



GAIL (INDIA) LIMITED
(A Government of India Undertaking)
(A Maharatna Company)

TENDER DOCUMENT NO. GAIL/GDR/LPG/C&P/OPSN/2K2421,
NIC TENDER ID 2024_GAIL_199433_1

(INTERNATIONAL COMPETITIVE BIDDING)

FOR

PROCUREMENT OF MOLECULAR SIEVES FOR GAIL (INDIA)
LIMITED, GAS PROCESSING UNIT, GANDHAR

ISSUED BY
GAIL (INDIA) LIMITED
(A Government of India Undertaking)
(A Maharatna Company)
C&P DEPARTMENT
VILLAGE: ROZATANKARIA,
TALUK: AMOD, DIST: BHARUCH,
STATE: GUJARAT (INDIA)



SECTION-I

INVITATION FOR BID (IFB)



SECTION-I

"INVITATION FOR BID (IFB)"

Ref No: GAIL/GDR/LPG/C&P/OPSN/2K2421

Date: 08-07-2024

**To,
[PROSPECTIVE BIDDERS]**

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SUB: TENDER DOCUMENT FOR PROCUREMENT OF MOLECULAR SIEVES FOR GAIL (INDIA) LIMITED, GAS PROCESSING UNIT, GANDHAR UNDER OPEN INTERNATIONAL COMPETITIVE BIDDING BASIS

Dear Sir/Madam,

1.0 GAIL (India) Limited, Gas Processing Unit, Gandhar, Village: Rozatankaria, Taluka: Amod, Dist. Bharuch - 392140 [having registered office at ‘GAIL Bhawan’, 16, Bhikaiji Cama Place, R.K. Puram, New Delhi-110066 CIN No. L40200DL1984GOI018976], the largest state-owned natural gas processing and distribution company and a Maharatna, invites bids from bidders for the subject supply /job, in complete accordance with the following details and enclosed Tender Documents.

2.0 The brief details of the tender are as under:

(A)	SCOPE OF SUPPLY /PROCUREMENT	PROCUREMENT OF MOLECULAR SIEVES FOR GAIL (INDIA) LIMITED, GAS PROCESSING UNIT, GANDHAR
(B)	TENDER NO. & DATE	GAIL/GDR/LPG/C&P/OPSN/2K2421 (NIC TENDER ID 2024_GAIL_199433_1), DATED: 08-07-2024
(C)	TYPE OF BIDDING SYSTEM	TWO BID SYSTEM
(D)	TYPE OF TENDER	E-TENDER NIC TENDER ID 2024_GAIL_199433_1
(E)	CONTRACTUAL DELIVERY DATE	The Contract Period / Contract Completion Schedule shall be as per Special Condition of Contract (SCC) of tender document.
(F)	BID SECURITY / EARNEST MONEY DEPOSIT (EMD)	NOT APPLICABLE
(F1)	DECLARATION FOR BID SECURITY	MSEs, Start-Ups and CPSEs (to whom exemption is allowed as per extant guidelines in vogue) are required to submit Declaration for Bid Security as per proforma at Form F-2A.



(G)	AVAILABILITY OF TENDER DOCUMENT ON WEBSITE(S)	From 08.07.2024 (13.00 Hrs., IST) to 08.08.2024 (14:00 Hrs., IST) on following websites: (i) GAIL's Tender Website – www.gailtenders.in (ii) Govt. CPP Portal - https://eprocure.gov.in (iii) Govt. e-Procurement System of National Informatics Center (GePNIC) portal [e-tender portal] https://etenders.gov.in/eprocure/app [in case of e-Tendering] (iv) Government E Market (Gem) Portal (v) PMC, if any: NIL
(H)	DATE, TIME & VENUE OF PRE-BID MEETING	Pre-Bid Meeting for is scheduled on 15-07-2024 at 15:00 Hrs. (IST) to 16:00 Hrs. (IST) for interaction with Bidders regarding their issues / clarifications through Microsoft Teams Meeting App. Meeting ID and Passcode for Microsoft Teams Meeting app is as below: Microsoft Teams meeting Join on your computer, mobile app or room device Join the meeting now Meeting ID: 483 361 657 529 Passcode: jQFZmQ Download Teams Join on the web Learn More Meeting options Bidders can join through computer mobile app or room device.
(I)	BID DUE DATE & TIME (ON OR BEFORE)	Date : 07-08-2024 Time :13 : 00 Hrs. (IST)
(J)	DATE, & TIME OF UN-PRICED BID OPENING	Date : 08-08-2024 Time :14 : 00 Hrs. (IST)
(K)	CONTACT DETAILS OF TENDER DEALING OFFICER	Name : Manoj Kumar Designation: Chief Manager Phone No. & Extn : 02641-231005/18 Direct No. / Mobile No.: 7588690269 e-mail : manoj15607@gail.co.in
(L)	DEALING GAIL'S OFFICE ADDRESS	GAIL (INDIA) LIMITED, GAS PROCESSING UNIT, GANDHAR VILLAGE : ROZATANKARIA, TALUKA : AMOD, DIST. BHARUCH-392140 GUJARAT (INDIA)



