

**Criteria for Empanelment of Parties with Indian Oil for
Supply of Liquefied Natural Gas (LNG) on
Spot / Short Term basis**

Indian Oil Corporation Limited (IOCL), the transnational energy company, having its Registered Office at Indian Oil Bhawan, G-9, Ali Yavar Jung Marg, Bandra East, Mumbai- 400 051, intends to invite applications from the parties involved in Natural Gas or Liquefied Natural Gas (LNG) business to empanel with IOCL for supply of LNG on Spot / Short Term basis at Dahej/Ennore/Kochi or any other LNG Terminal in India on execution of Master Sale & Purchase Agreement (MSPA).

IOCL intends to purchase numerous LNG cargoes on Spot / Short Term basis. IOCL's preferred mode of purchase of these cargoes would be through short-notice tenders. Such tenders would be invited only from those parties who have signed the MSPA with IOCL.

IOCL may sign MSPA with the parties meeting following financial, technical and references eligibility criteria:

Financial Criteria:

Applicant should have positive Net Worth and a Net Profit of at least USD one (1) million in each of the last three financial years (Certified copies of the last three Annual Reports and the audited Annual Financial Statements to be submitted).

Applicant shall provide Volumes of physical trade (MMBTU/ MMSCM/ CBM/ MT) for LNG of last three years. Applicants except National Oil & Gas Companies (NOGCs) have to mandatorily provide certificate from an international audit firm (which is also having an office in India) engaged in audit of financial statements for the volume of Physical trade for LNG (MMBtu/ MMSCM/ CBM/ MT) for each of last three financial years.

The certificate should state that the volumes transacted does not include paper transactions and intra group company / subsidiary transactions.

Technical Criteria:

The applicant should meet at least one of the following criteria-

- A. The applicant would be considered for empanelment and MSPA may be entered with the applicant if they have a minimum cumulative volume of 0.5 MMTPA from one or more projects / liquefaction plants and fulfil any of the below mentioned 3 (three) criteria in respect of above mentioned minimum cumulative volume of 0.5 MMTPA:

- (i) A Producer / Supplier of LNG for at least last three (3) years and is continuing in the business

Or

- (ii) Has the marketing rights or have authorization to sell full or part of the LNG for next three (3) years and minimum one (1) previous year of supply experience against the marketing rights or authorisation from the project / liquefaction terminal.

Or

- (iii) Has a Sale and Purchase Agreement (SPA) with LNG Producers or Suppliers in one or more Liquefaction Plants / Projects having valid SPA for next three (3) years and minimum one (1) previous year of supply experience against the SPA.

Any combinations of the above three criteria (i, ii & iii) so as to achieve the cumulative volume of 0.5 MMTPA shall not be acceptable. All reference dates would be taken from the date of empanelment application. The applicant to submit necessary and relevant documents to prove their credentials.

Or

- B. MSPA may be entered with an applicant which has traded at least two (2) LNG cargoes of capacity more than or equal to 75,000 cubic meter each on Spot / Short-Term / Long-Term basis during last one year from the date of receipt of applicant's application for empanelment with IOCL.

Or

- C. MSPA may be entered with an applicant having controlling rights / ownership of Re-gasification Terminal(s) in India.

“Controlling rights” shall mean ownership of at least fifty one percent of the voting power in an entity which is the owner of the Re-gasification terminal

“Ownership” shall be construed to mean direct ownership of the Re-gasification terminal as reflected in its books of accounts.

Note:

- 1) The Applicant should be an incorporated company. Sole proprietor firm, Limited Liability Partnership (LLP), Joint Venture (JV), Consortiums are not eligible for empanelment.
- 2) If the applicant is a Wholly Owned Subsidiary which does not meet the financial criteria on its own, the financial capabilities of the parent company may be considered for the purpose of meeting the eligibility criteria. However, in such cases the parent company has to provide “Parent Company Guarantee(PCG)” for

honouring the commitments made by the WoS. Supplier to provide PCG / Bid Bond, if required, at later stage as per policy of IndianOil.

In addition to certified copies of the last three Annual Reports and the audited Annual Financial Statements, for criteria stated at Sl. No. (A) (i) to (iii) and (C) any suitable document establishing such credentials would need to be submitted. For the criterion at Sl. No. (B), purchase reference document like Bill of Lading, invoices etc for having supplied 2 cargoes of specified volume would need to be submitted.

References (Bank and Trade):

A. Bank References:

Applicant (except National Oil & Gas Companies) to furnish the references from minimum two different banks stating the name of bank, dealing officials, contact details (Phone & official e-mail id's) and addresses. Applicant shall give its consent to IndianOil for making enquiry from such banks during empanelment procedure. IndianOil would make enquiry to the concerned bank. Bank should directly submit the feedback to IndianOil and not through the Applicant.

B. Trade References:

Applicant (except National Oil & Gas Companies) to furnish the references from minimum six LNG companies (supplier / customer preferably Indian LNG companies, if any) excluding same group companies having LNG trade relationship during last three years. References will include the name of the parties, dealing officials, contact details (Phone / official e-mail id's) and addresses. Such trading partner name should not be of sister concerns, subsidiaries or related party. Applicant shall also give its consent to IOC for making enquiry from such parties during empanelment procedure.

