESS

RELIANCE INDUSTRIES LIMITED
RELIANCE CORPORATE PARK,
BUILDING 10 B, SECOND FLOOR,
THANE-BELAPUR ROAD,
NAVI MUMBAI 400 701
INDIA

II. FINANCE

RELIANCE INDUSTRIES LIMITED
RELIANCE CORPORATE PARK,
BUILDING 12 A, SECOND FLOOR,
THANE-BELAPUR ROAD,
NAVI MUMBAI 400 701
INDIA

ATTENTION:
TELEPHONE NO.:
FACSIMILE NO.:
EMAIL:

III. OPERATIONS

RELIANCE INDUSTRIES LIMITED
KG D6 ONSHORE TERMINAL (OT),
GADIMOGA - 533463,
TALLAREVU MANDAL,
EAST GODAVARI DISTRICT,
ANDHRA PRADESH,

ATTENTION:
TELEPHONE NO.
FACSIMILE NO.
EMAIL:

C) BPEAL'S CONTACTS

I. BUSINESS

BP EXPLORATION (ALPHA) LTD
7TH FLOOR, MAKER MAXITY,
2ND NORTH AVENUE,
BANDRA KURLA COMPLEX, BANDRA (EAST)
MUMBAI – 400 051
ATTENTION:

II. FINANCE

BP EXPLORATION (ALPHA) LTD
7TH FLOOR, MAKER MAXITY,

2ND NORTH AVENUE,
BANDRA KURLA COMPLEX, BANDRA (EAST)
MUMBAI – 400 051
ATTENTION:

III. OPERATIONS
BP EXPLORATION (ALPHA) LTD
7TH FLOOR, MAKER MAXITY,
2ND NORTH AVENUE,
BANDRA KURLA COMPLEX, BANDRA (EAST)
MUMBAI – 400 051
ATTENTION:

or such other address as any Party hereafter shall designate from time to time to the other Parties by notice in accordance with this Section 15.

- 15.2 Any such notice shall be deemed received by the Party to whom so addressed when delivered at such address in person or by courier service. Notice given by facsimile shall be deemed received when received by the other Party's receiving terminal, provided, however, that if a facsimile is received or delivered after 1700 hours (time at receiver's location) or on a day that is not a receiver's business day, such facsimile shall be deemed received or delivered on the next succeeding business day.

ANNEXURE - A
KG D6 CRUDE OIL PRICING

The Ex-Works/FCA Price, in US Dollars, per Barrel of KG D6 Crude Oil shall be equal to **"A+B+C"**

Wherein, A, B and C are as below,

"A" = Arithmetic Average of Mean of all FOB Quotes published for Bonny Light in Platts Crude Oil Marketwire, USD/Barrel (Platts assessment code: PCAIC00) during the month in which KG D6 Crude Oil is delivered at the Delivery Point.

+ (Plus)

"B" = Composite Premium for KG D6 Crude Oil over Bonny Light, reflecting quality differential, USD 1.5/Barrel

+ (Plus)

"C" = Premium, up to two decimal places, USD/Barrel, (*bidder to quote*) Please note that "C" cannot be negative and to be bid in USD/Barrel

Publications to be used for Crude Oil will be "Platts Crude Oil Marketwire". The Quotations to be used will be monthly average of all published quotations applicable for the month of relevant deliveries of KG D6 Crude Oil.

In the event, if any of the assessments used in the price formula were to be discontinued/modified by the publishing agency, Sellers and Buyer would discuss and agree on an appropriate alternative.

ANNEXURE B
SELLER'S UNDERTAKING FORMAT

FROM:

RELIANCE INDUSTRIES LIMITED
RELIANCE CORPORATE PARK
GHANSOLI

THANE BELAPUR ROAD
NAVI MUMBAI – 400 701

AND

BP EXPLORATION (ALPHA) LIMITED
OFFICE NO 71 & 73, 7TH FLOOR
2ND NORTH AVENUE, MAKER MAXITY,
BANDRA KURLA COMPLEX
BANDRA (EAST)
MUMBAI- 400051

In consideration of your paying for the consignment(s) of _____ bbl of Crude Oil which was / were dispatched by road from Loading Terminal / loaded on tank truck(s) _____ at Gadimoga and the original joint ticket(s) / bills of lading and / or dispatch document(s) for such consignment(s) have not been delivered to you at the time of payment.

