

**GLOBAL EXPRESSION OF INTEREST (EOI) UNDER INTERNATIONAL COMPETITIVE BIDDING
FOR
INTEGRATED SURFACE FACILITY DEVELOPMENT EPC WORKS FOR MANGALA PAD 1 & 19 ASP PROJECT
FOR RAJASTHAN BLOCK**

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. In this regard, Cairn has embarked on an exciting growth journey to achieve world class recovery factors in our diverse reservoirs in the Rajasthan basin. To further increase recovery from Rajasthan field, a successful ASP pilot was implemented in the Mangala field. Based on the results of the pilot and various studies, full field ASP implementation is now being planned in Mangala field.

Cairn on behalf of itself and its Joint Venture ("JV") partners, Oil and Natural Gas Corporation ("ONGC"), for the contracted area RJ-ON-90/1 located in Barmer in Rajasthan, India, issues this EOI for the development services in EPC mode under International Competitive Bidding ("ICB"). Bids are invited from reputed EPC companies with surface facility development capabilities with demonstrated HSE performance and proven track record with capabilities in Engineering, Procurement, Construction and Commissioning of surface facilities.

Scope of Work:

Cairn Oil & Gas envisions ramping-up production from the MBA fields on a fast-track basis by significantly enhancing the ultimate recovery factor through ASP Flooding within RJ-ON-90/1 block. To achieve these objectives, Cairn on behalf of itself and its joint venture partners is seeking Expression of Interest from reputed and reliable contractors with experience in engineering, procurement, construction and commissioning services and ability to provide end to end process performance and quality guarantees for the project scope.

The scope of the project includes site survey, engineering, procurement of equipment and packages including bulks, field construction activities like fabrication, inspection and testing, erection, and installation, civil, electrical and instrumentation works, pre-commissioning and commissioning, project and construction management, interface management, augmentation, and integration with existing facilities.

Technical Pre-qualification criteria:

TECHNICAL GO - NO - GO

Options	Product	Go-No-Go	Yes/No
1	EPC ASP Project	Applicant shall have executed at least one Oil Separation or water treatment Surface facility development project of Minimum 10,000 BLPD capacity in an oil and gas field in the last past 10 years.	YES

1. Letter of interest clearly indicating the qualifying projects with following details:

- a) Project description done by Applicant (mention project name and details)
- b) Brief scope of work
- c) Applicant role & responsibilities in the project
- d) Value of work in INR/USD
- e) Detail of Partners / Sub-Contractors if any
- f) Contractual Duration
- g) Actual completion of Project
- h) Completion Certificate from users (or equivalent documents)
- i) Contact details of the Client (Operator may approach the client directly for the feedback) reference along with completion certificates from user(s)

FINANCIAL GO - NO - GO

Financial performance:

- 1. Turnover in each of the immediately preceding two financial years should be equal to or more than the estimated average annual contract value.
- 2. Positive net worth in each of the immediately preceding two financial years.
- 3. Liquidity ratio shall not be less than 1 in each of the preceding two (02) financial years.

Also, note -

- i. Normally standalone financials of the bidding entity only will be considered. However, consolidated financials at the bidding entity level, if available, can also be submitted. Parent/holding company financials can be submitted and considered, subject to submission of financial guarantee and commitment letter, as described under (ii)
- ii. Where the bidding entity is unable to meet the Financial Evaluation Criteria, Parent/Holding Company Audited Financials can be considered, subject to:
 - a) Submission of Financial guarantee in the form of 10% Bank guarantee of contract value

- b) Commitment Letter from Parent/Company to provide financial support to the bidding entity
- iii. Evaluation will be done only on the basis of the published annual reports / audited financials containing Auditor's report, Balance sheet, Profit & Loss a/c and Notes to Accounts
- iv. In case of unaudited statements (if there are no audit requirements for auditing of financials as per the local law), the financials shall be accompanied by a certificate from a Certified Accountant. Certificate should also mention the fact that there is no requirement of audit of the financials as per the local law
- iv. In case of CONSORTIUM, the financials of the Leader of the CONSORTIUM (in whose name the bid is submitted) will be evaluated. However, CONSORTIUM partners' financials can also be considered subject to submission of corporate guarantee by such consortium partner.
- In case of consortium, APPLICANT is required to provide Memorandum of Understanding (MoU) executed by the consortium partners. The MoU shall identify the Leader of Consortium and indicate the division of Scope of Work in the consortium members and the percentage of contract value. Each consortium partner should themselves individually meet the financial evaluation criteria namely, turnover, net worth and liquidity in proportion to the percentage of work to be performed by them. The Performance Bank Guarantee (PBG) will have to be submitted by individual consortium partners in the ratio of work being performed unless the Leader takes responsibility of the complete consortium in which case, Leader can submit PBG of required value.

