

ELIGIBILITY CRITERIA FOR QUALIFICATION OF EPC CONTRACTORS FOR LNG TERMINAL AT GANGAVARAM, VISAKHAPATNAM, ANDHRA PRADESH (INDIA)

Petronet LNG Limited intends to undertake International Competitive Bidding (ICB) process for qualification of bidders for lump-sum EPC contracts to set up LNG terminal of capacity 10 MMTPA with initial installed capacity of 5 MMTPA at Gangavaram, Andhra Pradesh, India for the following packages:

- A. LNG Storage Facilities**
- B. Regasification Facilities**
- C. Marine Facilities**

THE OBJECTIVE OF THE QUALIFICATION CRITERIA

The objective of the qualification process is to shortlist Bidders, who have the requisite experience and the financial strength to execute the Project.

Eligibility Criteria

A. Storage Tanks

1. The Bidder should have successfully completed EPC contract of LNG Storage tank(s) of minimum capacity of 120,000 cubic meters, during the last 10 years and out of which at least one should be operating satisfactorily. The Bidder, for the above, shall have carried, on its own, design, engineering, procurement, construction, commissioning and project management.
2. The Bidder should have successfully executed contract for construction work in India in Hydrocarbon sector in the area of Refineries /Petrochemicals/Natural Gas processing / Fertilizers / LNG regasification terminal of value not less than INR 100 Crores for a single project in last 5 years.
3. In case the Bidder does not possess this criteria 2 above on its own, it may form a consortium to include another company meeting this criteria.
4. In case the Bidder forms a Consortium to meet the criteria 2 above the leader of consortium should meet the criteria 1 above and shall carry out design, engineering, procurement, project management and commissioning of the entire facility.

5. The Bidder or Leader, as the case may be, must have an “Investment Grade” rating from an internationally reputed credit rating agency as on the date of Bidding against the RFQ. (For the purpose of this clause, “Investment Grade” rating shall mean a rating equal to or higher than “BBB” (of S&P) or Baa3 (of Moody’s) or any equivalent grade for long term debt instruments)

Or

The Bidder or Leader as the case may be, must satisfy each of the following financial requirements, as per their latest audited balance sheets (not earlier than March, 2012):

- a) Turnover – atleast USD 250 Million each year for the last three financial years
- b) Networth in latest financial year should be positive
- c) Debt to equity ratio – should be less than 3.0

In case the Bidder or Leader, as the case may be, does not meet the criteria set out above, such Bidder or Leader as the case may be, can provide the strength of its parent company for the purpose of evaluation provided that the parent company provides a Letter of Commitment.

6. No liquidation, court receivership or other similar proceedings should have been initiated or pending against the Bidder or Leader.

B: Regasification Facilities

1. The Bidder should have successfully completed EPC contract for LNG regasification terminal of minimum capacity of 2.5 MMTPA during the last 10 years and out of which at least one should be operating satisfactorily. The Bidder’s Scope of Work for such a Contract shall, as a minimum, include LNG Unloading Arms, High pressure LNG send out pumps, Boil of Gas compressors,

LNG vaporizers, metering station, and utilities & fire fighting facilities. The Bidder, for the above, shall have carried, on its own, design, engineering, procurement, construction, commissioning and project management.

2. The Bidder should have successfully executed contract for construction work in India, in Hydrocarbon sector, in the area of Refineries/Petrochemicals/Natural Gas processing/Fertilizers/LNG regasification terminal of value not less than INR 100 Crores for a single project in last 5 years.
3. In case the Bidder does not possess the criteria 2 above on its own, it may form a consortium to include another company meeting this criteria.
4. In case the Bidder forms a Consortium to meet the criteria 2 above the leader of consortium should meet the criteria 1 above and shall carry out design, engineering, procurement, project management and commissioning of the entire facility.
5. The Bidder or Leader, as the case may be, must have an "Investment Grade" rating from an internationally reputed credit rating agency as on the date of Bidding against the RFQ. (For the purpose of this clause, "Investment Grade" rating shall mean a rating equal to or higher than "BBB" (of S&P) or Baa3 (of Moody's) or any equivalent grade for long term debt instruments)

Or

The Bidder or Leader as the case may be, must satisfy each of the following financial requirements, as per their latest audited balance sheets (not earlier than March, 2012):

- a) Turnover – atleast USD 250 Million each year for the last three financial years
- b) Networth in latest financial year should be positive
- c) Debt to equity ratio – should be less than 3.0

In case the Bidder or Leader, as the case may be, does not meet the criteria set out above, such Bidder or Leader as the case may be, can provide the strength of its parent company for the purpose of evaluation provided that the parent company provides a Letter of Commitment.

6. No liquidation, court receivership or other similar proceedings should have been initiated or pending against the Bidder or Leader.

C: Marine Facilities

1. The Bidder should have successfully completed EPC Contract of Marine Facilities for hydrocarbon product in last 15 years and out of which atleast one should be operating satisfactorily. The experience should include a hydrocarbon jetty handling vessels exceeding 250 metre LOA , which should be in operation and dredging in sea water depths over 10 meters. The Bidder, for the above, shall have carried, on its own, design, engineering, procurement, construction, commissioning and project management.
2. In case the Bidder does not possess the experience / competency with respect to design of jetty facilities and /or dredging as per 1 above, the Bidder may rely upon on the experience / competency of associate (s)/ sub-contractor(s) / consultant (s) under a binding arrangement, provided that such associate(s) / sub-contractor(s)/ consultant (s) possesses relevant experience / competency.
3. The Bidder should have successfully executed construction work in India, in an infrastructure project of a value not less than INR 100 Crores for a single project in last 5 years. In case the Bidder does not possess this experience on its own, it may choose a Consortium Partner having such experience.
4. In case Bidder forms a Bidding Consortium to meet the criteria 3 above, the Consortium Partner(s) meeting the criteria 1 above shall be responsible for design, engineering, procurement, project management and commissioning of the entire facility
5. In case Bidder is a Bidding Consortium, the Leader shall bear the overall responsibility for the execution of the Marine Facilities, with the Consortium Members being jointly and severally liable for the performance of all the obligations under the Contract.

6. The Bidder or Leader, as the case may be, must have an “Investment Grade” rating from an internationally reputed credit rating agency as on the date of Bidding against the RFQ. (For the purpose of this clause, “Investment Grade” rating shall mean a rating equal to or higher than “BBB” (of S&P) or Baa3 (of Moody’s) or any equivalent grade for long term debt instruments)

Or

The Bidder or Leader as the case may be, must satisfy each of the following financial requirements, as per their latest audited balance sheets (not earlier than March, 2012):

- a) Turnover – atleast USD 80 Million each year for the last three financial years
- b) Networth in latest financial year should be positive
- c) Debt to equity ratio – should be less than 3.0

In case the Bidder or Leader, as the case may be, does not meet the criteria set out above, such Bidder or Leader as the case may be, can provide the strength of its parent company for the purpose of evaluation provided that the parent company provides a Letter of Commitment.

7. No liquidation, court receivership or other similar proceedings should have been initiated or pending against the Bidder or Leader.