



TORRENT POWER LIMITED

INVITATION TO OFFER-II / 2017

FOR SUPPLY OF LNG

(CY 2018, CY 2019 AND CY 2020)

Dated 9th June 2017

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Disclaimer

All information contained in this Invitation to Offer, or any information which may be subsequently provided, by or on behalf of Torrent Power Limited (“TPL”), is being provided to the Bidder(s) for the purpose of inviting their offers and does not constitute nor should be interpreted as an offer by TPL. This Invitation to Offer or any information which may be subsequently provided is meant to provide information only and the Bidders acknowledge that it shall be used only for the purpose of preparing and submitting their offer and for purposes necessarily associated therewith and for no other purpose whatsoever.

This Invitation to Offer or any information which may be subsequently provided has not been filed for registration or approval in any jurisdiction. Recipients of this Invitation to Offer resident in jurisdictions outside India should inform themselves of, and observe all applicable legal requirements.

The Bidders agree, understand and accept that the information contained in this Invitation to Offer or any information which may be subsequently provided, is subject to change without notice and TPL assumes no obligation to keep updated any such information. Further, in no event, may it be assumed that there shall be no deviation or change in any of the information mentioned herein.

TPL may, at its sole discretion, without any obligation to do so, update, amend or supplement any information contained in this Invitation to Offer or any information which may be subsequently provided, at any time. The Bidders shall be required to submit the offer in relation to this Invitation to Offer as so amended/ updated/ supplemented.

While this Invitation to Offer or any information which may be subsequently provided, has been prepared in good faith, neither TPL nor its consultants, officers or employees make any representation or warranty or shall have any responsibility or liability whatsoever in respect of adequacy of information for the purpose or any statements or omissions here from. Bidders may decide whether and what other information they require.

Nothing in this Invitation to Offer or any information which may be subsequently provided shall be construed as legal, financial or tax advice. Any liability is accordingly expressly disclaimed by TPL, its consultants, partners, affiliates, their respective officers, agents and employees even if any loss or damage is caused by any act or omission on the part of TPL, its consultants, partners, affiliates, their respective officers, agents or employees, whether negligent or otherwise.

1. Introduction

Torrent Power Limited (“**TPL**”) is an integrated power utility and one of the largest private sector players in India having interests in power generation, transmission, distribution and manufacturing and supply of power cables.

TPL has reserved for its power plants, storage and regasification capacity of up to 1 MT per annum at Petronet LNG Limited’s Dahej Terminal (PLL-Dahej) effective April 2017 onwards. Pursuant thereto, TPL has already procured LNG cargos to meet its CY 2017 requirements.

TPL desires to import LNG cargos of Liquefied Natural Gas (“**LNG**”) for CY 2018 and beyond, on Delivered Ex-Ship (“**DES**”) basis, and pursuant to this invitation to offer (“**Invitation to Offer-II/2017**” or “**ITO-II/17**”), invites offers from LNG suppliers (each a “**Bidder**”). This ITO-II/17 is also being uploaded on TPL’s web site www.torrentpower.com for the benefit of those Bidders who have not been sent the same. TPL may also consider at its sole discretion, any Bidder who may approach TPL for its interest in supplying LNG within the framework of this ITO-II/17.

2. Timeline¹

Description	Date*
Invitation to Offer	9 th June 2017
Last date for Bidders to request clarifications	15 th June 2017
Clarifications by TPL to Bidders	23 rd June 2017
Last date for submitting Indicative Price Offer	30 th June 2017
Evaluation of Indicative Price Offers / Clarifications from Bidders	6 th July 2017

*** Note: Time line ends at 9 pm Indian Standard Time (IST) of the applicable date.**

The process and timeline hereafter up to the stage of Binding Offers will be intimated to Shortlisted Bidder(s), which may involve bilateral meetings with Shortlisted Bidder(s) in the week commencing 10th July 2017 at a suitable and convenient location. The dates are provided with a view to facilitate the planning of the calendar of the responsible authorities who would likely be attending the meetings.

3. Information on the Bidder

The Bidder will submit the information required by TPL as specified in the format attached as Annex 1 of this document. In addition, TPL may request the Bidder for additional information, if so required for the purposes of this procurement process.

¹ The timeline mentioned is indicative and may be changed without notice.

