

GLOBAL EXPRESSION OF INTEREST (Eoi) FOR “INTEGRATED DEVELOPMENT OF SURFACE FACILITIES FOR ASP IMPLEMENTATION IN MANGALA, BHAGYAM & AISHWARIYA (MBA) FIELDS WITHIN THE RJ-ON-90/1 BLOCK”

Vedanta (erstwhile Cairn India Limited merged with Vedanta Limited w.e.f. April 11, 2017, pursuant to NCLT order dated March 23, 2017) is a globally diversified natural resources company with interest in Zinc, Iron Ore, Aluminum, Copper, Power and Oil & Gas. Through Cairn, its upstream Oil and Gas vertical, Vedanta 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). The ‘RJ-ON-90/1’ block located in the Barmer basin in North West India was the country’s largest onshore discovery in 30 years and has 38 oil and gas discoveries including the prolific Mangala, Bhagyam and Aishwariya fields with a total resource potential of ~6.4 Billion barrels of hydrocarbon in place.

Brief History

Mangala, Bhagyam & Aishwariya Fields (MBA)

Mangala, Bhagyam and Aishwariya (MBA) are excellent conventional reservoirs and form the backbone of the prolific Rajasthan block with ~2.1 Billion barrels of Oil in place. The fields were discovered in 2004 and brought into production in a staggered manner starting 2009. Major infrastructure is already in place in the area with a central oil processing facility (Mangala Processing Terminal – MPT), ~ 550 wells (combination of producers and injectors across the MBA fields), well pads, intra-field pipelines, power & injection systems and crude evacuation facilities.

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 across the three fields.

Brief Scope of Work

Vedanta envisions ramping-up production from the MBA fields on a fast track basis and sustaining it thereafter for several years by significantly enhancing the ultimate recovery factors. To achieve these objectives, Vedanta on behalf of itself and its joint venture partners invites global EPC companies and/or consortiums with end-to-end capabilities for Development of onshore/offshore oil/gas processing facilities (Engineering, Procurement, Construction and Commissioning) and/or end-to-end capabilities for ASP surface facilities (Preparation/Injection/Mixing) to express their interest for pre-qualification to participate in the International Competitive Bidding (ICB) Process for the “Integrated Development of Surface Facilities for ASP Implementation in Mangala, Bhagyam & Aishwariya (MBA) fields within the RJ-ON-90/1 Block”.

The project will entail major additions/ modifications to existing surface facilities in the Mangala Processing Terminal (MPT) and the well pads across the MBA fields. The scope of work broadly involves but is not limited to system design, detailed engineering, procurement, fabrication, inspection, FAT, packing, shipping, erection, installation, testing, pre-commissioning and commissioning. The key possible packages envisaged are Water Softening Unit for ASP Solution Preparation (oily water inlet), ASP Preparation, Mixing and Injection Systems, Produced Fluid separation Units and Produced Water treatment Units. The scope of work is also likely to include enhancement of existing well pad infrastructure, development of new well pads and hook-up of new wells.

“SPECIFIC PRE-QUALIFICATION CRITERIA

NOTE: APPLICANT wherever referred to in this document, would mean the leader of **CONSORTIUM** of EPC Companies (in case the bidder applies as a **CONSORTIUM**) or an EPC Company itself (in case the bidder applies as an individual company). **APPLICANT** will be required to meet the below mentioned pre-qualification criteria to legitimately express interest for collaboration with Vedanta.

KEY PRE-QUALIFICATION CRITERIA

1. Financial performance:

- i.** Minimum annual average turnover of the **APPLICANT** in two (2) of the **preceding five (5) financial years** should be **USD 300 Million**
- ii.** Liquidity ratio in the latest financial year should be **> 0.6**.
- iii.** Shall not be under liquidation, court receivership or other similar proceedings
- iv.** Positive net worth in the latest/last financial year

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.