All qualifications and exceptions brought out in Auditor's report and Notes to Accounts would be factored in while undertaking financial evaluation.

Applicant - The APPLICANT wherever referred to in this document hereafter, shall mean the Contractor itself (in case the Party participates as an individual Single Bidder) or the Leader of CONSORTIUM (in case the Party(s) participate as a CONSORTIUM). The APPLICANT will be required to meet the below mentioned "Specific Pre-Qualification Criteria".

Documents to be submitted as a proposal for pre- qualification

1. Letter of intent (on letter head) to participate in the EOI [Expression of Interest] clearly indicating the EOI reference along with company information detailing their nominated management, staff, and business process support.
2. A declaration on Applicant's company letter head, signed and stamped by an authorized signatory of the Applicant, that the Applicant shall be responsible for end to end delivery for which the Applicant expresses the interest through this EOI.
3. Documents in support of financial capabilities:
 - a. APPLICANTS are requested to submit company's financial performance documents (Audited Balance sheets, Profit and Loss Account & cash flow statement, Auditors Report and Notes to Accounts etc.) for the preceding five financial years. Latest financial statement should not be older than 15 months on the date of submission of response to Expression of interest.
 - Normally standalone financials of the bidding entity only will be considered. However, if Parent Company Guarantee (PCG) is submitted then consolidated financials at the bidding entity level can also be submitted. This should be clearly mentioned in the EOI response.
 - b. In case of unaudited statements (if there are no audit requirements for auditing of financials as per the local law), the financials shall be accompanied by a certificate from a Certified Accountant. Certificate should also mention the fact that there is no requirement of audit of the financials as per the local law.
 - c. Provide information regarding revenue/turnover from business for the last two years.
 - d. List of litigations in last 5 years, if any.
 - e. Declaration specifying that the APPLICANT is not under liquidation, court receivership or other similar proceedings

Quality, Health, Safety and Environment (QHSE) requirement:

APPLICANT must have a comprehensive Health, Safety and Environmental Management system in place. Applicants are requested to submit the following documents related to HSE to be evaluated at Tender stage:

1. Quality and HSE Management System/ HSE Policy, HSE Manuals, procedure, and sample HSE plan for similar nature of job.
2. HSE statistics – fatality rate, LTIFR data etc.
3. Certifications pertaining to HSE, QA/QC, International accreditations etc.

Documents to be furnished in the Proposal:

1. Letter of interest from interested party on their Letter Head.
2. Detailed contractor information clearly specifying years of experience in similar jobs, organization structure, list of resources, machinery, support agencies and other facilities and resources for relevant scope.
3. List of current ongoing contracts of similar nature under execution.
4. Project Execution & Management / Planning & Scheduling methodology
5. Demonstrate Technical and Managerial resource availability including engineering, procurement, construction, and commissioning capabilities along with organogram and resource responsibility
6. Health Safety and Environment (HSE) policies, HSE Safety Manual / Procedures, HSE Organogram in-line with internationally accepted practices.
7. HSE certification / accreditation / safety award / reward / recognition received.
8. Updated Quality Manual, Policies and Procedures, Quality organogram in line with internationally accepted practices along with list of quality trained resources and competency matrix
9. Copies of valid ISO certifications
10. Proven Track Record of catering similar services for last 7 years.
11. Procedures/ Systems for subcontractors & vendors evaluation and appointment.
12. Experience of working in onshore locations
13. Support base in India/ Asia for future service requirements
14. Detailed Project Execution methodology describing management of engineering, procurement, construction, and commissioning phases of project.
15. List of policies, procedures, and quality assurance practices currently in place for the execution of similar work.

“The interested contractors should evince interest to participate in the Expression of Interest by clicking on the “Evince Interest” link for the corresponding EoI listing on the Cairn Website i.e. <http://www.cairnindia.com> and submit their contact details online. Further to this, interested contractors would be invited to submit their response via Smart Source (Cairn’s e Sourcing Platform). The contractors would be requested, as a minimum, to submit the above documents and details for prequalification via Smart Source within Fourteen (14) days of publication of this EoI.”