

Amendment No.1 to MRSC

S. No.	Ref. Article	Ref Page No.	Existing Provision	To be Read as																
1	5.2	25	<p>Subject to Article 29, in the event that the Contractor fails to fulfill the said Bid Work Programme committed under article 5.1 within the timelines stipulated therein then each Company constituting the Contractor shall be liable to pay to the Government jointly and severally an amount which shall be equivalent to Liquidated Damages as under, in respect of Bid Work Programme not done:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Work Program</th> <th style="text-align: center;">On-land</th> <th style="text-align: center;">Shallow water</th> <th style="text-align: center;">Deep water</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">Per well (in US\$)</td> <td style="text-align: center;">1,000,000</td> <td style="text-align: center;">3,000,000</td> <td style="text-align: center;">6,000,000</td> </tr> </tbody> </table> <p>In case of a well drilled only partially, the Contractor shall pay Liquidated Damages stipulated for a complete Well.</p>	Work Program	On-land	Shallow water	Deep water	Per well (in US\$)	1,000,000	3,000,000	6,000,000	<p>Subject to Article 29, in the event that the Contractor fails to fulfill the said Bid Work Programme committed under article 5.1 within the timelines stipulated therein then each Company constituting the Contractor shall be liable to pay to the Government jointly and severally an amount which shall be equivalent to Liquidated Damages as under, in respect of Bid Work Programme not done:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Work Program</th> <th style="text-align: center;">On-land</th> <th style="text-align: center;">Shallow water</th> <th style="text-align: center;">Deep Water</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">Per well (in US\$)</td> <td style="text-align: center;">250,000</td> <td style="text-align: center;">750,000</td> <td style="text-align: center;">1,500,000</td> </tr> </tbody> </table> <p>In case of a well drilled only partially, the Contractor shall pay Liquidated Damages stipulated for a complete Well.</p>	Work Program	On-land	Shallow water	Deep Water	Per well (in US\$)	250,000	750,000	1,500,000
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2	5.4	25	<p>Notwithstanding any other provision of this Contract, in the event the Contract Area is reduced due to denial of clearances by Government agencies, then the Government (acting through DGH) is empowered to exercise such powers of proportionate reduction of the Bid Work Programme, on the recommendations of the Management Committee, as under:</p> <p>a) If the Contractor does not accept any reduction in the Contract Area at any stage before the Lease is granted, the Contractor would be permitted to relinquish the Contract area without payment of Liquidated Damages as specified in Article 5.2. In such cases, the proposal for relinquishment shall be submitted by the Contractor within three months of the communication received by the Contractor for such reduction of the Contract Area.</p> <p>b) If the Contractor agrees for the reduced Contract Area, then the Contractor may be allowed a proportional reduction in Bid Work Programme. In case of wells, the number of wells shall be rounded off to the nearest integer with a minimum number of one. The choice of the wells to be drilled may be decided by the Contractor.</p> <p>c) In case, the Contractor does not exercise his option within three months but proposes</p>	<p>Notwithstanding any other provision of this Contract, in the event the Contract Area is reduced due to denial of clearances by Government agencies, etc., then the Government (acting through DGH) is empowered to exercise such powers of proportionate reduction of the Bid Work Programme, on the recommendations of the Management Committee, as under:</p> <p>a) If the Contractor does not accept any reduction in the Contract Area at any stage before the Lease is granted, the Contractor would be permitted to relinquish the Contract area without payment of Liquidated Damages as specified in Article 5.2. In such cases, the proposal for relinquishment shall be submitted by the Contractor within three months of the communication received by the Contractor for such reduction of the Contract Area.</p> <p>b) If the Contractor agrees for the reduced Contract Area, then the Contractor may be allowed a proportional reduction in Bid Work Programme. In case of wells, the number of wells shall be rounded off to the nearest integer with a minimum number of one. The choice of the wells to be drilled may be decided by the Contractor.</p> <p>c) In case, the Contractor does not exercise his option within three months but proposes to relinquish the Contract Area later, Liquidated</p>																

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			to relinquish the Contract Area later, Liquidated Damages shall be payable as per the rates in Article 5.2.	Damages shall be payable as per the rates in Article 5.2. d) If delay due to lack of statutory and other clearances is beyond two (2) years and verified by DGH, then the Contractor would be permitted to relinquish the Contract area without payment of Liquidated Damages as specified in Article 5.2. In such cases the application for such reduction/ exiting should be made within 30 days of the expiry of the two (2) year period from the date of application for clearance. Any delay attributable to the Contractor shall not be considered in the above mentioned two (2) year period.
