

## **Expression of Interest for Integrated Drilling Campaign**

Vedanta Ltd. is the world's 6th largest diversified natural resources conglomerate with business operations in India, South Africa, Namibia, and Australia. It is a leading producer of Oil & Gas, Zinc, Lead, Silver, Copper, Iron Ore, Steel, Aluminium & Power. Vedanta contributes 1% towards India's GDP, as per IFC. We are investing \$9 Bn in capital projects over the next 2 – 3 years to double our revenues from current levels of \$15 Bn.

Cairn Oil & Gas, Vedanta Limited, is India's largest private upstream O&G company with operating interest in several producing fields in India contributing ~25% of India's domestic production. Cairn, on behalf of itself and Joint Venture partners, operates offshore blocks (water depth ≤115m) located off the east and west coast of India.

### **Brief Scope of Work and Bids**

Vedanta Limited intends to carry out drilling campaign in its offshore fields within next 2-3 years in order to maximize the resource monetization with cost optimization.

To achieve this objective, Vedanta invites global Oil Field Services Provider and/or consortiums with end-to-end capabilities in **offshore field** for domains such as subsurface technical evaluations, well construction (excluding rig and vessel services) including but not limited to drilling, completion, testing and associated well services, application of efficient production technology.

Interested parties/ consortiums would need to express their interest for pre-qualification to participate in the International Competitive Bidding (ICB) Process for the integrated services in offshore blocks. Interested parties/consortiums would need to demonstrate strong and integrated well construction capabilities as well as past experience of executing similar large-scale offshore projects.

Vendor/Consortiums that are in a position to deliver end to end proposition can participate.

### **"SPECIFIC PRE-QUALIFICATION CRITERIA"**

**NOTE: APPLICANT** wherever referred to in this document, would mean the **Leader of CONSORTIUM** of Oil & Gas Services (in case the bidder applies as a **CONSORTIUM**) or an Oil & Gas Services provider itself (in case the bidder applies as an individual company).

**Each CONSORTIUM partner/individual bidder** will be required to meet the below mentioned financial pre-qualification criteria to legitimately express interest for collaboration with Vedanta Ltd.

### **KEY PRE-QUALIFICATION CRITERIA**

1. **Financial performance:** Minimum annual average turnover of **each CONSORTIUM partner (cumulatively in proportion to the percentage of work to be performed by them)/individual bidder** in last two financial years should be equal to or more than average annual contract value mm with positive net worth in each of those financial years and minimum liquidity ratio 1 in each of the preceding two years.

**Each CONSORTIUM partner/individual bidder** shall submit company's financial performance documents (Audited Balance sheets, Profit and Loss Account & cash flow statement, Auditors Report and Notes to Accounts etc.) for last 2 (two) financial years. Latest financial statement **should not be older than 12 months** on the date of submission of response to Expression of interest.

***Additional points to be considered for evaluation of financial performance:***

- Normally standalone financials of the bidding entity only will be considered. Parent company or Holding company financials can be submitted and considered, subject to submission of Parent/ Holding company commitment letter to support financially, the bidding entity and submission of Bank Guarantee equivalent to 10% of contract value
- 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
- 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
- All qualifications and exceptions brought out in Auditor's report and Notes to Accounts would be factored in while undertaking financial evaluation

**APPLICANT** will be required to meet the below mentioned delivery pre-qualification criteria to legitimately express interest for collaboration with Vedanta Ltd.

**2. Delivery capabilities:**

The **APPLICANT** must demonstrate which of the capabilities they possess for below:

- I. **Subsurface evaluation:** G&G capabilities including seismic interpretation, stratigraphic/well correlation, well planning and pore pressure estimates, geomechanical studies, formation evaluation, well testing and other relevant sub-surface capabilities.
- II. **Integrated well construction (Offshore):** Capabilities include 'Drilling', 'Completions' and 'Associated well services'.

Please mention the following details against the two listed capabilities.

