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Società per Azioni  
Sede Legale in San Donato Milanese  
Via Martiri di Cefalonia 67  
Capitale Sociale Euro 441.410.900 i.v.  
Registro delle Imprese di Milano, Codice Fiscale 00825790157  
Partita IVA: 00825790157  
R.E.A. Milano n. 788744

Società soggetta all'attività di direzione  
e coordinamento dell'Eni S.p.A.

To:  
**VIRGO ENGINEERING LTD.**  
**VIRGO VALVES & CONTROLS LTD**  
**277, Hinjewadi Phase II, Maan (Mulshi),**  
**Pune – 411057 (India)**

Attention: **M. Desai (Chairman & CEO)**  
**V.R. Jayaraman (Director & COO)**  
**P. Rajda (Director & Business Head)**

p.c. **SAIPEM S.p.A.**  
**F. Po (Senior Vice President APPR)**  
**A. Maniezzo (Vendor manag. – CAPG)**

p.c. **SNAMPROGETTI S.p.A.**  
**M. La Verde (Director APR)**

p.c. **ENI S.p.A.**  
**F. Meschini - APR/SGF**

Rif. Prot. VM 004-07 AG-RD  
San Donato Mil.se, 30.03.2007

## Object: Vendor's Qualification Process Result

Please be informed that your Company has been submitted, with positive outcome, to a Saipem's qualification process in accordance with our company's procedures. Therefore your company has been qualified by Saipem and Snamprogetti as one of the entities to refer to for future potential supply of goods and/or services relevant the following kind of commodities:

Commodity Code	Saipem Commodity Code Description	Result	Qualification expiry	Technical Limitations
<b>M01810035</b>	<b>BALL VALVES</b>	<b>Qualified with limitations</b>	30.03.2010	Only class 150 & 300 in size range from ¾" to 24" included and class 600 as tentative in size range up to 12" included.
Commodity Code	Snamprogetti Commodity Code Description	Result	Qualification expiry	Technical Limitations
<b>1362.05.010</b>	<b>BALL VALVES END-ENTRY SOFT SEATED 150,300,600 &amp;800</b>	<b>Qualified with limitations</b>	30.03.2010	Only class 150 & 300 in size range from ¾" to 24" included and class 600 as tentative in size range up to 12" included.
<b>1362.05.060</b>	<b>BALL VALVES END-ENTRY SOFT SEATED CRYO</b>	<b>Qualified with limitations</b>	30.03.2010	Only class 150 & 300 in size range from ¾" to 24" included and class 600 as tentative in size range up to 12" included.
<b>1355.04.020</b>	<b>BALL VALVES FOR PIPELINES</b>	<b>Qualified with limitations</b>	30.03.2010	Only class 150 & 300 in size range from ¾" to 24" included and class 600 as tentative in size range up to 12" included.



The certificate of suitability obtained will last 36 (thirty-six) months starting from the date when the qualification is granted, provided that intermediate evaluations deriving from assessing your performance during any contract assigned (Feedback Evaluation), structured analysis or controls at your sites directly performed by us or by companies delegated by us give positive results.

You are kindly requested to send us the balance sheet and profit & loss filed for the last year, the organization chart and notice of any change occurred inside your Company every 12 (twelve) months starting from the notice of qualification, otherwise the qualification itself will lapse.

Your “registration code” in our Vendor Management Data Base is nr. 33685 for Saipem and 22102 for Snamprogetti. Such code should be used in your future correspondence with the companies.

What above is referred solely to the registration in the Saipem/Snamprogetti Vendor Management Data Bases, from which Saipem and/or Snamprogetti can select entities in order to invite the same to tender for specific supply requests.

This letter does not constitute any obligation or commitment for Saipem S.p.A. and/or Snamprogetti S.p.A. of any kind and in particular any obligation to attribute the right for any service towards any applicant for any reason.

In addition to the above, we wish to inform you that we reserve the right to carry out controls at any time to verify that the qualification requirements are maintained, without need of previously informing you.

#### **Remarked areas for improvement :**

- **Improve Organization Chart according to ISO9001-2000 (role and position of QA/QC)**
- **Improve and maintain training of all employers/workers**
- **Improve Production Schedule ( use of bar chart signed by planning & production responsible )**
- **Improve tagging of shelves in the incoming materials stores**
- **Improve checks (visual, certification, NDT extension) to foundries to get higher quality casting**
- **Improvement of workmanship during handling of material (particularly use of proper end protectors)**
- **To be updated the international design standard editions in technical dept.**
- **Improve Supplier Questionnaire including issue date**
- **Improve Purchase Orders to sub-Suppliers with packing requirements to be included, when needed**
- **Improve emergency EXIT point indicators (green colour mark for EXIT) to be displayed in more visible areas available in the workshop**
- **Improve Safety at machines in particular cover oil spindles with proper devices not plastic cans**
- **Improve location of paint and solvent materials placing them in separated and safety area.**

We expect that you will implement these recommendations and turn them into improvement actions of which you will keep us informed, sending to us an improvement plan with actions and dates within two weeks.

Should we come to know, also through the press or information from other companies belonging to Eni S.p.A., about serious facts chargeable to your Company that question your professional morality, concerning the exponents, the management, the organization, the property, that is to say insolvency proceedings, arrangements with creditors, bankruptcies, winding-up, etc., the qualification granted shall automatically be suspended on the date when the relevant fact has occurred.

Let us remind you that any fiscal, registry, corporate and organizational change concerning your Company or modification and extension of your field of activities, shall be immediately communicated to this office, making reference to your SAP supplier code previously indicated.

We wish to thank you for your cooperation and we remain at your disposition for any clarification.

Yours faithfully,

Saipem S.p.A.  
Group Procurement Coordination  
Manager

(Renato Di Loreto)

