



Punj Lloyd

CONTRACTING / PROCUREMENT ISSUES

**PRESENTATION BY SUJIT DASH (GENERAL MANAGER
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NEW ZEALAND WAS RANKED 5TH IN THE 2011 HUMAN DEVELOPMENT INDEX

4TH IN THE 2011 INDEX OF ECONOMIC FREEDOM

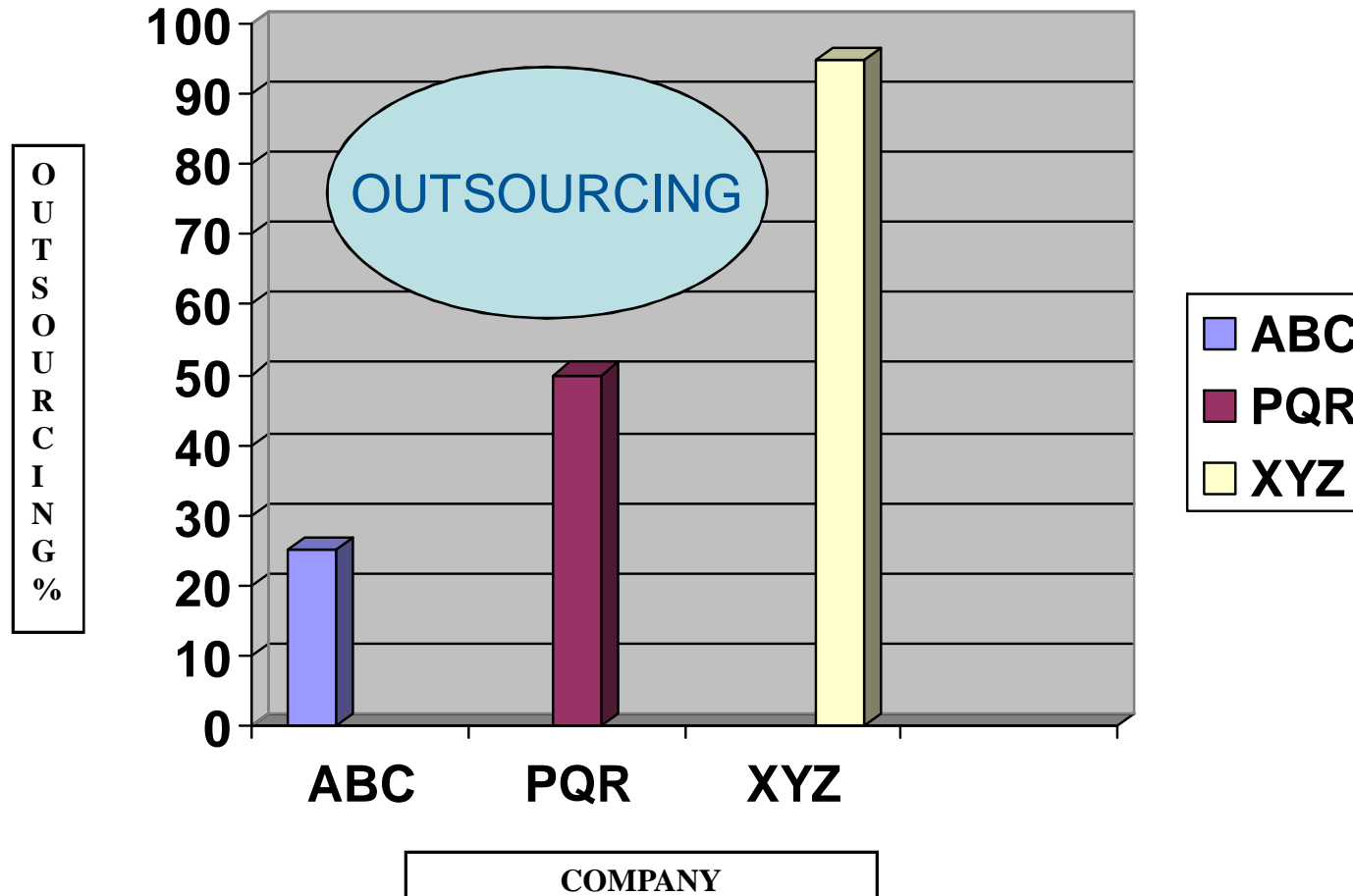
Source: The Heritage Foundation



LOOKING THROUGH THE PRISM OF SELF ... THE WORLD

LOOKING THROUGH THE PRISM OF PROJECT MANAGEMENT & EXECUTION ... CONTRACTING & PROCUREMENT

DEVELOPER:



BUSINESS MODELS:

<p>High on EPC</p> <p>Low on OEM</p>	<p>High on EPC</p> <p>High on OEM</p>
<p>Low on EPC</p> <p>Low on OEM</p>	<p>Low on EPC</p> <p>High on OEM</p>

ORDERING MODELS:

- SINGLE EPC CONTRACT (BTG + BOP)
- SEPARATE BTG & BOP CONTRACTS
- BTG SUPPLY & BOP + BTG ETC
- BTG & BOP ON PACKAGE ROUTE
- BOILER, TG, BOP ON PACKAGE ROUTE

EPC CONTRACTORS:

- SOLUTION FOR EVERY MODEL !
- OEM – PREFERENCE: EQUIPMENT SUPPLY
- CONTRACTING COMPANY: BOP
- e-BOP
- BTG ERECTOR

DRIVERS:

- PAST EXPERIENCE
- INTERNAL STRENGTH
- MARKET OPPORTUNITY
- ECONOMIC CONSIDERATION
- RISK MITIGATION
- LONG TERM GOAL
- PACKAGING PHILOSOPHY ...

PACKAGING PHILOSOPHY:

TURNKEY PACKAGES

TURNKEY PACKAGES WITH INTERNAL CIVIL AGENCY

SEPARATE SUPPLY PACKAGES WITH INTERNAL
ERECTION AGENCY

SEPARATE SUPPLY PACKAGES WITH DISCIPLINE-
WISE SINGLE ERECTION AGENCY

PACKAGING AT EQUIPMENT LEVEL

PROS & CONS:

MORE THE MERRIER

LESS THE EASIER

PROS & CONS:

BACK – TO – BACK

- TRANSFER OF RISK – BUT TO WHAT EXTENT
- OWNING THE RISK – BUT AT WHAT PRICE
- ACCEPTANCE FOR TAKING THE RISK

PROS & CONS:

- CIVIL & STRUCTURAL
- SITE ESTABLISHMENT
- OVER HEADS

PROS & CONS:

- COMMERCIAL TERMS & CONDITIONS
- CASH FLOW MANAGEMENT

TRENDS & CHALLENGES:

EMERGENCE OF BOP CONTRACTORS

DELAY IN COMMENCEMENT OF PROJECTS

STEEP COMPETITION

RESOURCE CRUNCH

DELAY IN PROJECT EXECUTION

PRESSURE ON BOTTOM LINE

TRENDS & CHALLENGES:

CONSOLIDATION IN BOP MARKET

- JOINT VENTURES
- EXTINCTION
- SURVIVAL OF THE FITTEST

A photograph of an offshore oil rig structure extending into the ocean. A prominent yellow metal walkway with a truss-like structure leads from the foreground towards the rig. The rig itself is a complex of dark metal platforms and pipes, with a crane visible on top. The ocean is a deep blue, and the sky is clear and light blue.

We get it done.

THANK YOU