4. Master Agreement

- 4.1. Only those Bidders, who have executed a master sale and purchase agreement for LNG (“**Master Agreement**”) with TPL, will be eligible to make an Indicative Price Offer.
- 4.2. Subject to para 4.3 below, the Indicative Price Offer submitted by Bidders or Binding Offer submitted by Shortlisted Bidders, as the case may be, will be based on the Master Agreement executed between the Bidder and TPL and the draft Confirmation Memorandum as per Annex 2 of this document.
- 4.3. If a Bidder desires to take any deviation from the executed Master Agreement and / or from the draft Confirmation Memorandum attached as Annex 2 to this document, the same must be explicitly stated in the Indicative Price Offer or Binding Offer, as the case may be. Bidders taking deviations will have appropriate negative weightage in evaluation of their offers.
- 4.4. In the event of any inconsistency between the provisions of executed Master Agreement and the terms contained in Confirmation Memorandum, the Confirmation Memorandum will prevail to the extent matters are specifically addressed in the Confirmation Memorandum.

5. Supply Term

- 5.1. TPL desires to import LNG cargos to be delivered during the period starting from 1st January 2018 until 31st December 2020 (“**Supply Term**”). The Supply Term is divided into 3 (three) calendar years (each a “**CY**”) as under:
 - 5.1.1. CY starting from 1st January 2018 to 31st December 2018 (“**CY18**”);
 - 5.1.2. CY starting from 1st January 2019 to 31st December 2019 (“**CY19**”);
 - 5.1.3. CY starting from 1st January 2020 to 31st December 2020 (“**CY20**”).
- 5.2. Each CY is further divided into 4 (four) calendar quarters (each a “**Quarter**”) as under:
 - 5.2.1. Quarter starting from 1st January to 31st March (“**Q1**” of relevant CY),
 - 5.2.2. Quarter starting from 1st April to 30th June (“**Q2**” of relevant CY);
 - 5.2.3. Quarter starting from 1st July to 30th September (“**Q3**” of relevant CY);
 - 5.2.4. Quarter starting from 1st October to 31st December (“**Q4**” of relevant CY).

6. Quantity

- 6.1. TPL requires 36 (thirty-six) LNG cargos (“**Quantity**”) during the Supply Term. The Quantity is trifurcated as under:

CY18		CY19		CY20	
Delivery	No. of Cargos	Delivery	No. of Cargos	Delivery	No. of Cargos
Q1-CY18	3	Q1-CY19	3	Q1-CY20	3
Q2-CY18	3	Q2-CY19	3	Q2-CY20	3
Q3-CY18	3	Q3-CY19	3	Q3-CY20	3
Q4-CY18	3	Q4-CY19	3	Q4-CY20	3
Total	12	Total	12	Total	12

- 6.2. For each LNG cargo, the Estimated Unloaded Quantity (“EUQ”) shall be 3.2 TBtu at a volumetric quantity of 1,40,000 cubic metres. Seller shall have an operational tolerance limit of $\pm 5\%$ of the EUQ and volumetric quantity.
- 6.3. Bidders have the option of submitting Indicative Price Offer for any one or more of the above Quarter, subject to: (a) offering all the required cargos in a Quarter; and (b) offering at least 2 (two) Quarters in any CY.
- 6.4. Subject to para 16 below, TPL intends to procure a minimum of 6 (six) cargos in each of the CY.
- 6.5. TPL shall have the right to award less than the number of cargos offered by a Bidder in a Quarter or CY.

7. Delivery Profile

The delivery profile of the cargos shall be as indicated in clause 5, clause 6 and clause 7 of the draft Confirmation Memorandum as per Annex 2 of this document.

8. LNG Specifications

- 8.1. The LNG to be delivered under this ITO-II/17 shall be of the specifications as indicated in clause 8 of the draft Confirmation Memorandum as per Annex 2 of this document (“Specifications”).
- 8.2. In case a Bidder desires relaxation of limits in certain line items of the Specifications to enable the Bidder to provide a competitive price offer, the Bidder may clearly indicate the new limits for the said line items of the Specifications and the price offer for the same in addition to the price offer for the Specifications mentioned in clause 8 of the draft Confirmation Memorandum as per Annex 2 of this document.
- 8.3. TPL, at its sole discretion, may or may not accept the deviations taken by any Bidder in the Specifications.

9. Alternative Unloading Port

TPL shall have the right to nominate an alternative unloading port in West Coast India as indicated in clause 9 of the draft Confirmation Memorandum as per Annex 2 of this document.