We hereby warrant and undertake to you that at the time property passed we had the right to sell our Participating Interest share of the said consignment(s) to you and we had unencumbered title of our Participating Interest share of the said consignment(s).

We hereby irrevocably and unconditionally undertake to provide you with the original joint ticket(s) / bills of lading and / or dispatch document(s) for such consignment(s).

This Undertaking shall terminate on delivery by us of the aforesaid documents.

This letter of Undertaking shall be governed and construed in accordance with Indian Laws and we agree to submit to the exclusive jurisdiction of the courts in New Delhi.

FOR RELIANCE INDUSTRIES LIMITED

AUTHORISED SIGNATORY
FOR BP EXPLORATION (ALPHA) LIMITED

AUTHORISED SIGNATORY

**ANNEXURE - C
FORM OF LETTER OF CREDIT**

[TO BE TRANSMITTED IN FIN 700]

Advising Bank: HSBC Bank Mumbai

(Issuing bank should send the issued SBLC to advising Bank requesting them to advise the SBLC to beneficiary details as mentioned under field 78.)

40 A	Form of Documentary Credit	IRREVOCABLE STANDBY
20	Documentary Credit Number	XXXXXXXX
31C	Date of Issue	XXXXXXXXXX
40E	Applicable Rules	UCP LATEST VERSION
31D	Date and Place of ExpiryMUMBAI, INDIA *** <i>(*** Expiry to be twelve months from the date of issuance)</i>
50	Applicant	XXXXXX
59	Beneficiary - Name & Address	RELIANCE INDUSTRIES LTD / BP Exploration (Alpha) Limited. <address as per agreement>
32B	Currency Code, Amount	INR XXXX.XX <SBLC value quoted here should be 30 days Crude Oil Sales valued at current market price as per clause 7 of COSA >
39	Tolerance	+ 5% <only for exchange rate fluctuations>
41D	Available With...By...	ANY BANK IN INDIA BY NEGOTIATION AT SIGHT

45A: Description of Goods/ Services

SALE OF CRUDE OIL BY THE BENEFICIARY TO THE APPLICANT FOR USE BY THE APPLICANT AS OUTLINED IN THE CRUDE OIL SALE AGREEMENT ("AGREEMENT") DATED [•] EXECUTED BETWEEN THE BENEFICIARY AND THE APPLICANT.

46A: Documents Required

1. BENEFICIARY'S CERTIFICATE CERTIFYING THAT A PARTIAL/FULL <strike off whichever is not applicable> VALUE OF UNPAID INVOICE(S) AND/OR DEBIT NOTE(S) AMOUNTING TO INR [•] IS DUE ON (DD/MM/YYYY) PURSUANT TO THE AGREEMENT ON ACCOUNT OF APPLICANT'S FAILURE TO PERFORM OR FULFILL ANY OF ITS OBLIGATION SET FORTH IN THE AFORESAID AGREEMENT.
2. COPY OF UNPAID INVOICE(S) AND/OR DEBIT NOTE(S) UNDER THE AGREEMENT AGAINST WHICH THE AMOUNT CLAIMED IS DUE TO BENEFICIARY.

47A: Additional Conditions

1. THIS LETTER OF CREDIT IS ALLOWED TO BE OVERDRAWN FOR AN ADDITIONAL AMOUNT NOT TO EXCEED 5% OF FACE VALUE OF SBLC AS INDICATED UNDER FIELD 32B IN THE EVENT OF

DEPRECIATION IN THE VALUE OF INR AGAINST USD OVER AND ABOVE THE 'INITIAL EXCHANGE RATE'. SUCH ADDITIONAL AMOUNT SHALL BE DETERMINED AS THE AMOUNT BY WHICH FACE VALUE WOULD INCREASE WHEN MULTIPLIED BY THE 'APPLICABLE EXCHANGE RATE' AND DIVIDED BY THE 'INITIAL EXCHANGE RATE'.

FOR COMMON UNDERSTANDING OF ABOVE CLAUSE, THE TERMS 'APPLICABLE EXCHANGE RATE' AND 'INITIAL EXCHANGE RATE' ARE DEFINED AS BELOW:

'APPLICABLE EXCHANGE RATE' MEANS THE AVERAGE (MID-RATE AS ROUNDED OFF TO TWO DECIMAL PLACES) OF THE TT (TELEGRAPHIC TRANSFER) BUYING AND SELLING RATES OF EXCHANGE FOR CONVERTING USD TO INR AS QUOTED BY THE STATE BANK OF INDIA ("SBI") APPLICABLE TO THE DAY ON WHICH PAYMENT AGAINST THE DEMAND IS MADE; PROVIDED, HOWEVER, THAT: (I) IF SUCH RATE IS NOT AVAILABLE AS TO ANY DAY, THE LAST AVAILABLE EXCHANGE RATE SHALL BE USED; AND (II) IF SBI RELEASES MORE THAN ONE QUOTE ON THE APPLICABLE DAY, THE FIRST QUOTE OF THE DAY SHALL BE USED.