In case of the days specified above happens to be a holiday in GAIL, the next working day shall be implied.

3.0 Bid must be submitted strictly in accordance with Clause No. 11 of ITB (Section-III) depending upon Type of Tender [refer Clause no. 2.0 (D) above]. The IFB is an integral and inseparable part of the Tender Document.

4.0 In case of e-Tender, bid must be submitted only on <https://etenders.gov.in/eprocure/app>. Further, in case of e-Tendering, the following documents in addition to uploading in the e-bid on GAIL's e-Portal shall also be submitted in Original (in physical form) within 7 (seven) days from the Bid Due Date provided the scanned copies of the same have been uploaded in the e-Portal by the bidder along with e-bid within the Due Date & Time of Bid Submission, to the address mentioned in Bidding Data Sheet (BDS) [Annexure-IV to Section-III):-

- i) EMD/Bid Security / Declaration for Bid Security (as applicable)
- ii) Power of Attorney
- iii) Integrity Pact (if applicable)
- iv) Line of Credit (if applicable)

5.0 In case of Manual Tenders, bids complete in all respect should reach at the address specified in Bidding Data Sheet (BDS) on or before the Due Date & Time of Bid Submission. Bids received after the due date and time shall be considered as late bid and will not be evaluated.

6.0 Bidder(s) are advised to submit their bid strictly as per terms and conditions of the Tender Documents and not to stipulate any deviations/exceptions.

7.0 Any bidder, who meets the Bid Evaluation Criteria (BEC) and wishes to quote against this Tender Document, may download the complete Tender Document alongwith its Amendment(s) & Clarification(s), if any from websites [refer Clause No. 2.0 (G) above] and submit their Bid complete in all respect as per terms & conditions of Tender Document on or before the Bid Due Date & Time.

8.0 Bid(s) received from bidders to whom tender/information regarding this Tender Document has been issued as well as offers received from the bidder(s) by downloading Tender Document from above mentioned website(s) shall be taken into consideration for evaluation & award provided that the Bidder is found responsive and subject to provisions contained in Clause No. 2 of Instructions to Bidders (Section-III).

The Tender Document calls for offers on single point “Sole Bidder” responsibility basis (except where Consortium bid is allowed pursuant to clause no. 3.0 of ITB) and in total compliance of Scope of Supply /Specification(s) as specified in Tender Document.

9.0 Any revision, clarification, addendum, corrigendum, time extension, etc. to this Tender Document will be hosted on the above mentioned website(s) only. Bidders are requested to visit the website regularly to keep themselves updated.



In case of manual tendering, Clarification(s)/Corrigendum(s) if any shall be sent to the prospective bidder(s) by email/post.

- 10.0 All the bidders including those who are not willing to submit their bid are required to submit F-6 (Acknowledgement cum Consent letter) duly filled within 7 days from the date of receipt of tender information.
- 11.0 SAP generated Request for Quotation (RFQ), if any shall also form an integral part of the Tender Document.

This is not an Order.

For & on behalf of
GAIL (India) Limited

(Authorized Signatory)

Name : Manoj Kumar,
Designation : Ch. Manager (C&P)
E-mail ID : manoj15607@gail.co.in
Contact No. : 02641-231005/18



SECTION-II

BID EVALUATION

CRITERIA & EVALUATION

METHODOLOGY



SECTION-II

BID EVALUATION CRITERIA & EVALUATION METHODOLOGY

A. Technical Criteria

A1 Bidder's must be approved by process licensor M/s EIL (Engineers India Ltd.,) for the supply of molecular sieves for use in Natural gas drying applications in Gas Processing Unit (GPU) / Petrochemical Unit.

