EXPRESSION OF INTEREST (EoI) FOR PROVISION OF INTEGRATED OPERATION AND MAINTENANCE SERVICES OF PIPELINE AT GUJARAT AND RAJASTHAN, INDIA

Cairn Oil and Gas, a vertical of Vedanta Limited is the Operator on behalf of itself and Joint Venture (JV) partner Oil & Natural Gas Corporation (ONGC) Ltd., of the onshore block RJ-ON-90/1 (the “Block”) located in Barmer and Jalore district, in the state of Rajasthan, India. The Block contains a number of major oil discoveries including the Mangala, Bhagyam & Aishwariya fields.

It operates ~700km long continuously heated crude oil pipeline for transporting crude oil produced at its Mangala processing terminal in Barmer, Rajasthan to various customers in Gujarat and coastal refineries and 8” natural gas pipeline from Raageshwari terminal runs parallel to this pipeline for running equipment installed in AGIs and Terminals. There are 39 Above Ground Installations (AGIs) located 18 to 20 KM apart for heating the pipeline and sales delivery points at Reliance and Nayara refinery Jamnagar. Along the Pipeline there are O&M base locations at Barmer, Sanchor, Radhanpur, Viramgam, Rajkot, Jamnagar and Bhogat.

The operator on behalf of its joint venture partners invites reputed Contractors with proven track record and demonstrated HSE performance to express their interest to participate in National Competitive Bidding Process for provisioning of “PROVISION OF INTEGRATED OPERATION AND MAINTENANCE SERVICES OF PIPELINE & TERMINALS AT GUJARAT AND RAJASTHAN, INDIA”

Scope of Work broadly includes (but not limited to) the following:

A. Operations and maintenance of continuously heated 24” Crude oil pipeline and 8” Gas pipeline including associated facilities/ equipment/ systems with highest levels of HSSEQ, availability, reliability, asset integrity and emergency response.
B. Ensure continuous evacuation of crude/ gas with nil impact on sales/ production/ upstream operations
C. Provisioning all required resources/ services for ensuring the above

Interested companies meeting following criteria only should respond to this EoI:

1. Turnover in each of the immediately preceding two financial years should be equal to or more than the estimated average annual contract value.
2. Positive net worth in each of the immediately preceding two financial years.
3. Liquidity ratio shall not be less than 1 in each of the preceding Two (02) financial years.
4. Contractor shall have a minimum of 03 years (in preceding 05 years) experience in end to end operation and maintenance of oil, gas and other petroleum product pipelines (>100km) and its associated facilities.

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

1. Letter of interest clearly indicating the project reference and detailed company organizational structure / information.
2. Details of similar experience in operation and maintenance of pipeline & associated facilities or similar nature of work in oil and gas industries, which is executed in the last 5 years and those of currently under execution along with details of total executed contract cost. Details of completion of similar type of contract in the last 5 years under heading:
   a) Brief scope of work b) Value of work in INR/USD c) Contractual Duration d) Actual completion of contracts, e) Clients name f) Contact details of the Client (Operator may approach the client directly for the feedback) g) HSE statistics, LTI graph etc.
3. Completion certificate/ Occupancy certificate along with copy of work order/ contracts details (stating scope of work, contract value, commencement date, completion date, and location of work) must also be provided.
4. Detailed contract planning and execution methodology.
5. Details of Key Members who shall be involved in the contract execution including their experience levels.
6. Details of Equipment owned by the company and relevant to execution of advertised contract. Quality assurance & quality control practices currently in place for the execution of similar work.
7. Details of Particular experience of providing similar services in different geographically scattered remote location area in cross country pipeline.
8. List of policies, procedures, emergency management system and quality assurance practices currently in place for the execution of similar work.
10. Statutory Compliance Management System with supporting documentation demonstrating compliance to all applicable rules and regulations in operating of pipeline as per Factories Act and all other applicable state and central governments rules and regulation.

❖ Company’s financial performance documents (Audited Balance sheets and Profit and Loss statements, Auditors Report and Notes to Accounts etc.) for last 2 (two) years. Latest financial statement should not be older than 12 months on the date of submission of response to 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 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.

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. 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.

iv. 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

The interested contractors should evince interest to participate in an ‘Open Tender’ by clicking on the “Evince Interest” link for the corresponding EoI listing on the Cairn Website i.e. http://www.cairnindia.com and submit their contact details online within Fourteen (14) days of this publication. Further to this, interested contractors would be invited to submit their techno-commercial bids (Unpriced and Priced) for evaluation and qualification via Smart Source (Cairn’s e Sourcing Platform).