10. Indicative Price Offer

10.1. Bidders will be required to quote their indicative price on Delivered Ex-Ship (DES) basis (“**Indicative Price Offer**”) for LNG cargos they offer for any of the Quarters specified for each of the CY, in para B “Indicative Price Offer” of Annex 1 of this document. Bidders may note the minimum quantity restrictions stated in para 6.3 above.

10.2. Bidders will quote the price as percent of Brent_m expressed as US\$ per MMBtu for all the LNG cargos offered by them in any or each of the Quarter. The price formula should not include a constant and any deviation or violation of this requirement may render the Indicative Price Offer invalid for further consideration. All the values of the price derived from the above quoted formula shall be rounded off to 4 (four) decimal places.

10.3. Brent_m is the value of Brent determined as per para 10.4 below, for the month in which the Scheduled Arrival Window of a LNG cargo falls.

10.4. Determination of Brent_m

10.4.1. Brent_m for a given month is the arithmetic mean of the 3 values of BRICE (US\$/bbl) for the 3 months immediately preceding (and not including) the month in which the Scheduled Arrival Window of the applicable LNG cargo falls. Brent_m shall be rounded to 4 decimal places.

10.4.2. BRICE for a given month is the arithmetic mean of all the settlement prices (in US\$/bbl) for each quoted day of that month as published by the Intercontinental Exchange for the first line ICE Brent futures contract. The first line settlement price will be used except for the expiration date of first line contract. On such date, the applicable pricing quotation will be rolled to the second nearby maturity. BRICE will not be rounded.

11. Buyer’s Force Majeure

For the purposes of Buyer’s Force Majeure, Buyer’s Facilities shall include Pipelines and Power Plants as indicated in clause 17 of the draft Confirmation Memorandum as per Annex 2 of this document.

12. Co-buyer

TPL reserves the right to nominate a third party to co-purchase any LNG cargo under this ITO-II/17 document. The provisions for co-purchase are described in clause 20 of the draft Confirmation Memorandum as per Annex 2 of this document.

13. Credit Support

- 13.1. Bidders will have to indicate if they would need credit support by way of SBLC on cargo-by-cargo basis.
- 13.2. TPL desires to procure cargos on open credit basis and thus Bidders offering open credit will have additional weightage in evaluation of offers.
- 13.3. Where a Bidder desires to have an SBLC for its offer, the same shall be in the format attached as Appendix 1 to Annex 2 of this document. The detailed terms and conditions pertaining to SBLC are mentioned in clause 18 of draft Confirmation Memorandum as per Annex 2 of this document.

14. Submission of Indicative Price Offer

- 14.1. The Indicative Price Offer shall be submitted substantially in the format given as Annex 1.
- 14.2. Each page of the Indicative Price Offer shall be initialled by duly authorized official of the Bidder.
- 14.3. Scanned copy of the Indicative Price Offer must be sent by e-mail within the timelines as mentioned in para 2 'Timelines' above (with subject line: Indicative Price Offer) to:

Attention: **Executive Director**

Email: sdlng@torrentpower.com

- 14.4. After the email is sent within the timeline specified, the original Indicative Price Offer letter may be marked 'Confidential' and sent to the following address:

Confidential: For Attention of Mr. Sanjay Dalal.
Torrent Power Limited,
"Samanvay", 600 Tapovan, Ambawadi
Ahmedabad - 380015.
Gujarat, India.

- 14.5. In case of any discrepancy between the email and the physical copy, the email shall prevail.
- 14.6. Any queries or clarifications required by the Bidder shall be sent by a mail to the email id mentioned in para 14.3 of this document.

15. Evaluation

- 15.1. The Indicative Price Offers shall be evaluated on the basis of an overall consideration of price, number of cargos offered, other commercial terms and relevant factors, if any. Subject to due consideration of price and associated terms and conditions, TPL may have preference for bids which: (a) have not deviated from the ITO-II/17, Master Agreement or

draft Confirmation Memorandum; (b) offer all the cargos required in the relevant CY; (c) offer for the entire Supply Term; and (d) offer supply of cargos on an open credit basis.

15.2. Based on the above considerations, TPL, at its sole discretion, may shortlist 3 (three) or more Bidders (“**Shortlisted Bidders**”). TPL may invite Shortlisted Bidders for discussions / negotiations.

15.3. Shortlisted Bidders may be required to provide binding price offer based on the discussions with TPL (“**Binding Offer**”). The format for Binding Offer will be provided to the Shortlisted Bidders at appropriate time.