'INITIAL EXCHANGE RATE' MEANS INR [•] PER USD.

ALL PAYMENTS SUPPORTED BY COMMERCIAL DOCUMENTS DENOMINATED IN USD UNDER THIS LETTER OF CREDIT SHALL BE PAID IN EQUIVALENT INR BY CONVERTING THE AMOUNT DUE AT THE 'APPLICABLE EXCHANGE RATE'.

2. FOLLOWING ANY PAYMENT PURSUANT TO A CREDIT COMPLYING PRESENTATION, ISSUING BANK SHALL AUTOMATICALLY AND IMMEDIATELY THEREAFTER REINSTATE THE VALUE OF THIS LETTER OF CREDIT BY THE AMOUNT PAID IN ORDER TO RESTORE THIS LETTER OF CREDIT TO ITS FACE VALUE. THE ISSUING BANK SHALL NOTIFY THE BENEFICIARY IMMEDIATELY AFTER ANY REINSTATEMENT OF THIS LETTER OF CREDIT TO THE FACE VALUE. IRRESPECTIVE OF THE NOTIFICATION FROM THE ISSUING BANK, THE LETTER OF CREDIT SHALL STAND REINSTATED TO ITS FACE VALUE UPON PAYMENT OF ANY DRAWINGS UNDER THE LETTER OF CREDIT BY THE ISSUING BANK. THIS SBLC CAN BE REINSTATED UP TO MAXIMUM CUMULATIVE DRAWINGS NOT TO EXCEED INR (<insert value in INR equivalent to 3 times the face value of SBLC >) DURING THE VALIDITY OF THE SBLC.
3. BENEFICIARY IS ELIGIBLE TO DRAW UNDER THE LETTER OF CREDIT, DELAYED PAYMENT INTEREST ON THE AMOUNT DUE, CALCULATED FROM THE DATE PAYMENT IS DUE TO THE BENEFICIARY (AS INDICATED ON BENEFICIARY CERTIFICATE) UNTIL THE DAY ON WHICH PAYMENT IS MADE BY THE ISSUING BANK UNDER THIS LETTER OF CREDIT. THE INTEREST SHALL BE CALCULATED ON THE BASIS OF ONE MONTH STATE BANK OF INDIA MARGINAL COST LENDING RATE (SBIMCLR) PLUS SEVEN AND A HALF (7.50) PERCENTAGE POINTS.
4. ALL ORIGINAL DOCUMENTS MUST BE IN ENGLISH AND MANUALLY SIGNED.
5. PARTIAL AND MULTIPLE DRAWINGS ARE ALLOWED.
6. ALL DOCUMENTS SHALL MENTION 'DRAWN UNDER SBLC NUMBER.....DATED.....'

71B	Charges	ALL CHARGES ARE FOR THE ACCOUNT OF THE APPLICANT.
48	Period for Presentation	WITHIN THE EXPIRY OF THE LC
49	Confirmation Instructions	WITHOUT
78	Instr to Payg/Acceptg/Negotg Bank	(1) SBLC TO BE ADVISED TO THE BENEFICIARY AT RELIANCE INDUSTRIES LIMITED RELIANCE CORPORATE PARK

THANE BELAPUR ROAD, GHANSOLI, NAVI
MUMBAI – 400 701

ATTN: BP EXPLORATION (ALPHA) LTD.
71& 73, 2ND NORTH AVENUE,
7TH FLOOR, MAKER MAXITY,
BANDRA-KURLA COMPLEX
BANDRA (E) MUMBAI - 400 051

- (2) WE HEREBY ENGAGE OURSELVES THAT ANY DRAWINGS IN ACCORDANCE WITH THE TERMS OF THIS STANDBY L/C WILL BE DULY HONOURED BY US.
- (3) ON RECEIPT OF CREDIT COMPLIANT DOCUMENTS WE SHALL REMIT PROCEEDS AS PER NEGOTIATING BANK'S INSTRUCTION.
- (4) UNLESS EXPRESSLY MODIFIED OR EXCLUDED BY THE CREDIT, THIS CREDIT IS SUBJECT TO THE UCP (2007 REVISION) ICC PUB 600.
- (5) ALL DOCUMENTS AND ANY OTHER COMMUNICATIONS UNDER THIS LC SHOULD BE DIRECTLY SENT TO THE ISSUING BANK BY COURIER/SFMS AT THE FOLLOWING ADDRESS XXXXXX (IFSC CODE XXXXX).