Sl No.	Category	Applicant has capability (Yes/ No)	If Applicant doesn't have the capability, will it be addressed by CONSORTIUM? Names of finalised/ likely CONSORTIUM PARTNERS
1	Subsurface Evaluation		
2	Offshore Integrated well Construction		

**For the above (I to II),** please separately submit details of completed / on-going medium to large scale projects executed **within last 10 years.**

**For Subsurface Evaluation:** The APPLICANT OR CONSORTIUM PARTNER has to demonstrate the respective capability in a similar context. Please submit project details as per **Annexure 1**. In case, any project qualifies for more than one capability, please clearly state the same.

**For Offshore Integrated Well Construction:** The APPLICANT has to demonstrate the respective capability in a similar context. Please submit project details as per **Annexure 1**. In case, any project qualifies for more than one capability, please clearly state the same.

3. **Quality, Health, Safety and Environment (QHSE):** APPLICANT must have a comprehensive Quality, Health, Safety and Environmental Management system in place.

APPLICANTs are requested to submit the following documents related to QHSE:

- a) QHSE Management System (inclusive but not limited to QHSE Policy, QHSE Manuals and Procedures, QHSE Objectives, Standard Operating Procedures Index, QHSE organogram, Key procedures related to Purchase, Inspection and Testing, Calibration, Applicable Product certifications, Proven track records of catering similar services etc.).
- b) LTI statistics for past 3 years
- c) Valid Quality and HSE certifications (ISO, OSHAS, API or Equivalent etc.)

#### **ANNEXURE 1 - SPECIFIC EXPERIENCE RELEVANT TO THE OPPORTUNITY AREA**

Provide case study for a project completed / on-going within the last 10 years, demonstrating specific capability requested. The case study should necessarily include:

- a) List of integrated offshore well construction projects executed or under execution within the last 10 years and with Project start & completion date and percentage completion
  - o APPLICANT's role & responsibilities in the project
  - o Other remarks (e.g. contractual details, partnerships, sub-contractors, etc.)
- b) List of projects consisting of G&G work (including seismic interpretation, Formation evaluation, well planning, pore pressure and geo-mechanical studies) and other relevant subsurface studies executed or under execution within the last 10 years and with Project start & completion date and percentage completion
  - o APPLICANT's or CONSORTIUM MEMBER's role & responsibilities in the project
  - o Other remarks (e.g. contractual details, partnerships, sub-contractors, etc.)
- c) Existing Local base for support/service etc.

#### **Documents to be furnished in the Proposal for Pre-Qualification**

1. Letter of interest from the APPLICANT on their letter head.
2. In case of bidding as a consortium, the % division of the scope of work shall be submitted along with a Memorandum of Understanding (MoU)/declaration of intent.
3. Financial performance documents as listed in the Pre-qualification criteria 1 (Financial performance)
4. If the APPLICANT is unable to meet the Financial Evaluation Criteria, Parent/Holding Company Audited Financials can be considered, subject to (i) Applicant confirming submission of Financial guarantee equivalent to 10% of contract value in addition to the 10% performance Bank Guarantee as per Annexure 2 and (ii) a Commitment Letter from Parent/Holding Company to provide financial support to the APPLICANT as per Annexure 3.
5. Technical capabilities details as listed in Pre-qualification criteria 2 (Delivery capabilities) including specific experience as per Annexure 1.

6. QHSE performance documents of the bidder/all members of the consortium as listed in Pre-qualification criteria 3 (QHSE)
7. Complete administrative details of your company such as but not limited to nature of legal entity, registration details, office and site locations etc.
8. Declaration specifying that the APPLICANT is not under liquidation, court receivership or other similar proceedings
9. Any other documents in support of APPLICANT's credentials and experience and expertise, relevant to Cairn opportunity areas

Vedanta Limited requests interested bidders who wish to receive Tender for the above, to submit their Expression of Interest under ICB Process. The interested bidders should evince interest to participate in the Expression of Interest by clicking on the "Evince Interest" link against the corresponding EoI listing on the Cairn website i.e. <http://www.cairnindia.com> and submit their contact details online. Further to this, interested bidders would be invited to submit their response via Smart Source (Cairn's e Sourcing Platform) within 10 Days from publishing of this EoI.

In case of any clarifications, the interested bidders can communicate at [response@cairnindia.com](mailto:response@cairnindia.com)