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CAIRN INDIA LIMITED

(Incorporated in Mumbai, India – U11101MH2006PLC163934)

(INTERNATIONAL COMPETITIVE BIDDING)

**Global Expression of Interest (EOI) under International Competitive Bidding (ICB)
for
Supply of Carbon Steel Linepipes (Internally & Externally Coated)
for
Rajasthan Gas Development Project**

Cairn India Limited ("CIL") is the operator of the onshore hydrocarbon Block RJ-ON-90/1 (the "Block") located in Barmer district, in the state of Rajasthan, India. CIL intends to install a "Natural Gas Pipeline System".

The Main Trunk Pipeline (i.e. the "Export Pipeline") shall be 24"/30" Ø and approx. 200 km length. The export pipeline shall start from CIL's existing gas processing terminal at Raageshwari (RGT) at Barmer, Rajasthan and shall terminate at GSPL Terminal at Palanpur, Gujarat. The feeder pipelines network shall comprise of feeder pipelines (various diameters) and the total length shall be approx. 30 km length. This pipeline network shall comprise well fluid pipelines from well head to processing terminal and condensate inlet/outlet pipelines etc.

CIL seeks Expression of Interest (EOI) under International Competitive Bidding Process ("ICB") from reputed Linepipe Manufacturers/Suppliers for supply of LSAW & SMLS linepipes. The indicative requirements are as below:-

Category "A": Carbon Steel (CS) Longitudinal Seam Submerged Arc Welded (LSAW) Linepipes:-

- Type of Manufacture : LSAW
- Grade : API 5L Gr X65 PSL2
- Coatings : External 3LPE Coating (anti-corrosion)
Internal Epoxy Coating (flow assurance)
- Primary Pipe Specification : API 5L - Specification for Linepipes
The Project Specifications (for Linepipes, Internal & External Coatings) shall be issued during Tendering for procurement.
- Pipe Outside Diameter : 16" to 30"
- Nominal Wall Thickness : 10.3 mm to 19.1 mm
- Approx. Lengths : Trunkline : 24"/30" (200 km), In-field Lines : 16" to 20" (approx. 20.0 km)

Category "B": Carbon Steel (CS) Seamless (SMLS) Linepipes:-

- Type of Manufacture : Seamless
- Grade : API 5L Gr B to X65 PSL2
- Coatings : External 3LPE Coating (anti-corrosion)
- Primary Pipe Specification : API 5L - Specification for Linepipes
The Project Specifications (for Linepipes & External Coatings) shall be issued during Tendering for procurement.
- Pipe Outside Diameter : up to & including 12"
- Nominal Wall Thickness : 6.4 mm to 14.3 mm
- Approx. Lengths : up to 12" (approx. 10.0 km)

Only those Bidders who meet the "Specific Pre-Qualification Criteria" defined below shall respond to this EOI.

Bidders intending to participate in the pre-qualification for supply of LSAW & SMLS Pipes shall submit their separate proposals for evaluation under each category of (A) LSAW Pipes & (B) SMLS Pipes.

SPECIFIC PRE-QUALIFICATION CRITERIA for Category "A" (LSAW Pipes)

A.1 TECHNICAL

The Bidder responding to EoI shall be either a "**Linepipe Manufacturer**", or an "**Authorized Linepipe Supplier**" who has been authorized by the Linepipe Manufacturer to supply the linepipes.