RELIANCE INDUSTRIES LIMITED

DTA Manufacturing Division,
Village Meghpur/Padana, Taluka : Lalpur, District : Jamnagar, Gujarat, India. PIN : 361140

CENTRAL LABORATORY

Test Report

Crude Oil from Reliance Kakinada

Sample Name	Well Fluid-2
Sample Details	MAGCP Tank-A
Sample Date	09-04-2021
Sample Time	03:00 HRS.

SN	Characteristic	UOM	Test Method	Well Fluid-2
1	Density @ 15°C	Kg/M3	ASTM D 1298	852.7
2	Specific Gravity @ 15.6/15.6	-	ASTM D 1298	0.8531
3	Barrel Factor	Bbl/T	Calculation	7.37
4	API Gravity	°API	Calculation	34.37
5	Pour Point	°C	ASTM D 97	<-24
6	RVP @ 37.8°C	kPa	ASTM D 323	7.7
7	BS&W	% Vol.	ASTM D 4007	0.025
8	Salt Content	PTB	ASTM D 3230	<1.0
9	Total Sulphur	% Wt.	ASTM D 4294	0.248
10	Total Nitrogen	ppm	ASTM D 4629	414
11	Carbon Residue	% Wt.	ASTM D 4530	<0.3
12	Filterable Solids	PTB	ASTM D 4870	9.8
13	C/H Ratio	-	Calculation	6.55
14	Total Acid Number	mg KOH/g	ASTM D 664	0.27
15	Kinetic Viscosity @ 40°C	cSt.	ASTM D 445	1.387
16	CCAI	-	Calculation	842.9
17	V50	-	Calculation	2.3
18	H2S	ppm	ASTM D 7621	<1
19	UOPK	-	Calculation	11.24



RELIANCE INDUSTRIES LIMITED

DTA Manufacturing Division,
Village Meghpur/Padana, Taluka : Lalpur, District : Jamnagar, Gujarat, India. PIN : 361140

CENTRAL LABORATORY

SN	Characteristic	UOM	Test Method	Well Fluid-2
20	Initial Boiling Point (IBP)	°C	ASTM D 7169	64
	5 wt.% Recovered at	°C	ASTM D 7169	108
	10 wt.% Recovered at	°C	ASTM D 7169	127
	20 wt.% Recovered at	°C	ASTM D 7169	144
	30 wt.% Recovered at	°C	ASTM D 7169	163
	40 wt.% Recovered at	°C	ASTM D 7169	181
	50 wt.% Recovered at	°C	ASTM D 7169	201
	60 wt.% Recovered at	°C	ASTM D 7169	223
	70 wt.% Recovered at	°C	ASTM D 7169	250
	80 wt.% Recovered at	°C	ASTM D 7169	287
	90 wt.% Recovered at	°C	ASTM D 7169	342
	95 wt.% Recovered at	°C	ASTM D 7169	404
	Final Boiling Point (FBP)	°C	ASTM D 7169	478
21	< C5 Hydrocarbons	Wt. %	ASTM D 7169	0.1
	C5-105: Light Naphtha	Wt. %	ASTM D 7169	3.8
	105-165: Middle Naphtha	Wt. %	ASTM D 7169	27.7
	165-227: Light Kerosene	Wt. %	ASTM D 7169	30.2
	227-270: Heavy Kerosene	Wt. %	ASTM D 7169	15.0
	270-370: Gasoil	Wt. %	ASTM D 7169	15.9
	370-410: Vacuum Gasoil	Wt. %	ASTM D 7169	2.7
	565+: Vacuum Residue	Wt. %	ASTM D 7169	4.6

Notes:

- 1) Results relate to the item tested only.
- 2) Test report shall not be reproduced except in full without written permission of the Laboratory.

Santosh G Patel

For and on behalf of RELIANCE INDUSTRIES LIMITED

Date: 3rd May' 2021

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