B. Financial Criteria : Not Applicable in this instant tender

C. Exchange rate for Conversion of Currency for evaluation of documents submitted by bidders for BEC which are in other currency than specified in BEC shall be as follows:

(a) **BEC (Technical Criteria):** Bill Selling (foreign exchange) Rate of State Bank of India as prevailing on the date of award of order submitted by bidder.

(b) **BEC (Financial Criteria):**

(i) **For Annual Turnover:**

The average of Bill Selling (foreign exchange) Rate of State Bank of India as prevailing on the First date and Last date of the respective Financial Year.

(ii) **For Net-Worth & Working Capital:**

The Bill Selling (foreign exchange) Rate of State Bank of India as prevailing on the Last date of the respective Financial Year.

(c) In case, the SBI Selling rate is not available as on the date of conversion as specified above for respective cases, the exchange rate for conversion of currency shall be taken from the internet, such as:

<https://www.xe.com/currencyconverter>

<https://economictimes.indiatimes.com/markets/forex/currency-converter>

<https://www.oanda.com/currency/converter>

D. Only documents (Purchase Order, Completion certificate, Execution Certificate etc.) which have been referred/ specified in the bid shall be considered in reply to queries, if any, during evaluation of Bids. After submission of bid, only related shortfall documents will be asked for in TQ/CQ and considered for evaluation. For example, if the bidder has submitted a contract without its completion/ performance certificate, the certificate will be asked for and considered. However, no new reference/ PO/WO/LOA is to be submitted by bidder in response to TQ/CQ so as to qualify and such documents will not be considered by GAIL for evaluation of Bid.



Any shortfall information / documents on the Audited Annual Report / Financial Statement of the Bidder and/or line of credit for working capital issued on or before the final bid due date can only be sought against Commercial queries (CQs). Any information/ documents issued post final bid due date shall not be considered for evaluation

Experience of bidder acquired as a subcontractor can be accepted against submission of certificate from end user by such bidder along with other specified documents.

- E. RELAXATION OF PRIOR TURNOVER AND PRIOR EXPERIENCE FOR STARTUP (AS DEFINED IN GAZETTE NOTIFICATION NO. D.L-33004/99 DATED 18.02.2016 AND 23.05.2017 OF MINISTRY OF COMMERCE AND INDUSTRY), AS AMENDMED TIME TO TIME**

NOT APPLICABLE

- F. DOCUMENTS TO BE SUBMITTED FOR COMPLIANCE TO BEC**

(i)	BEC (Technical)
A1	Bidder to submit any one of the following documents in support of BEC(Technical) the same: a. Letter evidencing the approval of M/s EIL for the use of Bidder's molecular sieves in Natural Gas drying applications b. Technical data sheet evidencing the approval of M/s EIL or other GAIL GPU Plants for the Bidder's molecular sieves use in natural gas drying applications
	Note: Bidder shall furnish the duly filled and signed Check list for submission of documents for qualification for Bid Evaluation Criteria (BEC) as per format F-8 (B).

- G. AUTHENTICATION OF DOCUMENTS TO BE SUBMITTED IN SUPPORT OF BEC:**

- (i) Technical Criteria of BEC:**

For Indian Bidder:

All documents in support of Technical Criteria of BEC to be furnished by the Bidder shall necessarily be duly certified/ attested by Chartered Engineer and Notary Public with legible stamp.

For Foreign Bidder:

All documents in support of Technical Criteria of BEC to be furnished by the Bidder shall necessarily be duly certified/ attested by Chartered Engineer/ Licensed Professional Engineer/EurEta Registered Engineer/ Eur Ing or Equivalent Registered Engineer of bidder's country with legible stamp.



Further, supporting document pertaining to technical BEC should also be certified true copies, duly signed, dated and stamped by an official, authorized for this purpose in Indian Embassy/ High Commission in bidder's country. However, member countries of Hague Convention 1961, supporting document pertaining to technical BEC Apostille affixed by Competent Authorities designated by the government of bidder's country shall also be acceptable.