15.4. If the Binding Offer of any Shortlisted Bidder(s) is accepted by TPL (“**Successful Bidder(s)**”), then such Bidder(s) will be bound to sign the confirmation memorandum with TPL on the lines of the draft Confirmation Memorandum as per Annex 2 of this document within 5 (five) working days from issue of Letter of Award.

16. Sole discretion of TPL

Notwithstanding anything to the contrary stated in the ITO-II/17 or any communications pertaining thereto:

16.1. TPL shall have the right at any time or from time to time to modify the terms of the ITO-II/17 or extend the timelines set out therein without TPL incurring any liability to the Bidders, or to any one of them, as a consequence thereof.

16.2. TPL reserves the right to not to proceed further with this ITO-II/17 at any time, without assigning any reason therefor and without incurring any cost or liability for such cancellation, nor will TPL be obligated to concede any compensation or indemnity to any person (including the Bidder).

16.3. TPL may, at its sole discretion and without assigning any reason therefor and without incurring any cost or liability for any such action, accept, reject or choose not to respond to the Indicative Price Offer or the Binding Offer, from any or all of the Bidders / Shortlisted Bidders.

17. Confidentiality

Bidders shall be bound by customary confidentiality obligations for all matters related to their Offer.

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Annex 1 - Indicative Price Offer Letter

To,
Executive Director,
Torrent Power Limited,
“Samanvay”, 600 Tapovan, Ambawadi,
Ahmedabad - 380 015,
Gujarat, India.

Sub. Information and Indicative Price Offer for supply of LNG cargos.
Ref. Invitation to Offer –II/2017 (ITO-II/17) for supply of LNG dated [1].

Dear Sir,

We refer to the above ITO-II/17 as amended until date, and submit our Indicative Price Offer and other relevant information herein below.

A. Information:

- 1) Full name of the Bidder:
- 2) Address of the Bidder:
- 3) Certificate of incorporation of the Bidder is attached herewith.
- 4) The shareholding structure of the Bidder is as under :
- 5) Ultimate holding company of the Bidder :
- 6) Address of the ultimate holding company :
- 7) Financial Statements of the Bidder for the last ended financial year is attached herewith.
- 8) Latest credit rating from one of the international rating agencies and the rating rationale of the agency is attached herewith.
- 9) A brief description of Bidder’s LNG portfolio, indicating supply sources, nature of contracts, unsold quantities, and LNG cargos supplied into India during CY 2016 & 2017 is attached herewith.

B. Indicative Price Offer:

Our Indicative Price Offer on DES basis, based on the terms and conditions mentioned in the ITO-II/17 is as under:

- 1) We offer to deliver [1] LNG cargos as per the table below:

CY18			CY19			CY20		
Delivery	No. of Cargos offered	Percent of Brent _m	Delivery	No. of Cargos offered	Percent of Brent _m	Delivery	No. of Cargos offered	Percent of Brent _m
Q1-CY18			Q1-CY19			Q1-CY20		
Q2-CY18			Q2-CY19			Q2-CY20		
Q3-CY18			Q3-CY19			Q3-CY20		
Q4-CY18			Q4-CY19			Q4-CY20		

- 2) The price derived from the above formula is expressed as ‘US\$ per MMBtu’ on DES basis.
- 3) Our Indicative Price Offer is subject to the Master Agreement between TPL and us executed on [.] and the draft Confirmation Memorandum attached with the ITO-II/17 document dated [.].
(Bidder may clearly mention here that the offer is subject to specified deviations desired from these documents)
- 4) We are happy to extend an open credit to TPL for the above cargos / We would require SBLC from TPL as specified in the ITO-II/17. ***(Strike out any one option)***
- 5) We further acknowledge that we have read all terms and conditions of the ITO-II/17 and subsequent Amendments thereto, if any and we confirm the same are acceptable to us.
- 6) We also understand and acknowledge that you are not bound to respond to or discuss or accept any Indicative Price Offer that you may receive.
- 7) We hereby confirm that the information provided as part this letter is accurate and all necessary corporate authorizations required in our case have been obtained prior to the submission of our Indicative Price Offer.

Thanking you.

Yours faithfully,

For *(name of the bidding entity)*

(Name of the signatory)

Authorized Signatory

Annex 2 - Draft Confirmation Memorandum

Date: []

Pursuant to the Master Sale and Purchase Agreement dated [], between [Seller] and Torrent Power Limited (herein after the “**Master Agreement**”), the Parties have concluded a sale and purchase transaction on the following terms.

