



GAIL has entered into an agreement for purchase of 3.5 MMTPA of LNG from Sabine Pass Liquefaction, LLC, US on FOB basis for 20-year period with supplies expected to commence from Q1'2018.

In this connection, GAIL is in process of identifying the potential counterparties who have the credentials and interested in such LNG Transportation Optimization exercise so that they can be approached formally for submitting the binding offers for five-Year Transportation Optimization. It may be appreciated that such exercise of LNG Transportation Optimization over long period of time has not only cost benefits but also environmental benefits as it may result into saving of precious fuel, however, it involves certain challenges. To address those challenges, both the parties should have the proven financial strength as well as strong LNG experience, particularly in trading and shipping. Keeping the same in view, qualification criteria has been formulated to identify the reliable potential counterparties, who can address the challenges involved in such Transportation Optimization and with whom the discussions can be taken further on LNG Transportation Optimization for five Year duration. Should your company be interested in such arrangement, please provide us the details to meet the following Pre-Qualification Criteria:

S No	Parameters	Details Required																						
1	LNG Capability & Experience																							
i	LNG Shipping Experience	<ul style="list-style-type: none">Bidder should have an experience of being charterer for atleast 02 LNG ships for a period of minimum 03 years, separately for each LNG ship in preceding 05 years. Data in the following format may be provided in support of the same: <table><tr><th>S. No</th><th>Vessel Size (Cubic Metres)</th><th>Name of Vessel</th><th>Ship owner</th><th colspan="2">Charter Validity period (Start Date to End Date in MM/YYYY)</th></tr><tr><td></td><td></td><td></td><td></td><td colspan="2"></td></tr></table>					S. No	Vessel Size (Cubic Metres)	Name of Vessel	Ship owner	Charter Validity period (Start Date to End Date in MM/YYYY)													
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ii	LNG Contract Experience	<ul style="list-style-type: none">Bidder should have more than 10 years’ experience either a buyer or seller of LNG, with a minimum contracted volume of 0.5 MMTPA LNG in each of the last three years. Data in the following format may be provided in support of the same: <table><tr><th>S. No</th><th>Contract Year</th><th>Quantity (in MMTPA)</th><th>Supply Region</th><th>Destination Region</th><th>Contract term</th></tr><tr><td></td><td></td><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td><td></td><td></td></tr></table>					S. No	Contract Year	Quantity (in MMTPA)	Supply Region	Destination Region	Contract term												
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2	Financial Strength																			
i	Credit rating	<ul style="list-style-type: none">Bidder should have credit rating no less than Baa2 (Moody's) or BBB- (S&P or Fitch). Data in the following format may be provided in support of the same: <table><tr><td></td><td>Year/Month</td><td>Moody's</td><td>S&P</td><td>Fitch</td></tr><tr><td>Credit Rating</td><td>2014 or latest</td><td></td><td></td><td></td></tr></table>						Year/Month	Moody's	S&P	Fitch	Credit Rating	2014 or latest							
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3	Supply Source																			
i	Flexible long-term LNG Volumes that can be supplied to Indian	<ul style="list-style-type: none">For the period between 2018 – 2023, Bidder should have signed single or multiple Flexible LNG off take Contracts for at least 0.5 MMTPA having minimum duration of 05 years. Flexible contract means that there are no destination restrictions on the contracted volume, with the Bidder being the sole legal entity to determine delivery destinations. Data in the following format may be provided in support of the same: <table><tr><th>S. No</th><th>Contract Source (Country / Project)</th><th>Quantities (MMTPA)</th><th>Term Period (Start Date to End Date in MM/YYYY)</th><th>Terms of Contract (FOB/CFR/DE S)</th><th>Type of LNG (Equity/ Long term)</th><th>Quantity that have Destination Flexibility (in MMTPA)</th></tr><tr><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr></table>					S. No	Contract Source (Country / Project)	Quantities (MMTPA)	Term Period (Start Date to End Date in MM/YYYY)	Terms of Contract (FOB/CFR/DE S)	Type of LNG (Equity/ Long term)	Quantity that have Destination Flexibility (in MMTPA)							
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Bidder shall be required to submit documentary evidences for meeting the above Pre-Qualification Criteria. In case, due to confidentiality reasons, Bidder is not in a position to submit the documentary evidences, then the Bidder has to submit a certificate from President/ Managing Director/ General Manager/ Director/ person authorized by CEO or Board to issue such certificates, which shall be countersigned/ attested by chartered Accountant/ Notary/ legal counsel/ Company Secretary/ Secretary/ Solicitors/ Attorney or equivalent Authority, stating that

“The information provided in the support of Pre-Qualification Criteria is factually correct and the Bidder meets the Pre-Qualification Criteria. In case, the information submitted in the support of Pre-Qualification Criteria is found to be incorrect at a later stage, their offer/contract may be rejected/ terminated.”

Pre-Qualification Criteria stated above shall be met by the Bidder at its own or through its Parent/Holding/Affiliate Company (ies). In case, Bidder is using the credit rating of its Parent/Holding/Affiliate Company to meet the above Pre-Qualification Criteria, then the Bidder needs to submit the Performance Guarantee/binding undertaking from that Parent/Holding/Affiliate company at the time of submitting binding offers, so as to ensure the performance of its obligations during the term of the contract, failing which the binding offer from the Bidder shall be rejected.

For this purpose,

“Parent/ Holding Company: Parent/ Holding Company are interchangeable terms. Holding company in relation to one or more other companies, means a company of which such companies are subsidiary companies.

Affiliate: Affiliate means Company / Entity(ies) which owns or is owned by and directly or indirectly controls or is controlled by the Bidder / Parent / Holding Company of the Bidder, where

a) "Ownership" means the legal and beneficial ownership of more than 26% of the issued and subscribed equity shareholding of the party either directly or through a common holding/ parent company which owns the majority of the issued and subscribed equity shares of the party as well as the affiliate(s);

b) "Control" means the right to exercise more than 26% of the voting rights on any resolution for the appointment of Directors of the party either directly, or through a holding company aforesaid. "

EOI may be submitted by interested counterparties along with the above details on the letter head of the organization only to e-mail id **optimization@gail.co.in** latest by **5th May, 03:00PM (IST)**. The cut-off date for consideration of Pre-Qualification Criteria shall be the last date of submission of offers.

Should any further input/clarification be required, please feel free to contact Mr. R. K. Singhal, General Manager (IGS) at rk싱hal@gail.co.in, +91 (11) 26183469 / Mr. Sandeep Goyal, Sr. Manager (IGS) at igs@gail.co.in; +91 (11) 41455528, +91 (11) 26182955, Ext: 2786/2718

Note: Bidder/s who has already submitted the proposal against earlier EOI dated 24.09.2015 shall be considered for evaluation against this EOI. However, if those Bidder/s want to provide any additional information/Revised proposal in support of meeting the above Pre-Qualification Criteria as listed in this EOI, the same may be provided before **5th May, 03:00 PM (IST)** only at optimization@gail.co.in. The cut-off date for consideration of Pre-Qualification Criteria shall be the last date of submission of offers for all the Bidders including Bidder who has already submitted their offer. Further, in case Bidder is using the credit rating of its Parent/Holding/Affiliate Company to meet the above Pre-Qualification Criteria, in that case Bidder shall have to submit the Performance Guarantee/binding undertaking from the that Parent/Holding/Affiliate Company at the time of submission of binding offers, so as to ensure the performance of its obligations during the term of the contract, failing which the binding offer from the Bidder shall be rejected.