H. Eligibility criteria in case bid is submitted on the basis of technical experience of FOREIGN BASED ANOTHER COMPANY (SUPPORTING COMPANY) which holds more than fifty percent of the paid up share capital of the bidder company or vice versa:

Offers of those bidders (not under consortium arrangement) who themselves do not meet the technical experience criteria as stipulated in the BEC and are quoting based on the experience of Foreign based another company (Supporting Company) can also be considered. In such case the supporting company should hold more than fifty percent of the paid up share capital of the bidding company or vice versa.

However, the supporting company should on its own meet the technical experience as stipulated in the BEC and should not rely on any other company or through any other arrangement like Technical collaboration agreement.

In that case as the bidding company is dependent upon the technical experience of another company with a view to ensure commitment and involvement of the companies involved for successful execution of the contract, the participating bidder should enclose the following Agreements/ Guarantees/ Undertakings along with the techno-commercial bid:

- (i) An Agreement (*as per format enclosed at Appendix- A1 to Section-II*) between the bidder and the supporting company.
- (ii) Guarantee (*as per format enclosed at Appendix- A2 to Section-II*) by the supporting company to GAIL for fulfilling the obligation under the Agreement along with certificate issued by Company Secretary as per *Appendix- A2A to Section-II*.
- (iii) Undertaking by Supporting Company to provide a Performance Bank Guarantee (*as per format and instructions enclosed at Appendix- A3 to Section-II*), equivalent to 50% of the value of the PBG which is to be submitted by the bidding company, in case of being the successful bidder.

In cases where foreign based supporting company does not have Permanent Establishment in India as per Indian Income Tax Act, the bidding company can furnish Performance Bank Guarantee for an amount which is sum of PBG amount to be submitted by the bidder and additional PBG amount required to be submitted by the supporting company subject to the condition that supporting company have 100% paid up equity share capital of the bidder either directly or through intermediate subsidiaries or vice versa.



In such case bidding company shall furnish an undertaking that their foreign based supporting company is not having any Permanent Establishment in India in terms of Income Tax Act of India.

- (iv) Undertaking from the supporting company to the effect that in addition to invoking the PBG submitted by the bidding company, the PBG provided by supporting company shall be invoked by GAIL due to non-performance of the bidding company.

Note:

1. In case Supporting Company fails to submit Bank Guarantee as per (iii) above, EMD/SD submitted by the bidder shall be forfeited.
2. The Financial BEC of tender is to be met by bidder on their own.
3. The Supporting Company shall meet conditions of ‘Eligible Bidder’, as per clause no.2.0 of Section-III (ITB).
4. The clause J as below shall be applicable to above supporting company also

- I. Apart from above, Bidder must submit all other relevant documents/ information as specified in the Scope of Work/SCC for Technical Evaluation of bid or specified elsewhere in the Tender Document, towards proof of its responsiveness.**



J. PROCUREMENT FROM A BIDDER WHICH SHARES A LAND BORDER WITH INDIA

1. OM no. 7/10/2021-PPD (1) dated 23.02.2023, Department of Expenditure, Ministry of Finance, Govt. of India refers. The same are available at website <https://doe.gov.in/procurement-policy-divisions>.
2. Any bidder from a country which shares a land border with India will be eligible to bid in this tender only if the bidder is registered with the Competent Authority. For details of competent authority refer to Annexure I of Order (Public Procurement no. 4) dated 23.02.2023.

Further, any bidder (including bidder from India) having specified Transfer of Technology (ToT) arrangement with an entity from a country which shares a land border with India, shall also require to be registered with the same competent authority.

Further the above will not apply to bidders from those countries (even if sharing a land border with India) to which the Government of India has extended lines of credit or in which the Government of India is engaged in development projects. Updated lists of countries to which lines of credit have been extended or in which development projects are undertaken are given in the website of the Ministry of External Affairs, Govt. of India