3	8.1 (d)	32	(d) the right to use all available technical data, seismic and well information, maps, samples etc. of the Contract Area as on the Effective Date, free of charge, subject to nominal copying/reproduction costs for further Petroleum Operations. The Contractor shall submit the list of all data required by them to Directorate General of Hydrocarbons (DGH) based on the list of data provided in the information docket for the Field/Contract Area pertaining to the Contract Area as soon as possible but not later than one hundred and eighty (180) days from the Effective Date and the same, if available and reproducible, shall be made available to the Contractor in the office of DGH within ninety (90) days from the submission of such request for data by the Contractor, provided the Effective Date of the Contract has commenced and the Contractor has furnished relevant guarantees under Article 27 of the Contract;	(d) the right to use all available technical data, seismic and well information, maps, samples etc. available at National Data Repository (NDR) of the Contract Area as on the date of the signing of contract , free of charge, subject to nominal copying/reproduction costs for further Petroleum Operations. The Contractor shall submit the list of all data required by them to Directorate General of Hydrocarbons (DGH) based on the list of data provided in the information docket for the Field/Contract Area pertaining to the Contract Area as soon as possible but not later than one hundred and eighty (180) days from the date of the signing of contract and the same, if available and reproducible, shall be made available to the Contractor in the office of DGH within ninety (90) days from the submission of such request for data by the Contractor.
4	8.3(g)	34	(g) appoint a technically competent and sufficiently experienced representative, and, in his absence, a suitably qualified replacement therefore, who shall be resident in India and who shall have full authority to take such steps as may be necessary to implement this Contract and whose name(s) shall, on appointment within ninety (90) days after commencement of the first Contract Year, be made known to the Government;	(g) appoint and engage technically competent and experienced team, as prescribed by DGH, consisting of Subsurface, Surface, Drilling and HSE professionals, within one hundred eighty (180) days from signing of Contract and made known to the Government. Failing the above the contract shall be terminated in terms of article 28 of MRSC.
5	8.5	34	Subject to the terms and conditions of this Contract, the rights and obligations of the Parties comprising the Contractor shall include but not be limited to: a) the obligation of the Contractor to pay the Government's share of Revenue to the Government; b) the right of the Contractor to receive the Contractor's share of Revenue; and c) the obligation to complete, at the Contractor's cost, the Bid Work Programme	Subject to the terms and conditions of this Contract, the rights and obligations of the Parties comprising the Contractor shall include but not be limited to: a) the obligation of the Contractor to pay the Government's share of Revenue to the Government; b) the right of the Contractor to receive the Contractor's share of Revenue; and

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			as provided in Article 5.1 within the time lines mentioned therein.	<p>c) the obligation to complete, at the Contractor's cost, the Bid Work Programme as provided in Article 5.1 within the time lines mentioned therein.</p> <p>d) The obligation of the Contractor to take possession of all wells and facilities, on "as is where is" basis with in a period not later than twelve (12) months from the date of Signing of this Contract.</p>
6	10.1	36	In relation to Existing Discovery or group of Existing Discoveries, the Contractor shall submit to the Management Committee within six (6) months from the Effective Date of the Contract, a detailed Field Development Plan (FDP) either individually or jointly for all the Existing Discoveries within the Contract Area. Provided the Contractor shall not be entitled for any reduction in Bid Work Program specified in Article 5.1 and any modification in the economic life specified in Article 3.1	In relation to Existing Discovery or group of Existing Discoveries, the Contractor shall submit to the Management Committee within Nine (09) months from the date of the signing of the Contract , a detailed Field Development Plan (FDP) either individually or jointly for all the Existing Discoveries within the Contract Area. Provided the Contractor shall not be entitled for any reduction in Bid Work Program specified in Article 5.1 and any modification in the economic life specified in Article 3.1