Unless otherwise defined herein, the definitions set out in the Master Agreement shall apply to this Confirmation Memorandum.

1. **Seller:** []
2. **Buyer:** Torrent Power Limited
3. **LNG Ship**
 - a) **Name of LNG Ship:** For each LNG cargo, Seller shall confirm the LNG Ship at least 30 (thirty) days prior to the Scheduled Arrival Window of the LNG cargo.
 - b) **Details:** As per Form B or Form C
 - c) **Substitute LNG Ship:** Seller may substitute the LNG Ship with an alternative LNG ship by a notice to be given at least 15 (fifteen) days prior to the Scheduled Arrival Window of the LNG cargo provided that (1) there is no change in Estimated Unloaded Quantity and volumetric quantity; (2) there is no change in SAW; (3) the alternate ship is ship-shore compatible with the Unloading Port; and (4) the alternate ship shall not be affected by Force Majeure at the time of notification. In the event of such substitution, the alternate LNG ship shall become the LNG Ship for the purposes of the relevant transaction.
4. **Estimated Unloaded Quantity:** For each LNG cargo, the Estimated Unloaded Quantity (“**EUQ**”) shall be 3,200,000 MMBtu at volumetric quantity of 1,40,000 cubic metres, with an operational tolerance of $\pm 5\%$ for EUQ and volumetric quantity. Seller shall confirm the EUQ and volumetric quantity at least 30 (thirty) days prior to the Scheduled Arrival Window of the LNG cargo.
5. **Number of LNG cargos:** The Seller shall deliver [] LNG cargos to Buyer as under:

Calendar Year 2018		Calendar Year 2019		Calendar Year 2020	
Delivery Quarter	No. of Cargos	Delivery Quarter	No. of Cargos	Delivery Quarter	No. of Cargos
Q1		Q1		Q1	
Q2		Q2		Q2	
Q3		Q3		Q3	
Q4		Q4		Q4	
Total		Total		Total	

- a) **Q1:** 1st January to 31st March of relevant Calendar Year;
- b) **Q2:** 1st April to 30th June of relevant Calendar Year;
- c) **Q3:** 1st July to 30th September of relevant Calendar Year;
- d) **Q4:** 1st October to 31st December of relevant Calendar Year.

6. Annual Delivery Plan: An Annual Delivery Plan (“**Terminal ADP**”) shall be agreed between the Buyer and the Petronet LNG Ltd., owner and operator of PLL-Dahej, for each calendar year (CY), during the fourth Quarter of the preceding CY (i.e. for CY 2018, the Terminal ADP shall be agreed during the period 1st October 2017 to 31st December 2017). Based on the Terminal ADP, the Scheduled Arrival Window (“**SAW**”) shall be notified by the Buyer to the Seller as soon as possible after the same is notified by Petronet LNG Ltd. to the Buyer, and would be binding on the Seller. For the cargo to be delivered in January, the Buyer shall notify the SAW for such cargo to the Seller at least 30 (thirty) days prior to the SAW in January. The SAW shall be a period of 1 (one) day in consonance with the Terminal ADP. The SAW shall necessarily be in the same calendar quarter for which Seller has agreed to deliver the LNG cargo.

Seller shall prepare an Annual Delivery Plan (“**Seller ADP**”) covering deliveries for the CY based on the SAW intimated by the Buyer. The Seller ADP shall be submitted to the Buyer promptly after Buyer has intimated the SAW (but not later than December 25th of the preceding calendar year) and shall contain at least the following for each delivery: (1) Seller’s Facilities / Loading Port; (2) LNG Ship; (3) EUQ and discharge volume (in cubic metres); and (4) Expected loading date.

7. Ninety Day Schedule: No later than the 15th (fifteenth) day of each calendar month, the Seller shall prepare and submit to the Buyer a schedule (“**Ninety Day Schedule**”) of LNG deliveries for the following 3 (three) calendar months setting out the information specified in clause 6 (Seller ADP) and such additional information as the Parties may agree. The Ninety Day Schedule shall cover the deliveries of LNG to be made by the Seller to the Buyer during the period beginning on the date of issue and including the immediately following 3 (three) calendar months.