3. **"Bidder"** (including the term 'tenderer', 'consultant' 'vendor' or 'service provider' in certain contexts) **for purpose of this provision** means any person or firm or company, including any member of a consortium or joint venture (that is an association of several persons, or firms or companies), every artificial juridical person not falling in any of the descriptions of bidders stated hereinbefore, including any agency, branch or office controlled by such person, participating in a procurement process.
4. **"Bidder from a country which shares a land border with India"** for the purpose of this:
 - a. An entity incorporated, established or registered in such a country; or
 - b. A subsidiary of an entity incorporated, established or registered in such a country; or
 - c. An entity substantially controlled through entities incorporated, established or registered in such a country; or
 - d. An entity whose beneficial owner is situated in such a country; or
 - e. An Indian (or other) agent of such an entity; or
 - f. A natural person who is a citizen of such a country; or
 - g. A consortium or joint venture where any member of the consortium or joint venture falls under any of the above
5. **"Beneficial owner"** for the purpose of above (4) will be as under:
 - i. In case of a company or Limited Liability Partnership, the beneficial owner is the natural person(s), who, whether acting alone or together, or through one or more juridical person(s), has a controlling ownership interest or who exercises control through other means.

Explanation—

- a) "Controlling ownership interest" means ownership of, or entitlement to, more than twenty-five per cent of shares or capital or profits of the company;



- b) "Control" shall include the right to appoint the majority of the directors or to control the management or policy decisions, including by virtue of their shareholding or management rights or shareholders agreements or voting agreements;
- ii) In case of a partnership firm, the beneficial owner is the natural person(s) who, whether acting alone or together, or through one or more juridical person, has ownership of entitlement to more than fifteen percent of capital or profits of the partnership;
- iii) In case of an unincorporated association or body of individuals, the beneficial owner is the natural person(s), who, whether acting alone or together, or through one or more juridical person, has ownership of or entitlement to more than fifteen percent of the property or capital or profits of such association or body of individuals;
- iv) Where no natural person is identified under (i) or (ii) or (iii) above, the beneficial owner is the relevant natural person who holds the position of senior managing official;
- v) In case of a trust, the identification of beneficial owner(s) shall include identification of the author of the trust, the trustee, the beneficiaries with fifteen percent or more interest in the trust and any other natural person exercising ultimate effective control over the trust through a chain of control or ownership.
6. **"Agent"** for the purpose of this Order is a person employed to do any act for another, or to represent another in dealings with third persons
- Note:
- (i) A person who procures and supplies finished goods from an entity from a country which shares a land border with India will, regardless of the nature of his legal or commercial relationship with the producer of the goods, be deemed to be an Agent for the purpose of this Order.
- (ii) However, a bidder who only procures raw material, components etc. from an entity from a country which shares a land border with India and then manufactures or converts them into other goods will not be treated as an Agent.]
7. **"Transfer of Technology"** means dissemination and transfer of all forms of commercially usable knowledge such as transfer of know-how, skills, technical expertise, designs, processes and procedures, trade secrets, which enables the acquirer of such technology to perform activities using the transferred technology independently. (Matters of interpretation of this term shall be referred to the Registration Committee constituted by the Department for Promotion of Industry and Internal Trade, and the interpretation of the Committee shall be final.)
8. **"Specified Transfer of Technology"** means a transfer of technology in the sectors and/ or technologies, specified at Schedule-I, II & 3 of this order.
9. **SUBMISSION OF CERTIFICATE IN BIDS:**
- Bidder shall submit a certificate in this regard as Form-I-A.



For cases falling under the category of Transfer of Technology, Bidder shall submit a certificate in this regard as Form-I-B.

If such certificate given by a bidder whose bid is accepted is found to be false, this would be a ground for immediate rejection of the bid/termination and further action as per “Procedure for Action in case of Corrupt/Fraudulent/ Collusive / Coercive Practices” of tender document.

10. The registration, wherever applicable, should be valid at the time of submission of bids and at the time of acceptance of bids. In respect of supply otherwise than by tender, registration should be valid at the time of placement of order. If the bidder was validly registered at the time of acceptance / placement of order, registration shall not be a relevant consideration during contract execution.

11. PROVISION TO BE IN WORKS CONTRACTS, INCLUDING TURNKEY CONTRACTS:

The successful bidder shall not be allowed to sub-contract works to any contractor from a country which shares a land border with India unless such contractor is registered with the Competent Authority. The definition of "contractor from a country which shares a land border with India" shall be as in Para 4 herein above. A Certificate to this regard is to be submitted by bidder is placed at Form-II.

[Note: Procurement of raw material, components, etc. does not constitute sub- contracting]

K. EVALUATION METHODOLOGY:

- (1) The price bid of the techno-commercially acceptable bidder shall be opened and considered for further evaluation.

