



CAIRN INDIA LIMITED

Incorporated in Mumbai, India – (U11101MH2006PLC163934)

(INTERNATIONAL COMPETITIVE BIDDING)

GLOBAL EXPRESSION OF INTEREST (EOI) FOR IMPLEMENTING A WATER PROJECT THROUGH REVERSE OSMOSIS (RO) UNITS IN PARTNERSHIP WITH CAIRN INDIA LTD AND PHED, GOVT OF RAJASTHAN IN BARMER DISTRICT, RAJASTHAN

Cairn India Ltd (“CIL”) is the Operator of the Onshore RJ-ON-90/1 block, located in Barmer district, in the state of Rajasthan, India. The Block contains number of major oil discoveries, including the Mangala, Bhagyam and Aishwariya Fields and various other discoveries which would be developed over a period of time.

The ‘Expression of Interest’ is sought for a CSR (Corporate Social Responsibility) project to provide safe drinking water in the Barmer district.

Background/ Brief Project Scope

Barmer district has acute shortage of quality drinking water. There is very litter surface water source. The underground water, although available in abundance in deep aquifer, is unsafe for drinking (highly saline TDS > 3000 with high fluoride content). There are several prevalent water borne diseases that impacts the quality of life. Our intervention will be to support government on desalination to make this underground water safe for drinking and ensuring delivery of the safe drinking water to household.

The initiative will involve setting up of 300-350 small scale Reverse Osmosis (RO) plants (1000 to 3000 lph capacity) over the next 3 years to provide safe drinking water to a large number of people (estimated in excess of 1 million) living in ~800 villages.

CIL is seeking interest from credible organizations to partner in providing end-to-end solution a) Installation of plant based on the ground conditions b) Operation and maintenance during the life of the plant (7 years) and c) demand creation, awareness generation and distributing water to the nearby villages through truck or other mechanism. Given that it is CSR project, our endeavor is that local community is actively involved and they take ownership in the operation of plant and distribution of water.

- **Establishing 300-340 Reverse Osmosis (RO) plants** in the Barmer district (where feasibly powered by solar power). The tentative plan includes three types of plants:
 - o Community scale RO plants for a cluster of nearby villages. Capacity will be between 500 to 3000 lph dependent on the population of the area.
 - o Pilot 2 mid-size RO plant (0.5 MLD) to supply water through government distribution pipes.
 - o All plants should have the ATM based water dispensation unit
 - o All plants should have real time remote monitoring mechanism to register consumers, monitor water quantity and quality.
- **O&M for a multiple-year period** including appointment and training of operators, maintenance and cleaning of the complete RO plant setup, replacement of membranes/ parts etc.
 - o Private player(s) to establish its regional office, on-the-ground team and technical support team for the initiative in Barmer
- **Demand creation** through awareness creation and marketing activity. This will be extremely important to ensure off take of water from the plants
- **Local logistics** of transporting the water from the RO plants to the cluster of villages as required. The Private player will need to arrange for the transportation infrastructure (truck/ van; jerry cans etc). Hub and spoke model is recommended where hub village has RO plant and spoke village has storage tank and kiosks for dispensation which is replenished through truck transportation.
- **Disposal of reject water** through mechanism agreed upon with Cairn

Operating Model/ Financial Support: Water will be dispensed on nominal charge basis to cover for the operating cost (25 paise / liter). Cairn will fund the capex and the opex to be supported by this charge. Cairn will provide a fixed amount of viability-gap funding for opex during the limited initial period. Beyond that any profits accrue to the partner. For this, the private player is expected to ensure good utilization of the plants through sufficient demand generation, efficient operations etc

The ownership of the plant will be transferred to the government from CIL, while the operating partner continue to operate and maintain for 7 years.

Specific Pre-Qualification Criteria:-

Only those Companies meeting the following criteria as a minimum should respond to the EOI. This will be a Go/No Go Criteria.

1. Annual Turnover in each of the immediately preceding two financial years should be equal to or more than INR 20 Crore.
2. Positive net worth in each of the immediately preceding two financial years.

3. Should have executed orders of at least 50 RO plants minimum 250 LPH during last three financial years OR Should have experience of supply, installation, operations, and maintenance of 50 RO of minimum 250 LPH plants in last three financial years.
4. Liquidity ratio in each of the preceding two financial years shall not be less than 0.60

Additional Details towards Scope of Work (SoW)

- Private player(s) will be responsible for timely and successful installation and successful operations and maintenance of the RO plants and water dispensing units for the specified duration. The source water and power connection will be supplied by the Govt. as applicable. Creating structure for putting RO plant, all electrical accessories and pump is responsibility of private player(s).
- Private player(s) will conduct technical feasibility studies for each location to determine the exact plant specifications as required
- Private player(s) will co-ordinate with local Panchayat (wherever required) or Govt. to ensure land, water and electricity connection is available at each location
- Private player(s) will prepare a detailed work plan for plant setup, with month-wise plant launch dates and exact distribution mechanism for each plant
- Plan will include detailed operating model for each plant – operated by operator/ entrepreneur, exact distribution mechanism, community coordinators responsible for awareness generation and communication activities and demand creation
- Private player(s) will be responsible for designing robust awareness generation and communication activities and may explore seeking professional help for design of such promotional materials/ collateral and leverage other mediums to create awareness. Further, it will ensure that such activities are initiated before installation of RO plants commence in every village (part of the initiative) to create sufficient awareness and demand among the community by the time the RO plant is actually installed
- Private player(s) will contract local vendors for branding, civil work and any other miscellaneous work at each location

- Private player(s) will align on the work plan with Cairn and get Cairn's approval
- Private player(s) will work closely with Govt. to initiate planning, creation and roll out of IEC activities in all villages
- Private player(s) will appoint local operators or local entrepreneurs to run the day-to-day plant operations for each location
- Private player(s) will be responsible for training and on-boarding of the operators/ entrepreneurs
- Private player(s) will be responsible for the quality of water dispensed and will conduct regular tests (one test per month for each plant and one quality audit every quarter).
- Private player(s) will submit regular reports of monthly and quarterly operations progress to the state and local level steering committees and attend these meetings
- Private player(s) should provide the real time remote monitoring mechanism and central portal to see the status of all plants.
- Water Fee: Private player(s) will be responsible for collecting the fee to be charged from community through pre-paid card.
- Disposal of Reject Water:- The methodologies for disposal of reject water generates during purification plant operations shall be deliberated with the village level water committees under technical guidance and supervision of PHED and a suitable mechanism shall be decided based upon the local context.
- Review mechanism: The initiative will be reviewed regularly through steering committee meetings setup at the state and local level with CIL and Govt. representative.

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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 India website **<http://www.cairnindia.com>** and submit their contact details online. Further to this, interested suppliers 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 23 days till 31st May 2015 f publication of Expression of Interest.