Additional points to be considered for evaluation of financial performance:

- 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 company or Affiliate's financials can be submitted and considered, subject to submission of Parent/ Affiliate company guarantee. This should be clearly mentioned in the EOI response
- In case of **CONSORTIUM**, the financials of the leader of the **CONSORTIUM** (in whose name the bid is submitted) will be evaluated.
- 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

2. **Technical Performance:** The **APPLICANT** needs to certify in the table below on which of the specific capabilities they possess either by themselves or as a part of a consortium or through a sub-contractor

Please note that the **APPLICANT (bidder or leader of the consortium)** must have either one or multiple of the following as a core capability. In case the **APPLICANT** has only one of the two capabilities, he must submit a declaration that he will form a **CONSORTIUM** during RFQ submission or will engage a suitable **SUBCONTRACTOR**, where the **CONSORTIUM MEMBER/SUBCONTRACTOR** will be able to demonstrate the other capability.

Capability	Does the bidder/consortium have this capability? (Yes or No)	If No, does the bidder/consortium plan to get a consortium member/subcontractor with this capability? (Yes or No)
Development of onshore/offshore Oil/Gas Processing Terminal (EPC, Installation, commissioning etc.)		
Development of ASP Surface (Preparation/Mixing/Injection) Facilities (EPC, Installation, commissioning etc.)		

Please submit details of completed / on-going medium to large-scale projects involving development of onshore/ offshore oil/gas processing facilities or ASP Surface (Preparation/Mixing/Injection) facilities **in last 10 years** – where the **APPLICANT** or any **CONSORTIUM MEMBER** has demonstrated 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. **Health, Safety, Environment and Quality (HSEQ): APPLICANT (Bidder/all members of the consortium)** must have a comprehensive Health, Safety, Environmental and Quality Management systems in place.

APPLICANTS are requested to submit the following documents related to HSE and Quality:

- HSE Management System, Policy, Manuals and Procedures
- LTI statistics for past 3 years
- HSE certifications/accreditations
- Quality manual, policy and procedures
- Quality certifications/accreditations

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. Surface Facilities delivery capabilities as listed in Pre-qualification criteria 2 including past case studies
5. HSEQ performance documents of the bidder/all members of the consortium as listed in Pre-qualification criteria 3 (HSE)
6. Valid Quality Certifications / Accreditations and Quality Manual, Policy & procedures
7. Detailed company information with organizational structure, list of manpower, plant and machinery list, support agencies and other facilities and resources.
8. Project Execution & Management / Planning & Scheduling methodology
9. Details of Technical and Managerial resource availability including engineering and procurement capabilities along with organogram and resource responsibility
10. Demonstrate Fabrication and Testing capacities & capabilities along with list of testing Procedures.
11. Details of service centers in India / Asia / Far East to extend prompt after sales support
12. List of current contracts under execution with value of contracts and percentage completion
13. Declaration specifying that the APPLICANT is not under liquidation, court receivership or other similar proceedings
14. Any other documents in support of APPLICANT's credentials and experience and expertise, relevant to Vedanta opportunity areas

The interested bidders/consortium should evince interest to participate in the Expression of Interest by clicking on the “Evince Interest” link against the corresponding EOI listing on our website i.e. 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 pre-qualification via smart source with 21 days of publication of Expression of Interest.

ANNEXURE 1 - SPECIFIC EXPERIENCE RELEVANT TO THE OPPORTUNITY AREA

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

- a) Capability demonstrated
- b) Client Name with Address
- c) Existing client situation / client context
- d) Name of the **APPLICANT / CONSORTIUM MEMBER** who was involved in this project
- e) Project description done by **APPLICANT / CONSORTIUM MEMBER** (mention project name and details)
- f) **APPLICANT** or **CONSORTIUM MEMBER's** role & responsibilities in the project
- g) Assignment start & completion date
- h) Assignment Value in INR and USD
- i) Contact person of client along with contact no. & e-mail id
- j) Details on approach adopted, technology applications (proprietary, access to technology applications, implementation etc.), resources deployed, etc.
- k) Outcomes
- l) Other remarks (eg- contractual details, partnerships, sub-contractors, etc.)
- m) Technical/Managerial capabilities deployed
- n) Local base for support/service etc.