7	15.5	54	15.5 The Government's share of Revenue for a month shall be paid by the Contractor to the Government latest by the end of succeeding Month. In the event of any failure to pay Government's share of Revenue within the due date, the Contractor shall pay interest compounded on daily basis for the entire period of delay at LIBOR as defined in Article 1.59 plus two (2) percentage points.	<p>15.5 Notwithstanding Article 15.2, Article 15.3 and Article 15.4, in the event the contractor commences commercial production during the "Development Period", the Government Share of Revenue from the date of commencement of Commercial Production till the end of the Development Period (such period does not include any extensions including as under Article 3.2 of MRSC) shall be at following rates irrespective of the revenue levels; '@ 5 USD/ bbl for Oil and @ 20 US Cents/MMBTU for Gas' or '@ Quoted LRP Rate (%) as mentioned in Article 15.2', whichever is lower.</p> <p>15.6 The Government's share of Revenue for a month shall be paid by the Contractor to the Government latest by the end of succeeding Month. In the event of any failure to pay Government's share of Revenue within the due date, the Contractor shall pay interest compounded on daily basis for the entire period of delay at LIBOR as defined in Article 1.59 plus two (2) percentage points.</p>
8	16.2	55	16.2 All expenditure incurred by the Contractor on exploration, development and production shall be allowed as deduction u/s 42 of the Income Tax Act, 1961 or under equivalent provisions in subsequent acts/laws for the purpose of computation of taxable income.	<p>Article 16.2:</p> <p>16.2.1 Pursuant to the provisions of section 42 of the Income-tax Act, 1961, the following allowances shall apply in computing income tax payable by a Member comprising the Contractor on its profits and gains from the business of Petroleum Operations in lieu of (and not in addition to) the allowances admissible under the Income-tax Act, 1961.</p> <p>i) If there is no commercial Discovery in the Contract Area and the Contract Area or any part thereof is relinquished or surrendered, all infructuous or abortive expenditure, both capital</p>

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				<p>and revenue, incurred towards unsuccessful Exploration Operations relevant to that area shall be allowed in the Year of such relinquishment or surrender;</p> <p>ii) The expenditure incurred, both capital and revenue, towards Exploration or drilling activities in the Contract Area before the start of the Commercial Production shall be aggregated and 100% of such expenditure shall be allowed in the Year of first Commercial Production. Alternatively, such expenditure can be amortized over a period of ten (10) years from the Year of first Commercial Production;</p> <p>iii) The expenditure incurred, both capital and revenue, towards Exploration and drilling activities in the Contract Area after the beginning of Commercial Production, shall be allowed in the Year in which it is incurred;</p> <p>iv) The expenditure incurred towards Development Operations other than drilling operations, Production Operations and any other expenditure in respect of Petroleum Operations not covered in above (i), (ii) and (iii) shall be treated as per the relevant provisions of Income Tax Act 1961.</p> <p>16.2.2 For the purposes of Article 16.2 and section 42 of the Income-tax Act, 1961:</p> <p>a) The following terms used in section 42 of the Income-tax Act, 1961, shall have the meanings corresponding to the terms used in this Contract and defined in Article 1 as follows:</p> <p>i. "agreement" means this Contract as defined in Article 1;</p> <p>ii. "commercial production" shall have the meaning assigned in Article 1.</p> <p>b) "Year" means a Previous Year as defined in the Income Tax Act, 1961.</p> <p>c) The other terms used herein and defined in Article 1 shall have the meaning therein ascribed.</p>
9	1.6	9	<p>"Arm's Length Sales" means sales made freely in the open market, in freely convertible currencies, between willing and unrelated sellers and buyers and in which such buyers and sellers have no contractual or other relationship, directly or indirectly, or any common or joint interest as is reasonably likely to influence selling prices and shall, inter alia, exclude sales (whether direct or indirect, through brokers or otherwise) involving Affiliates, sales between Companies which are Parties to this Contract, sales between governments and government-owned entities, counter trades, restricted or distress sales, sales involving barter arrangements and</p>	<p>Arm's Length Sales" shall mean, for the purpose of this Contract, the sales of Petroleum carried out between buyer and seller parties, not being the same legal entity, following a transparent and competitive bidding process according to procedures as prescribed by Government. The sale to the Contractor or it's constituents will not be considered as Arms' Length Sale.</p>

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			generally any transactions motivated in whole or in part by considerations other than normal commercial practices.	
