

GLOBAL EXPRESSION OF INTEREST FOR IMPLEMENTATION OF INTEGRATED OPERATIONS CENTER IN RJ OIL (MANGALA, BHAGYAM & AISHWARYA FIELDS)

Cairn Oil and Gas, Vedanta Ltd., is India's the largest private oil and gas exploration and production company in India, accounting for more than a quarter of India's domestic crude oil production. Cairn Oil and 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 and 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 and 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.

Cairn Oil & Gas on behalf of itself and its Joint Venture (JV) partners issues this EOI for the establishment of Integrated Operations Center to integrate key functions (Exploration, Appraisal, Drilling & Field Development, Production & Ops and Support) with focus on Digital enablement in Barmer, Rajasthan.

Brief History of Field

Cairn Oil & Gas has its operations in Barmer District of Rajasthan. Its operating locations are spread all over the area of approx. 300 square kilometers. Area is located in outskirts and fields of Barmer are away from town. Cairn Oil & Gas has its plants, Well pad, offices and other fixed infrastructures spread over RJON operating area. New Site locations keep on adding in vicinity of existing locations. There are 3 major oil fields named MBA (Mangala, Bhagyam and Aishwarya) and multiple satellite fields that are spread across the RJON field.

IOC is a proven milestone in the digitalization & integration journey of major Oil & Gas players to achieve higher production, reduction in downtime, decrease in Capex & Opex and improved HSSEQ metrics. Cairn Oil and Gas aims to achieve integration of:

1. People & Groups
2. Functions & Disciplines
3. Work processes and
4. Information Technology

Brief Scope of Work

Cairn Oil and Gas intends to implement an Integrated Center to fast track Rajasthan Oil Projects, Exploration & appraisal activities, drive improved production and collaboration in Barmer through advanced digital technologies to drive volume and cost.

To achieve these objectives, Cairn Oil and Gas invites global **Oil & Gas Service companies and/or consortiums/ Digital oilfield service providers / Project management and execution partners / Consulting service providers**, to express their interest for pre-qualification to participate in the International Competitive Bidding (ICB) Process. Interested companies/consortiums would need to demonstrate strong and integrated development capabilities as well as previous experience of executing similar projects successfully.

The EOI Pre-Qualification is called for the below activities:

- Detailed design and roadmap for an Digital Integrated Operations Center (IOC).
- Implementing own technology solutions / in collaboration with other partners / OEMs / service providers / technology provider, selected by Cairn Oil & Gas, to set-up the Digital Integrated Center.
- Map transition of existing to future process workflows in Cairn. Chart out Roles & Responsibilities and renewed protocols (SOP) in the center.

- Integration of existing key digital initiatives to a common data backend in the Digital Integrated Center inclusive of production databases and digital modules like APM, Predictive Maintenance
- Oversee operations, ensure adoption of solutions and support center.

Note: Active prioritization of the modules to be done with Cairn team for phase-wise implementation approach prior to finalization.

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 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 Cairn Oil and Gas.

Specific Pre-Qualification Criteria

1. Financial Pre-Qualification:

- I. Turnover in each of the immediately preceding two financial years should be equal to or more than the estimated average annual contract value
- II. Positive net worth in each of the immediately preceding two financial years
- III. Liquidity ratio shall not be less than 1 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.

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.
- 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.

2. Technical Pre-Qualification

The bidder or consortium must have at least 3 years of experience in Consulting / Implementation experience in Digital Solutions for Oil & Gas (Implementation of Digital Integrated Centers for Upstream Oil & Gas firms across various functions including but not limited to operating model transformation & digital solution deployment in Exploration, Appraisal, Drilling & Field Development, Production & Ops and Support functions with focus on Digital enablement).

For the above capabilities, please separately submit details of completed / on-going in last 3 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.

ANNEXURE 1-

Provide case study for an integrated project completed / on-going from the last 3 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's or CONSORTIUM MEMBER's role & responsibilities in the project
- g) Project start & completion date
- h) Project Value in INR/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 (e.g. Improvement in Production, Time to First Oil, etc.)
- l) Other remarks (e.g. contractual details, partnerships, sub-contractors, etc.)
- m) Technical/Managerial capabilities deployed
- n) Local base for support/service etc.

3. Quality, Health, Safety and Environment (QHSE) Requirement:

APPLICANT (Bidder/all members of the consortium) must have a comprehensive Quality, Health, Safety and Environmental Management system in place.

- APPLICANTS will submit the following documents related to QHSE during the Bid:
 - a) QHSE Management System/ QHSE Policy, QHSE Manuals and Procedures
 - b) LTI statistics for past 3 years
 - c) Valid Quality and HSE certifications (ISO, OSHAS, etc.)
 - d) Proven Track Record of catering similar scope of supply/ services to reputed organizations for last 3 years.

4. 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. Technical capability details as listed in Annexure-1.
4. Financial performance documents as listed in the financial Pre-qualification mentioned above.
5. HSE performance documents of the bidder/all members of the consortium as listed above.
6. Detailed company information with organizational structure, list of manpower with CVs of key personnel, capital equipment, India support base.
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. Specific execution strategy outlining engineering, procurement, and projects controls construction and commissioning functions along with geographical locations for each function
9. List of current contracts under execution with value of contracts and percentage completion
10. Experience of working in onshore locations
11. Support base in India/ Asia for future service requirements
12. Details of Technical /Managerial resources that will be allocated to this project (name, designation, experience, office location etc.)
13. List of proprietary / patented technologies in Oil & Gas domain developed and implemented
14. List of litigations in last 5 years, if any.
15. Declaration specifying that the APPLICANT is not under liquidation, court receivership or other similar proceedings
16. Any other documents in support of APPLICANT's credentials and experience and expertise, relevant to Cairn Oil and Gas 's opportunity areas

The interested suppliers 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 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 EoI within 10 days of publication of Expression of Interest.