8. LNG Specifications

The Specifications of LNG at the Delivery Point shall be as follows:

Gross Heating Value (volume based)	1000 – 1180 Btu/SCF
Wobbe Index	1360 - 1440 Btu/SCF
LNG Liquid Density	420 - 499 kg/ m ³
Methane	Min. 85 mol %
Ethane	Max. 8.0 %
Propane and heavier	Max. 3.5 %

Butanes and heavier	Max. 2.0 %
Pentanes and heavier	Max. 0.1 %
Nitrogen	Max. 1.0 mol %
Carbon Dioxide	Max. 1.0 mol %
Oxygen	Max. 0.5 mol %
Hydrogen Sulphide	Max. 5 mg/ Nm ³
Mercaptan Sulphur	Max. 7 mg/ Nm ³
Total Sulphur (including mercaptans)	Max. 30 mg/ Nm ³

9. Buyer's Facilities / Unloading Port

Buyer's Facilities shall be those located at Petronet LNG Ltd.'s Dahej LNG Terminal, Gujarat, India. Unloading Port shall be Petronet LNG Ltd.'s Dahej Port, Gujarat, India.

For each LNG cargo, Buyer shall have the option to nominate an alternative Buyer's Facilities and alternative Unloading Port located in West Coast India by a notice to be given at least 30 (thirty) days prior to the Scheduled Arrival Window of the LNG cargo without any additional costs in this regard.

In connection with the above, the delivery of an LNG cargo to an alternative Buyer's Facilities/Unloading Port shall further be subject to (1) Seller's good faith acceptance of the alternative Buyer's Facilities and/or Unloading Port, in case Seller is making a delivery for the first time at such facilities or port; and (2) the successful ship-shore compatibility studies of the alternative Buyer's Facilities/Unloading Port with the LNG Ship.

10. Seller's Facilities/Loading Port

For each LNG cargo, Seller shall confirm Seller's Facilities and Loading Port by a notice to be given at least 30 (thirty) days prior to the Scheduled Arrival Window of the LNG cargo.

For each LNG cargo, Seller shall have the option to nominate an alternative Seller's Facilities and Loading Port by a notice to be given at least 15 (fifteen) days prior to the SAW of the LNG cargo provided that: (1) Seller's Facilities and Loading Port shall not be affected by Force Majeure at the time of nomination; (2) such LNG complies with the LNG Specifications; (3) there is no change in EUQ and volumetric quantity; and (4) there is no change in SAW. Substitution of Seller's Facilities / Loading Port shall otherwise be in accordance with Clause 1.1 of the Master Agreement.

11. Contract Price: For each LNG cargo, the Contract Price shall be calculated as below:

Calendar Year 2018		Calendar Year 2019		Calendar Year 2020	
Delivery Quarter	Percent of Brent _m	Delivery Quarter	Percent of Brent _m	Delivery Quarter	Percent of Brent _m

Brent_m is the value of Brent determined as prescribed below, for the month in which the Scheduled Arrival Window of a LNG cargo falls.

Brent_m for a given month is the arithmetic mean of the 3 values of BRICE (US\$/bbl) for the 3 months immediately preceding (and not including) the month in which the SAW of the applicable cargo falls. Brent_m shall be rounded to 4 decimal places;

BRICE for a given month is the arithmetic mean of all the settlement prices (in US\$/bbl) for each quoted day of that month as published by the Intercontinental Exchange for the first line ICE Brent futures contract. The first line settlement price will be used except for the expiration date of first line contract. On such date, the applicable pricing quotation will be rolled to the second nearby maturity. BRICE will not be rounded.

The price derived from the above formula is expressed as ‘US\$ per MMBtu’.

12. Terms of delivery: The deliveries under this Confirmation Memorandum shall be on DES basis. Incoterms 2000 shall be applicable.

13. Allowed Laytime: For each LNG cargo, Allowed Laytime shall be 30 hours for discharge volume of 140,000 cubic metres. For discharge volume of more than 140,000 cubic metres, the Allowed Laytime shall be increased proportionately. In case of Buyer nominating an alternative Unloading Port, the Buyer and Seller shall agree on any changes required to the allowed laytime.

14. Demurrage rate: For each LNG cargo, the Daily Demurrage Rate shall be US\$ 1,00,000 per day (to be pro-rated for any portion of a day).

Deemed Daily Boil-off rate: Boil off rate for all LNG cargos under this Confirmation Memorandum shall be 0.15% (zero point one five percent) of the EUQ per day (to be pro-rated for any portion of a day).