10	17.6	57	Sale of Petroleum to any affiliate of the Contractor is permitted, in the event the Contractor cannot identify any buyer following the procedure as stipulated in Article 17.5, subject to Article 19. The information regarding the reasons for sale to affiliate and the final agreement reached with the affiliate shall be hosted on the Contractor's / Operator's website and also communicated to DGH/Government.	Sale of Petroleum to any Affiliate of the Contractor is permitted, provided that, an Affiliate of the Contractor can participate in the transparent bidding process, and would be allowed to be the purchaser only in the event its bid price at which it would be purchasing the Petroleum is higher than all other bidders or entities to which the Contractor may be selling the Petroleum. Any sale following such transparent bidding process under the clause 17.5 shall be deemed to be carried out on an Arm's Length Sale basis.
11	14.8	51	The Contractor shall prepare a proposal for the restoration of site including abandonment plan and requirement of funds for this and the annual contribution and such proposal shall be submitted for the consideration and approval of the Management Committee. The annual contribution shall be made by the Contractor in the Site Restoration fund account, which will be created in accordance with the Site Restoration Fund Scheme-1999, as amended, modified or replaced by the Government from time to time or any other scheme notified by the Government in this regard. For this purpose, the annual contribution to Scheme shall be calculated based on unit of production method i.e. Reserve to Production Ratio, or any other guideline/direction issued by the Government in this regard. The activity of site restoration will be done as per applicable rules / standards / notifications / guidelines. Unless stated otherwise in the applicable rules / standards / notifications / guidelines the Contractor shall create the Site Restoration Fund and commence its annual contribution from the year in which Petroleum is Produced and Saved from Production Operations. For the purpose of this contract, the word profit petroleum mentioned in the Site Restoration Fund Scheme -1999 may be read as Revenue.	The Contractor shall prepare a proposal for the restoration of site including abandonment plan and requirement of funds for this and the annual contribution and such proposal shall be submitted for the consideration and approval of the Management Committee. The annual contribution shall be made by the Contractor in the Site Restoration fund account, which will be created in accordance with the Site Restoration Fund Scheme-1999 and Site Restoration and abandonment guidelines for Petroleum Operations 2018 , as amended, modified or replaced by the Government from time to time or any other scheme notified by the Government in this regard. For this purpose, the annual contribution to Scheme shall be calculated based on unit of production method i.e. Reserve to Production Ratio, or any other guideline/direction issued by the Government in this regard. The activity of site restoration will be done as per applicable rules / standards / notifications / guidelines. Unless stated otherwise in the applicable rules / standards / notifications / guidelines the Contractor shall create the Site Restoration Fund and commence its annual contribution from the year in which Petroleum is Produced and Saved from Production Operations. For the purpose of this contract, the word profit petroleum mentioned in the Site Restoration Fund Scheme -1999 may be read as Revenue and the term PSC mentioned in Site Restoration and abandonment guidelines for Petroleum Operations 2018 may be read as RSC.
12	3.2	22	The Contractor shall complete the Bid Work Programme within: (i) three (3) years from the Effective date, in case of on-land Contract, or (ii) four (4) years from the Effective date, in case of shallow water Contract, or (iii) six (6) years from the effective date, in case of deep water Contract ("Development Period").	The Contractor shall complete the Bid Work Programme within: (i) three (3) years from the Effective date, in case of on-land Contract, or (ii) four (4) years from the Effective date, in case of shallow water Contract, or (iii) six (6) years from the effective date, in case of deep water Contract ("Development Period"). Provided that, for the purpose of completion of Bid Work Programme, the contractor may extend the Development Period, as specified

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				<p>in this Article, for a maximum period upto One (1) year by making a payment to the Government at least thirty (30) days prior to the expiry of Development Period as follows:</p> <ol style="list-style-type: none"> i. For Onland: USD 15,000 or its INR equivalent per month or any part of the month for the duration of extension sought. ii. For Offshore (Shallow Water /Deep Water): USD 25,000 or its INR equivalent per month or any part of the month for the duration of extension sought. <p>The payment for seeking extension shall be made to the Bank Account specified by Government. The extension shall be automatic on making the payment in the account. The extensions can be sought multiple times by making requisite payments subject to maximum period indicated above.</p>
