

GLOBAL EXPRESSION OF INTEREST (EoI) UNDER INTERNATIONAL COMPETITIVE BIDDING FOR “INTEGRATED DEVELOPMENT SERVICES” FOR OIL AND GAS FIELDS AT VARIOUS LOCATIONS IN RAJASTHAN, ASSAM & GUJARAT

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 Ltd., 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 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.

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 states of Rajasthan, Assam & Gujarat under its PSC and OALP blocks.

Vedanta envisions to ramp-up production from various Satellite and DSFs on a fast-track basis located in its various assets across India. To achieve this objective, Vedanta on behalf of itself and its joint venture partners invites various players and/ or consortiums with end to end capabilities in domains encompassing Well Design and Construction inclusive of well pad construction , Drilling & Completion (inclusive of all LLIs procurement, Rigs , IDS etc.), Artificial lift, Frac-ing, Engineering, Procurement, Mobilization, Installation, Commissioning and PGTR of Surface Facilities under International Competitive Bidding (“ICB”). Interested parties/consortiums would preferably need to express interests and demonstrate strong HSE performance, integrated capabilities across the entire O&G value chain as well as past experience of executing projects covering aforementioned activities.

Brief Scope of Work:

Indicative brief scope of work is mentioned as below:

- I. Well Engineering / design & end to end well construction and delivery.
- II. Drilling program execution including deliverability of services inclusive of drilling Rigs, long leads items (LLI’s) and all required associated services for drilling and completion of wells for an end-to-end well construction delivery.
- III. Petroleum engineering - Well Completion, Stimulation (hydro fracturing, acidization etc), artificial lift, short term and extended well tests etc design and execution for an end-to-end delivery
- IV. Design, Supply, installation, and commissioning of well pad development / quick production facility basis
- V. Well Hook-ups with Well Pad infrastructure / Quick Production Facility
- VI. Pipeline / OHL as applicable on field basis.
- VII. PGTR to demonstrate the performance guarantee parameters as per the scope
- VIII. End to End integrated execution which includes well drilling, well completion activities, Surface Facilities works such as civil, piping, mechanical, electrical, instrumentation, telecom, HSE etc

SPECIFIC PRE-QUALIFICATION CRITERIA

1. Technical:

Bidder or Consortium shall meet successfully below mentioned technical criteria to qualify -

- a. Executed Well Drilling and Completion projects with Minimum 5 oil / gas wells in last 7 years.
- b. Delivered at least 02 oil & gas facility or QPFs (Quick production facilities) of 500 BOPD or 1 MMSCFD gas in oil & gas fields in last 7 years.

2. Financial

- a) 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
- b) Positive net worth in each of the immediately preceding two financial years
- c) Liquidity ratio shall not be less than 1.00 in each of the preceding Two (02) financial years

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 last 2 (two) financial years in the tender. Latest financial statement should not be older than 12 months on the date of Expression of interest.

Additional points to be considered for evaluation of financial performance:

- 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 company or Affiliate's financials can be submitted and considered, subject to submission of Parent/ Affiliate company guarantee as described under (ii). This should be clearly mentioned in the tender
- 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.
- iv. 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 .
- v. 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

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

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

1. 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)
 - i) Details of O&M experience
2. Organization structure, List of manpower with CVs of key personnel (Project manager, Engineering manager and Discipline leads)
3. Details of Software availability and Valid License
4. Details of current commitments - List of all jobs under execution with the value of the Job and percentage completion and expected completion date.
5. Execution strategy for the project.
6. Updated HSEQ Manual, Policies, LTI records, Organogram, procedural overviews, and proven track record of catering similar services for last 3 years.
7. Copies of valid ISO 9001, 14001, OHSAS 18001 or any other certification as applicable for intended scope of work

The interested Parties 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 Parties would be invited to submit their response via Smart Source (Cairn’s e-Sourcing Platform).

The interested Parties should “Evince interest” to participate in Eol within 10 days of publication of Expression of Interest.
