

GLOBAL EXPRESSION OF INTEREST (EoI) UNDER INTERNATIONAL COMPETITIVE BIDDING FOR FRONT END ENGINEERING DESIGN (FEED) AND PREPARATION OF ITT PACKAGE FOR SURFACE FACILITY DEVELOPMENT OF MANGALA ALKALINE SURFACTANT POLYMER (MASP) FLOOD WITHIN RJ-ON-90/1 BLOCK, RAJASTHAN

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.

Cairn Oil & Gas is the Operator of the Onshore RJ-ON-90/1 block, on behalf of itself and its Joint Venture (JV) partners Cairn Energy Hydrocarbons Limited (CEHL) and Oil and Natural Gas Corporation Limited (ONGC), located in Barmer district, in the state of Rajasthan, India. Cairn Oil & Gas holds 70% participating interest in the block which contains 38 major oil and gas discoveries, with significant gas potential in the southern area.

Cairn Oil & Gas has a vision to achieve 50% of India's crude production and contribute to India's energy security. 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.

Operator on behalf of itself and its joint venture partners invites globally reputed Engineering Consultants to express their interest in pre-qualification to participate in the International Competitive Bidding (ICB) Process to carry out the FEED and preparation of ITT package for the MASP project.

Background and Brief Scope of Work:

The MBA fields have been an example of innovative reservoir management techniques since inception. Subsequent infill campaigns and production optimization efforts have pointed to improvement in recovery factors better than what was initially envisaged. In 2014, polymer flood was implemented in the Mangala field, the largest such implementation in the world. Based on the success of the polymer flood in Mangala, polymer flood is also under implementation in Bhagyam and Aishwariya fields. To further increase recovery from MBA, a successful ASP pilot was also 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. Vedanta envisions ramping-up production from the RJ fields on a fast-track basis and sustaining it thereafter for several years by significantly enhancing the recovery from its reservoirs.

The Contractor's scope shall be Extended FEED for the ASP project which shall include all the adequacies and design engineering and other modifications required in the plant in brownfield environment.

Scope of work

Separate FEED shall be performed, and ITT package shall be prepared for MASP Flood in Cluster-C Project.

Key elements are as follows:

- Perform Multidisciplinary Front-End Engineering Design (FEED) including simulations, preparation of drawings, documents, reports etc
- Conducting Safety Studies and closing out the recommendations,
- Preparation of detailed FEED Package with all attachments
- Preparation of ITT for EPC works
- Capex estimation

SPECIFIC PRE-QUALIFICATION CRITERIA

1. Financial Capabilities:

1. Turnover in each of the immediately preceding two financial years should be equal to or more than the estimated average annual contract value. **In case of tenders for a duration less than a year, Turnover in each of the immediately preceding two Financials years should be equal to or more than the estimated 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. **In case of consortium, bidder is required to provide Memorandum of Understanding (MoU) executed by the consortium partners. The MoU should indicate the scope of work to be performed by the respective consortium members expressed as a 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.**
- 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
- vi. All qualifications and exceptions brought out in Auditor's report and Notes to Accounts would be factored in while undertaking financial evaluation.

2. Technical Capabilities

Contractor should have experience in Front End Engineering/Detailed Engineering of hydrocarbon processing facilities with Oil-Water separation and Produced water treatment facility of 75k BLPD for at least one project in last seven (07) years.

Participants are requested to submit the following pre-qualification documents as a minimum:

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

- a) Brief scope of work
- b) Plant Capacity (MMSCFD/BOPD)
- c) Detail of Partners / Sub-Contractors, if any
- d) Value of work in INR/USD
- e) Contractual Duration
- f) Actual completion date
- g) Completion Certificate from end user
- h) Contact details of the Client (Operator may approach the client directly for the feedback)

The interested suppliers should evince interest to participate in the Expression of Interest by clicking on the "Evince Interest" link against the corresponding Eol listing on the Cairn website i.e. <http://www.cairnindia.com> and submit their contact details online. Further to this, interested suppliers / contractors would be invited to submit their response via Smart Source (Cairn's e-Sourcing Platform).

The interested suppliers should "Evince interest" to participate in Eol within 7 days of publication of Expression of Interest.