13	3.3	22	<p>3.3 The Contractor shall commence commercial production from Contract Area within the timelines stipulated in Article 3.2. In the event the Contractor fails, the entire Contract Area shall stand relinquished subject to compliance of Article 5.2 and Article 14.</p> <p>Notwithstanding the above, upon prior recommendation of the Management Committee, the Government may grant upto two extensions of six (6) months each for the Contractor to commence production for reasons acceptable to Government provided Contractor extends the validity of Bank Guarantee, submitted pursuant to Article 27 for the period of extension sought and deliver to Government.</p>	<p>3.3 The Contractor shall commence commercial production from Contract Area within the timelines stipulated in Article 3.2. In the event the Contractor fails, the entire Contract Area shall stand relinquished subject to compliance of Article 5.2 and Article 14.</p> <p>Notwithstanding the above, provided the Bid Work Programme has been completed as per Article 3.2, upon prior recommendation of the Management Committee, the Government may grant upto two extensions of six (6) months each for the Contractor to commence production for reasons acceptable to Government provided Contractor extends the validity of Bank Guarantee, submitted pursuant to Article 27 for the period of extension sought and deliver to Government.</p>
14	10.2	36	<p>10.2 In the event the Contractor does not commence Commercial Production from Contract Area within: (i) three (3) years from the Effective Date, in case of onland Field/Contract Area or (ii) four (4) years from Effective Date, in case of shallow water Field/Contract Area or (iii) six (6) years from Effective Date, in case of deep water Field/Contract Area, the Contractor shall relinquish its right to develop Contract Area and the Contract shall terminate.</p> <p>Notwithstanding the above, upon prior approval of the Management Committee, the Government may grant upto two extensions of six (6) months each for the Contractor to commence production for reasons acceptable to Government provided contractor extends the validity of the bank guarantee, submitted pursuant to Article 27, for the period of</p>	<p>10.2 In the event the Contractor does not commence Commercial Production from Contract Area within: (i) three (3) years from the Effective Date, in case of onland Field/Contract Area or (ii) four (4) years from Effective Date, in case of shallow water Field/Contract Area or (iii) six (6) years from Effective Date, in case of deep water Field/Contract Area, the Contractor shall relinquish its right to develop Contract Area and the Contract shall terminate.</p> <p>Notwithstanding the above, provided the Bid Work Programme has been completed as per Article 3.2, upon prior recommendation of the Management Committee, the Government may grant upto two extensions of six (6) months each for the Contractor to commence production for reasons acceptable to Government provided Contractor extends the validity of Bank Guarantee, submitted pursuant to Article 27 for</p>

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			extension sought and deliver such extended bank guarantee to the Government.	the period of extension sought and deliver to Government
15	14.5	50	<p>14.5. Subject to the provisions of all applicable laws and notifications on protection of environment, any new project or expansion or modernization projects for Petroleum Operations for which a proposal is submitted by the Contractor, the Government shall accord environmental clearance in accordance with the relevant notifications, rules, regulations and orders concerning Environmental Impact Assessment issued by the Ministry of Environment, Forests and Climate Change from time to time. However, wherever forest land is involved, the Contractor shall have to obtain approval of the Central Government through the State Government concerned under the Forest (Conservation) Act, 1980 and Rules made thereunder. In the event the Government or the State Government takes more than the time period stipulated under the applicable laws for providing such clearances, or where no specific time period is provided for grant of such clearance, more than 120 (one hundred and twenty) days ("Approval Period"), then the days taken by the Government or State Government in addition to the Approval Period to grant such approval ("Extra Days") shall be taken into account in determining all time periods provided for discharge of obligations of the Contractor under the Contract and such time periods, if already determined, shall stand extended by the number of extra days.</p>	<p>14.5. Subject to the provisions of all applicable laws and notifications on protection of environment, any new project or expansion or modernization projects for Petroleum Operations for which a proposal is submitted by the Contractor, the Government shall accord environmental clearance in accordance with the relevant notifications, rules, regulations and orders concerning Environmental Impact Assessment issued by the Ministry of Environment, Forests and Climate Change from time to time. However, wherever forest land is involved, the Contractor shall have to obtain approval of the Central Government through the State Government concerned under the Forest (Conservation) Act, 1980 and Rules made thereunder.</p>