A.1.1 Linepipe Manufacturer:-

- (i) The Bidder shall be a reputed manufacturer of linepipes as per API Spec 5L PSL2 and shall have a valid license to use API 5L monogram on linepipes with Product Specification Level (PSL2) quality for the proposed pipe mill.
- (ii) The Bidder shall have successfully manufactured and supplied from its proposed pipe mill at least one single order of 24"Ø (or above) x 150 km. length of LSAW linepipes, which are equal or higher in terms of Wall Thickness & Grade, as specified, meeting API 5L PSL2 requirements, in the last five years (5 years) reckoned from the due date of submission of current EOI proposal. Only completed orders shall be considered.
- (iii) The linepipe manufacturer shall have coating plant which shall have past experience in successful application of internal epoxy coating and external Three Layer Polyethylene (3LPE) coating on linepipes and shall meet the criteria stipulated below:
 - (a) *Internal Epoxy Coating:-* The coating plant proposed for internal epoxy coating on bare pipes shall have past experience of successful application of internal epoxy coating on linepipes of specified diameter or above and shall have coated at least 150 km of bare pipes in the last five years (5 years) reckoned from the due date of submission of current EOI proposal. Only completed orders shall be considered.
 - (b) *External 3LPE Coating:-* The coating plant proposed for external 3LPE coating on internal epoxy coated line pipes shall have past experience of successful application of 3LPE coating on linepipes of specified diameter or above and shall have coated at least 150 km of pipes in the last five years (5 years) reckoned from the due date of submission of current EOI proposal. Only completed orders shall be considered.
- (iv) In case the Linepipe manufacturer does not have a coating plant, then, the linepipe manufacturer shall engage a coating applicator as a sub-contractor (who meets the requirement stipulated in clause iii(a) and iii(b)) above subject to the following: :
 - (a) Both the linepipe manufacturer and the coating applicator shall demonstrate compliance to respective pre-qualification criteria stipulated in the EOI for manufacture & supply of linepipes and for application of coating as per their respective scope.
 - (b) Documentary evidence (Memorandum of Understanding on a notarized judicial stamp paper duly signed and stamped by legally authorized signatories of both entities) regarding proposed sub-contracting arrangement with coating applicator shall be furnished by the linepipe manufacturer.

No changes to the structure of the bidding entity deemed successful during the pre-qualification stage shall be entertained at the tendering / execution stage.

A.1.2 Authorized Linepipe Supplier:-

- (i) The Pipe Supplier participating in the EOI for supply of linepipes shall be an Authorized Pipe Supplier from the Line Pipe Manufacturer.
- (ii) The Authorized Pipe Supplier shall supply the specified line pipes from the line pipe manufacturer who meets the pre-qualification requirements specified under Para A.1.1 above complete with its sub-clauses.
- (iii) The Authorized Pipe Supplier shall furnish an "Authority Certificate" from the Linepipe Manufacturer, confirming the Pipe Supplier's status as their Authorized Supplier. The "Authority Certificate" shall be valid till successful delivery of the order. The "Authority Certificate" should be furnished on a notarized stamp paper duly signed and stamped by legally authorized signatories of both entities.

A.2 FINANCIAL:-

- A.2.1 The average turnover of the Bidder in the immediately preceding two financial years shall have been a minimum of US\$ One Hundred and Eight (108) Million.
- A.2.2 The Bidder shall have had a positive net worth of at least US\$ Eleven (11) Million in each of the immediately preceding two financial years. The Bidder shall not be under liquidation, court receivership or similar proceedings.
- A.2.3 The Bidder shall have a Liquidity Ratio not less than 0.75 in each of the immediately two preceding financial years.

SPECIFIC PRE-QUALIFICATION CRITERIA for Category "B" (SMLS Pipes)

B.1 TECHNICAL:-

The Bidder responding to EoI shall be either a "**Linepipe Manufacturer**", or an "**Authorized Linepipe Supplier**" who has been authorized by the Linepipe Manufacturer to supply the linepipes.

B.1.1 Linepipe Manufacturer:-

- (i) The Bidder shall be a reputed manufacturer of linepipes as per API Spec 5L PSL2 and shall have a valid license to use API 5L monogram on linepipes with Product Specification Level (PSL2) quality for the proposed pipe mill.
- (ii) The Bidder shall have successfully manufactured and supplied from its proposed pipe mill at least one single order of 12"Ø x 8.0 km. length of Seamless (SMLS) linepipes, which are equal or higher in terms of Wall Thickness & Grade, as specified, meeting API 5L PSL2 requirements. Only completed orders shall be considered.
- (iii) The linepipe manufacturer shall have coating plant which shall have past experience in successful application of external Three Layer Polyethylene (3LPE) coating on linepipes and shall meet the criteria stipulated below:
External 3LPE Coating:- The coating plant proposed for external 3LPE coating on linepipes shall have past experience of successful application of 3LPE coating on linepipes of specified diameter or above and shall have coated at least 8.0 km of linepipe. Only completed orders shall be considered.
- (iv) In case the Linepipe manufacturer does not have a coating plant, then, the linepipe manufacturer shall engage a coating applicator as a sub-contractor (who meets the requirement stipulated in clause (iii) above subject to the following:
- (a) Both the linepipe manufacturer and the coating applicator shall demonstrate compliance to respective pre-qualification criteria stipulated in the EOI for manufacture & supply of linepipes and for application of coating as per their respective scope.
- (b) Documentary evidence (Memorandum of Understanding on a notarized judicial stamp paper duly signed and stamped by legally authorized signatories of both entities) regarding proposed sub-contracting arrangement with coating applicator shall be furnished by the linepipe manufacturer.