Bid Bond requirement

Applicant who has supplied three (3) cargo(es) of LNG or any petroleum products (including LPG) and / or petroleum crude to any of the Public Sector Unit Oil & Gas company like BPCL, HPCL, ONGC, GAIL, GSPC, GSPC LNG Limited, IndianOil Corporation Limited or any other Government Company or its subsidiary and Petronet LNG Limited (PLL) in India till date shall not be required to provide the Bid Bond. If the above requirement is not met by applicant, the applicant has to give its consent to abide by Bid Bond policy of IndianOil. At present as per policy of IndianOil, minimum Bid Bond value to be submitted by applicant is five (5%) percent of the Deemed cargo Quantity multiplied by the Bid Price with validity till 30 Business Days from the Delivery Window of supply of LNG cargo. Bid bond shall be required to be furnished before submission of Bid by the Supplier.

Bid Bond shall not be applicable for National Oil & Gas companies.

Validity of the application Form

Application submitted shall be valid for one (1) year from the date of empanelment application. In case, the applicant does not / is not able to submit the requisite information / documents requested by IndianOil within one year from the date of empanelment application then the applicant would be required to submit fresh application again for the empanelment after completion of one year period.

Validity of the empanelment

Applicants are hereby informed that the empanelment of the parties shall be valid for a period of two years from the empanelment date and empanelled parties will be subject to a periodic review after every two years or as per the policy of IndianOil. Applicant will be required to submit the documents / application as requested by IndianOil during the biennial review as per policy of IndianOil.

Parties meeting above criteria and desirous of entering into MSPA with IOCL may submit their application along with the attested documentary proofs to establish their credentials for meeting the above eligibility criteria.

Documents to be submitted (Duly signed by authorized signatory & stamped)

A. Applicant other than National Oil & Gas Companies (NOGC)

- i. Application form complete in all respects, stamped and signed on each page by authorised signatory (Power of Attorney (PoA) Document for Authorised signatory to be also submitted).
- ii. Certificate of Incorporation / Applicable document in the place of registration of the applicant.
- iii. Audit Certificate for LNG Physical Trade for last 3 years.
- iv. Bank References & Trade References.
- v. Audited Financial Statements of the applicant for last 3 years or consolidated group financial statement, in case Standalone Financial Statements are not available**.
- vi. Confirmation of submission of Bid Bond & PCG, if applicable.
- vii. Certificate regarding authorized sources of supply of LNG
- viii. Documents in support of Technical Criteria
- ix. Articles of Association / Memorandum of Association of the Company
- x. Document pertaining to applicant's Shareholding structure
- xi. Bid bond Supporting document
- xii. Any other documents supporting the credentials of the company.
- xiii. Any alternate equivalent document to the above acceptable to IOCL.

** In case, a party is empanelled based on Group Consolidated Financial Statements or Parent Company Financial Statements then during biennial review, shall also be done on similar Financial documents, only.

Applicant may note that, if any of the applicable document is in local language of the country where the party is registered, then the English translation of the same, issued by a third party translator to be submitted and a self-declaration from the authorized signatory of the party in respect of the correctness of the translated document to be submitted.

B. Documents to be submitted by National Oil & Gas Companies (NOGCs)

- i. Certificate of Incorporation / Applicable Document in the place of registration of the applicant,
- ii. Request letter for empanelment from Authorized Signatory,
- iii. Document in support of Authorized Signatory and
- iv. Documentary Evidence establishing the claim of applicant being a NOGC.

Definition of National Oil & Gas Companies (NOGC)

NOGC is defined as a company engaged in the business of Oil and /or Gas and /or Hydrocarbons and having more than 50% controlling stake directly or indirectly of the Government of the Country and shall be treated as a National Oil and Gas Company (NOGC).

Subsidiaries and Step-down subsidiaries of NOGCs shall be treated at par with the respective NOGCs.

- a. An entity shall be treated as a subsidiary company wherein the company (NOGC) holds more than 50% equity (directly or indirectly) or composition of Board of Directors is controlled by NOGC through powers to appoint the majority of Directors.
- b. An entity shall be treated as a step-down subsidiary of NOGC if it is 100% owned by the immediate subsidiary of the NOGC.

For applying through e-mail, scan copy of duly signed application and documents may be submitted to email ids LNGimports@indianoil.in, sanjivs@indianoil.in and tiwariv@indianoil.in and should also be delivered in original hard copy by courier / post at following address:

**EXECUTIVE DIRECTOR (GAS), INDIAN OIL CORPORATION LIMITED,
CORPORATE OFFICE, BUSINESS DEVELOPMENT- GAS, CORE- 2, 7th FLOOR,
SCOPE COMPLEX, LODHI ROAD, NEW DELHI 110 003, INDIA.**

For any clarifications, LNG Supplier may contact IOCL at phone no. **+91-11-24364648**

Kindly note that we deal on principal-to-principal basis with the parties and not through any intermediary. Kindly also note that all data received either from you or your trade / bank references would be treated in strict confidence and would be used only for the purpose of empanelment as LNG Supplier. It is also requested that the data / documents sought may kindly be provided as per seriatim. We wish to inform that the request for empanelment with IOCL shall be considered, only on receipt of full data including audited financial statements / annual reports. Kindly also note that the decision of IOCL shall be final and binding upon the parties with regard to empanelment.