In the event where any LNG cargo is delayed in the commencement of unloading (for reasons attributable to Buyer) and if as a result thereof the commencement of unloading is delayed beyond 24 (twenty-four) hours after the start of Used Laytime, then Buyer shall pay to Seller an amount, on account of excess boil-off, equal to the contract price of LNG for such LNG cargo multiplied by the MMBtus of excess boil-off. The MMBtus of excess boil-

off shall be calculated by multiplying the EUQ of the relevant LNG Cargo by the deemed daily boil-off rate by the number of days (to be pro-rated for any portion of a day) between the commencement of unloading and the point in time when excess boil-off commenced.

In case of Buyer nominating an alternative Unloading Port, the Buyer and Seller shall agree on any changes required to the demurrage rate and deemed boil-off rate.

15. Ship-shore compatibility: Seller represents and warrants that the nominated LNG Ship or Substitute LNG Ship for deliveries under this Confirmation Memorandum shall be compatible with Buyer's Facilities and Unloading Port.

16. Bank account details:

	Seller	Buyer
Beneficiary Name		
Beneficiary Bank		
Beneficiary Bank Address		
Beneficiary Bank Account		
Beneficiary Bank SWIFT		
IBAN		
Bank Key		
Currency		

17. Buyer's Force Majeure: For the purposes of Buyer's Force Majeure, Buyer's Facilities shall also include Pipelines and Power Plants, in addition to the definition set out in Master Agreement. The Pipelines and Power Plants are defined as under:

a) Pipelines mean such part of the gas transportation networks, owned and operated by the following gas transporters, used by Buyer to transport the regasified LNG from the import terminal to the Power Plants:

- i. Gujarat State Petronet Limited
- ii. GAIL (India) Limited
- iii. Reliance Gas Transportation Infrastructure Limited
- iv. Torrent Power Limited.

b) Power Plants mean the following power plants:

- i. 1530 MW Sugan Mega Power Project, comprising 4 units of 382.5 MW each, located at Off NH-8, Taluka: Kamrej, Dist.: Surat – 394155, Gujarat (India) and/or
- ii. 1200 MW Dgen Mega Power Project, comprising 3 units of 400 MW each, located at Plot no. Z-9, Dahej SEZ Area - Part 1 (Eastern Side), Dahej, Taluka: Vagra, Dist.: Bharuch – 392130, Gujarat (India).

18. Credit Support:

[Only in case SBLC is agreed to be provided]

For each LNG cargo, the Buyer shall provide an irrevocable standby letter of credit as per the form set out in Appendix 1, issued by a scheduled commercial bank in India and confirmed by a first class international bank outside India, whose S&P long term credit rating shall not be below A-, or equivalent in case rated by any other international rating agency. The standby letter of credit shall be issued by Buyer at least 7 (seven) days prior to the SAW and shall remain valid for 20 (twenty) days following the SAW. The value of the SBLC shall be 105% of the estimated price of the cargo multiplied by the EUQ. The estimated price of the cargo shall be determined in good faith and shall be sent by the Seller to the Buyer (along with supporting calculations) at least 15 (fifteen) days prior to the SAW of the applicable LNG cargo. All costs associated with issuing such letters of credit, including confirmation costs, shall be for Buyer's account.

19. Measurement, Testing and Analysis:

Parties agree that the sampling, analysis and energy calculations of the LNG delivered at the Discharge Port shall be conducted utilizing the existing facilities, methods and procedures applicable to and commonly used at the Buyer's Facilities pending compliance with industry standards.

20. Co-buyer:

Seller acknowledges that Buyer may nominate a third party buyer to co-purchase any LNG cargo under this transaction, such co-buyer to be notified by Buyer to Seller at least 30 (thirty) days prior to the SAW of the affected LNG cargo. Such co-purchase shall be subject to: (1) successful KYC and compliance clearance of the co-buyer by Seller, which the Seller shall undertake promptly and in good faith; (2) execution of a master LNG sale and purchase agreement (if required) and a confirmation memorandum between Seller and the co-buyer for the co-purchase; and (3) provision of credit support by co-buyer, if required by Seller. Parties shall discuss and mutually agree to revise certain terms of this Confirmation Memorandum such as Contract Quantity, Allowed Laytime, etc. to take into account the co-purchase of the LNG cargo. Seller shall issue the invoice, bill of lading (along with other shipping documents) in name of the Buyer only for the quantity purchased by the Buyer.

21. Miscellaneous:

- a) This Confirmation Memorandum may be executed in two (2) identical counterparts and by the Parties on separate counterparts, each of which shall constitute an original, but both of which together constitute one (1) and the same document. Execution of this Confirmation Memorandum by either of the Parties may be evidenced by way of a faxed or email transmission of such Party's signature (which signature may be on a

separate counterpart) and such faxed or email signature shall be deemed to constitute the original signature of such Party to this Confirmation Memorandum.