Vendor is required to supply molecular sieve in quantity (KG) sufficient to fill the required volume of two number of molecular sieve dryers considering bulk density. Bidders are to specify shape / size(s) / quantity of molecular sieves offered by them. Evaluation shall be done based on the total quantity offered by the bidder i.e. if bidder offers say 1/2/3 types of molecular sieves of different size and quantity thereof, then the evaluation shall be based on the "Unit rate X Quantity" combined for all the types of molecular sieves offered.

- (2) Price advantage for Higher Guarantee Vendor shall guarantee for satisfactory performance of the offered material for a period of minimum 36 months from the date of charging of molecular sieves and ancillaries. offers with guaranteed service period less than 36 months will be rejected.

However, if any vendor offers guaranteed service period higher than the minimum required as above, then for the evaluation of bid, his bid value shall be calculated as per the following:

Value to be used for bid evaluation = Total Bid value less 1% of Total Bid value for every additional month of guaranteed service period over & above 36 months.

However, the price advantage would be limited up to maximum 36%.



(3) The evaluated price of bidders shall include the following

(a) Where only Indian Bids Exist, evaluated price shall consist

- i) Ex-works price quoted by the bidder (including packing, forwarding, and GST on components and raw materials but excluding Inland Transportation to Delivery Location) including cost of Inspection by Third Party Agency, mandatory spares etc. (wherever applicable).
- ii) Inland transportation up to Delivery location and other costs incidental to delivery of goods
- iii) GST (CGST & SGST/UTGST or IGST) on the finished goods including inland transportation (i.e. on sl. no. i and ii above)
- iv) Charges for incidental services like Erection, Installation & Commissioning, Training to the Purchasers' personnel etc. and GST (CGST & SGST/UTGST or IGST) on these services
- v) Other loading, if any, as specified in Tender Document

Notes:

- (i) In case the bidder is covered under Composition Scheme under GST laws, then bidder should quote the price inclusive of the GST (CGST & SGST/UTGST or IGST). Further, such bidder should mention “Cover under composition system” in column for GST (CGST & SGST/UTGST or IGST) of price schedule.
- (ii) In case any unregistered bidder is submitting their bid, Bid will be evaluated as per quoted prices without loading of GST (CGST & SGST/UTGST or IGST), if not quoted.
- (iii) In case any cess on GST is applicable, same shall also be considered in evaluation [Presently not applicable].
- (iv) Indian bidder to consider input tax credit of IGST (in case of import of raw materials/components) in their quoted prices.

(b) Where only Foreign Bids Exist, evaluated price shall consist

- i) CFR price quoted by the bidder
- ii) Marine Insurance @ 1% of FOB Price
- iii) Applicable Import duty on [CIF Price plus Landing Charges@1% of CIF price]
- iv) Charges for incidental services like Erection, Installation & Commissioning, Training to the Purchasers' personnel etc plus quoted GST (CGST & SGST/UTGST or IGST) on these services.
- v) Other loading, if any, as specified in Tender Document

Note: In case of applicability of concessional/preferential rate of Import Duty/Custom Duty (if quoted by foreign bidder in terms cl.no.12.2.3 of ITB), the same shall be considered for evaluation/comparison of bid.

(c) Comparison of prices where both Foreign Bids and Indian Bids Exist

Indian Bid

- i) Ex-works price quoted by the bidder (including packing, forwarding, and GST on components and raw materials but excluding Inland Transportation to Delivery Location) including cost of Inspection by Third Party Agency, mandatory spares etc. (wherever applicable).
- ii) GST (CGST & SGST/UTGST or IGST) on the finished goods (i.e. on sl. no. i above)
- iii) Charges for incidental services like Erection, Installation & Commissioning, Training to the



- iv) Purchasers’ personnel etc. and GST (CGST & SGST/UTGST or IGST) on these services
Other loading, if any, as specified in Tender Document

Notes:

- (i) In case the bidder is covered under Composition Scheme under GST laws, then bidder should quote the price inclusive of the GST (CGST & SGST/UTGST or IGST). Further, such bidder should mention “Cover under composition system” in column for GST (CGST & SGST/UTGST or IGST) of price schedule.
- (ii) In case any unregistered bidder is submitting their bid, Bid will be evaluated as per quoted prices without loading of GST (CGST & SGST/UTGST or IGST), if not quoted.
- (iii) In case any cess on GST is applicable, same shall also be considered in evaluation [Presently not applicable].
- (iv) Indian bidder to consider input tax credit of IGST (in case of import of raw materials/components) in their quoted prices.

