

**EXPRESSION OF INTEREST (EOI) FOR SELECTION OF INSURANCE BROKER FOR
PLACEMENT OF ASSET INSURANCE POLICY 2023-24**

Vedanta Group has \$30bn revenue and \$10bn profit and further plans to invest \$20bn in next 4-5 years for the expansion of brownfield capacity and setting up green field capacity for Oil & Gas, Renewable Energy, Display glass, Semiconductor, Mining and Smelting. Vedanta is one of the leading players in the market.

Cairn Oil & Gas, Vedanta Ltd. is India's largest private oil and gas exploration and production company having current interest in 62 blocks and accounting for more than a quarter of India's domestic crude oil production and a vision to produce 50% of India's oil and gas production.

With this EOI, Cairn Oil & Gas invites interested parties with proven capabilities and demonstrated performance in similar requirement to express their interest in pre-qualification to participate in the International Competitive Bidding (ICB) process for services of experienced Insurance brokers for placement of their asset insurance policy. Asset Insurance placement will be done through competitive bidding process in the international markets.

The brief insurance requirements of assets are as below:

1. On-Shore asset (Rajasthan) value estimated at USD 5.5 billion
2. Offshore asset (Ravva & Cambay) value estimated at USD 1.2 billion
3. Number of wells estimated: Onshore (1167), Offshore (86)
4. Business Interruption value estimated at USD 659 mn
5. Third Party liability limits USD 200mn (Rajasthan) and USD 100mn (Other blocks excluding Rajasthan)

Following are pre-qualification criteria for bidding for this tender:

1. Should be in the A.M. Best Top 20 International Broker 2022 edition
2. International broker along with Indian broker (composite IRDA approved broker) submits a letter of confirmation as per prescribed format (refer **Annexure 1**), confirming that both partners will be working exclusively; comply with Indian/international insurance regulations. (applicable only if international broker doesn't have local Indian market presence)
3. Both International broker & Indian broker confirm acceptance of scope of work of the Insurance Broker (**Annexure 2**)
4. Should have led the placement of Asset Insurance for an operating plant for at least 10 international Oil & Gas companies in the last 3 years out of which at least 4 should have been in the preceding year.

Interested brokers who fulfil the above criteria shall submit their response with following details within 15 days of the publication of this EOI.

1. Broker's Company profile, Organization set-up (Size of Energy team and Service team with global experience)
2. Global premium placed in last 3 years (2020 to 2022) by the broker in all policies
3. Global premium placed in last 3 years (2020 to 2022) by the broker in Oil & Gas insurance policies. List of clients with operational insurance along with premium to be submitted.
4. Number of Oil & Gas claims handled and realized in last 3 years (2020 to 2022)

5. Indian broker should have composite broker license issued by IRDA showing RI license validity. Copy of the same is to be submitted.
6. Both International & Indian broker to furnish professional indemnity policy of respective organization.
7. Provide a list of value-added services offered
8. Global experience of brokers in placement of Oil & Gas insurance policies
9. Last 3 years audited annual accounts of Broker's company.
10. A Letter of Confirmation, as per **Annexure 1**, confirming that both International & Indian broker will be working exclusively; comply with International/Indian insurance regulations and acceptance of scope of work (refer **Annexure 2**)
11. Broker to nominate and share reinsurance markets (minimum of 8 recognized and credible insurance leads that are S&P A- & above and or A.M. Best A & above) with whom they would like to work with and are confident to deliver the signed slip with lead and follow lines.
12. Draw of lot from pool of reinsurance market will be conducted in fair & transparent way and minimum of 3 reinsurance markets will be allotted to each broker from the draw. Pool for lot will be from common reinsurance markets only, based on the list provided by each broker as per above point 11.

Annexure - 1

Date:

To
Chief Commercial Officer - Cairn
Vedanta Limited (Cairn Oil & Gas)
ASF Center Tower A, 362-363, Jwala Mill Road
Phase IV, Udyog Vihar, Sector - 18, Gurugram - 122016
Haryana, India

Dear Sir/Ma'am

Subject: Confirmation on compliance with Indian & International Regulations on renewal of Vedanta Limited (Cairn Oil & Gas),

We are pleased to confirm the following for your record:

1. **(Name of International Broker)** will work exclusively with **(Name of Indian Broker)** in respect of the tender for renewal of Cairn Oil & Gas Asset Insurance starting Dec 2023 and for a period upto a maximum of 3 years.
2. The Indian Broker & International Broker will comply by all Indian & International insurance rules and regulations respectively.
3. We accept the scope of work as per **Annexure 2**, without any exception or deviation.

Yours Sincerely

(Name of Indian Broker)

(Name of International Broker)

Signature & Stamp

Date

Signature & Stamp

Date

Annexure - 2

Scope of Work of Insurance Broker

1. Policy Review

- a. To carry out Risk Engineering inspections and surveys report to cover major assets of Cairn (with annual updates)
- b. Policy review (GAP Analysis) in terms of
 - i. Coverage
 - ii. Rating
 - iii. Clauses, warranties, excess, conditions etc.
- c. Policy Benchmarking with peer companies & other industries globally
- d. Assisting in speedy realization of premium refund & settlement of claim.
- e. Policy vetting before final policy document is submitted to Cairn within 30 days from policy start date
- f. Broker to submit copy of reinsurance slip from all the reinsurers
- g. Confirmation from the lead insurer on 100% placement of policy prior to inception of policy

2. Claims Management

- a. Coordination with insurers for immediate intimation of claim and survey
- b. Coordinating with insurer & surveyor for speedy settlement of insurance claim
- c. Assistance on interpretation of policy wordings, conditions, warranties, deductibles etc. throughout claim process
- d. Coordinating & assisting in documentation, correspondence and settlement of all claims including past claims.

3. Miscellaneous

- a. Keep Cairn apprised on the new risks emerging in the Oil & Gas sector and insurance product available to mitigate such risk
- b. Keeping informed on any changes in insurance regulations & guidelines
- C. Technical assistance on any new project insurance policies