- b) All the terms of the Master Agreement are incorporated into this Confirmation Memorandum by reference and shall apply mutatis mutandis.
- c) In the event of any inconsistency between the provisions of Master Agreement and the terms contained in Confirmation Memorandum, the Confirmation Memorandum will prevail to the extent matters are specifically addressed in the Confirmation Memorandum.
- d) This Confirmation Memorandum and the Master Agreement constitute the entire agreement between the Parties relating to the subject matter contemplated by this Confirmation Memorandum and supersedes any prior or contemporaneous agreements or representations affecting the same subject matter. No amendment, modification or change to this Confirmation Memorandum shall be enforceable unless reduced to writing, specifically referencing this clause, and executed by both Parties.

The Parties hereto have caused this Confirmation Memorandum to be executed by their respective duly authorised representative.

Signed for and on behalf of:

Signed for and on behalf of:

[Seller]

Torrent Power Limited

.....

.....

Name:

Name:

Position / Title:

Position / Title:

Date:

Date:

Appendix 1 - Form of Standby Letter Of Credit

To: [Beneficiary]
Attention: [_____]
[Address]

Dear Sir,

1. By order of and for account of [Buyer] (“**Applicant**”), pursuant to the Master Sale and Purchase Agreement entered into between Applicant and Beneficiary dated [_____] (“**Master Agreement**”) and Confirmation Memorandum dated [_____] (“**Confirmation Memorandum**”), for the sale of Liquefied Natural Gas, we [Issuing Bank Name and Address] herewith issue our irrevocable Standby Letter of Credit No. [_____] (the “**SBLC**”) in favor of [Seller] (“**Beneficiary**”). This SBLC shall cover financial obligations of Applicant under the Master Agreement and Confirmation Memorandum for payment for supply of LNG, demurrage, and interest on late payments.
2. This SBLC is issued for value of up to USD [_____], valid for the period commencing on [_____] and ending on [_____], and shall be available at sight against presentation of the following documents:
 - a) Copy of Beneficiary’s signed invoice.
 - b) Beneficiary’s signed statement evidencing the following:

“We certify that the amount invoiced in our invoice number [_____] is properly due and payable in accordance with the terms and conditions of the Master Agreement and Confirmation Memorandum, and that where applicable the usual shipping documents have been made available to Applicant. We further certify that the amount of this drawing USD [_____] under SBLC No. [_____] represents funds due to us as Applicant has failed to pay timely the aforementioned invoice, [in full / in part] [~~strike out whichever is not applicable~~] to the extent of USD [_____] in accordance with the terms and conditions of the Master Agreement and Confirmation Memorandum.”
3. Partial drawings are allowed. The amount that may be available under this SBLC No. [_____] shall be automatically reduced by the amount of any partial drawings hereunder.
4. Issuing bank and confirming bank charges (to the extent of confirmation charges related to this SBLC) are for the account of the Applicant, and Beneficiary’s Bank’s charges are for the account of the Beneficiary.
5. This SBLC is subject to the Uniform Customs and Practice for Documentary Credits (“**UCP**”) International Chamber of Commerce Publication No. 600 (2007 revision) as from time to time amended.
6. Subject to clause 5 above and to the extent not provided in UCP, this SBLC shall be governed by and construed in accordance with English law. All claims or disputes arising out of and in

connection with this SBLC not settled by negotiation between the parties shall be settled under the arbitration rules of the Singapore International Arbitration Centre in force as at the date of the contract (“**SIAC Rules**”) before a single arbitrator agreed upon by both parties or if not so agreed appointed in accordance with the SIAC Rules. The arbitration shall be conducted in English and the seat of the arbitration shall be Singapore and the arbitration award shall be final without appeal to the courts.

7. Communications with respect to this SBLC shall be in writing and shall be addressed to us at the address referred to in clause 1 above and shall refer to this SBLC No. [_____].
8. This document is the full operative credit instrument and no other advice is required.
9. Notwithstanding anything contained herein:
 - a) Value of this SBLC shall not exceed USD [_____].
 - b) This SBLC shall be valid up to [_____]; and
 - c) Liability to pay the SBLC amount or any part thereof under this SBLC shall be only and only if you serve upon us a written claim or demand on or before [_____] (date of expiry of SBLC).

Very truly yours

[Applicant’s Bank; the Issuing Bank]