B.1.2 Authorized Linepipe Supplier:-

- (i) The Pipe Supplier participating in the EOI for supply of linepipes shall be an Authorized Pipe Supplier from the Line Pipe Manufacturer.
- (ii) The Authorized Pipe Supplier shall supply the specified line pipes from the line pipe manufacturer who meets the pre-qualification requirements specified under Para B.1.1 above complete with its sub-clauses.
- (iii) The Authorized Pipe Supplier shall furnish an "Authority Certificate" from the Linepipe Manufacturer, confirming the Pipe Supplier's status as their Authorized Supplier. The "Authority Certificate" shall be valid till successful delivery of the order. The "Authority Certificate" should be furnished on a notarized stamp paper duly signed and stamped by legally authorized signatories of both entities.

B.2 FINANCIAL:-

- B.2.2 The average turnover of the Bidder in the immediately preceding two financial years shall have been a minimum of US\$ Four (4) Million.
- B.2.3 The Bidder shall have had a positive net worth of at least US\$ Four Hundred Thousand (400000) in each of the immediately preceding two financial years. The Bidder shall not be under liquidation, court receivership or similar proceedings.
- B.2.4 The Bidder shall have a Liquidity Ratio not less than 0.75 in each of the immediately two preceding financial years.

Documents to be furnished in the Proposal for Pre-Qualification

Bidders seeking pre-qualification for aforementioned works are requested to submit the following documents and details as a minimum, separately for Category "A" and Category "B" for evaluation by Company (**Bidders seeking pre-qualification for both Categories shall only need to furnish separate documents for details sought vide paragraphs 1, 2 & 3 below**):

- 1 Letter of interest for supply of linepipes as specified above.
- 2 Identification of supplies/orders meeting the pre-qualification requirement specified in the EOI.
- 3 The details of supplies of linepipes meeting the pre-qualification criteria from proposed pipe mill to establish track record in last 5 years. The past experience shall be tabulated with following information as a minimum:-
 - S. No.
 - Month/Year of Award
 - Month/Year of completion of delivery
 - Contract Value
 - Name of the Project
 - Client/Purchaser of linepipes
 - Diameter/Length/Wall Thickness/Grade/Type of the Linepipe supplied
 - Type of Coating (internal/external)The past experience table shall be supported with Letter of Award & Completion Certificates.
- 4 Copy of Valid License to use API Monogram.
- 5 Detailed description of manufacturing/testing facilities along with established Quality Control System with valid Accreditation Certificates, Linepipe tracking system, availability of adequate number/capacity of manufacturing/testing resources.
- 6 Contractor's adherence to legal statutory requirement.
- 7 Health, Safety and Environment (HSE) policies, implementation procedures implemented, in line with Internationally Accepted practices and statistics covering the last three (3) years.
- 8 Financial documents (Audited balance sheets, Profit and Loss statements etc.) for last 2 years.
- 9 Proposed Pipe mill and coating plant. (Location, Capacity, past experience, layout etc.).
- 10 Proposed Steel mill (Location, Capacity, past experience, layout etc.). The steel mill(s) proposed for the current proposal shall be furnished for information; however, final selection of steel mill shall be subject to approval from Company during tendering.
- 11 Notarized Memorandum of Understanding on judicial stamp paper with coating applicator, Split of Scope etc. as applicable.
- 12 Valid Certificate from Linepipe manufacturer demonstrating Authorization of Supplier.
- 13 Copies of valid ISO certifications for ISO 9001, ISO 14001, BS OHSAS 18001 etc.
- 14 Any other Documents supporting the pre-qualification of the bidder/bidders eligibility.

No changes to the structure of the bidding entity deemed successful during the pre-qualification stage shall be entertained at the tendering / execution stage.

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 India website 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). The Bidders would be requested, as a minimum, to submit the above documents and details for prequalification via Smart Source within Twenty One (21) days of publication of Expression of Interest.