Foreign Bid

- i) CFR price quoted by the bidder
- ii) Marine Insurance @ 1% of FOB Price
- iii) Applicable Import duty on [CIF Price plus Landing Charges@1% of CIF price]
- iv) Charges for incidental services like Erection, Installation & Commissioning, Training to the Purchasers’ personnel etc. and GST (CGST & SGST/UTGST or IGST) on these services
- v) Other loading, if any, as specified in Tender Document

Notes:

- a) The prices from foreign bidders are to be obtained on the basis of FOB as well as CFR, [..Port..] basis.
- b) If Foreign bidder emerges as L1 bidder the order shall be placed on CFR, [..Port..] basis.
- c) The rate of import duty considered for evaluation shall be prevailing rate as per Customs Act
- d) In case of applicability of concessional rate of Import Duty/Custom Duty (if quoted by foreign bidder in terms of Clause No. 12.2.3 of ITB, the shall also be considered for evaluation/comparison of bid.



Annexure-I
Form-IA

UNDERTAKING ON LETTERHEAD

To,
M/s GAIL (INDIA) LIMITED
GANDHAR

SUB: PROCUREMENT OF MOLECULAR SIEVES FOR GAIL (INDIA) LIMITED, GAS PROCESSING UNIT, GANDHAR
TENDER NO: GAIL/GDR/LPG/C&P/OPSN/2K2421 (NIC Tender ID No. 2024_GAIL_199433_1)

REF: OM No. 7/10/2021-PPD(1) dated 23.02.2023 of Dept of Expenditure, Ministry of Finance, Government of India (<https://doe.gov.in/procurement-policy-divisions>)

Dear Sir

We, M/s _____ (***Name of Bidder***), have read the clause regarding restrictions on Procurement from a Bidder of a country which shares a land border with India as mentioned in the tender document in line with the above referred guidelines dated 23.02.2023 for Procurement from a bidder which shares a land border with India and We certify that

(i)	Bidder is not from such a country	
(ii)	If the Bidder is from such a country which shares a land border with India, has been registered with the Competent Authority. (Evidence of valid registration by the Competent Authority to be attached by the bidder)	
<i>(Bidder is to tick appropriate option (✓ or X) above).</i>		

We hereby certify that we fulfill all requirements in this regard and is eligible to be considered against the subject tender.

Place:	[Signature of Authorized Signatory of Bidder]
Date:	Name:
	Designation:
	Seal:



Form-I-B

UNDERTAKING ON LETTERHEAD
(Applicable in case of Transfer of Technology cases only)

To,
M/s GAIL (INDIA) LIMITED
GANDHAR

SUB: PROCUREMENT OF MOLECULAR SIEVES FOR GAIL (INDIA) LIMITED, GAS PROCESSING UNIT, GANDHAR
TENDER NO: GAIL/GDR/LPG/C&P/OPSN/2K2421 (NIC Tender ID No. 2024_GAIL_199433_1)

REF: OM No. 7/10/2021-PPD(1) dated 23.02.2023 of Dept of Expenditure, Ministry of Finance, Government of India (<https://doe.gov.in/procurement-policy-divisions>)

Dear Sir

We, M/s _____ (***Name of Bidder***), have read the clause regarding restrictions on Procurement from a Bidder of a Country having Transfer of Technology (ToT) arrangement as mentioned in the tender document in line with the above referred guidelines dated 23.02.2023 for Procurement from a bidder which shares a land border with India and We certify that

(i)	The Bidder does not have ToT with such a country	
(ii)	If the Bidder is having ToT from such a country. which share a land border with India, has been registered with the Competent Authority. (Evidence of valid registration by the Competent Authority to be attached by the bidder)	
<i>(Bidder is to tick appropriate option (✓) above).</i>		

We hereby certify that we fulfill all requirements in this regard and is eligible to be considered against the subject tender.

Place:	[Signature of Authorized Signatory of Bidder]
Date:	Name:
	Designation:
	Seal:



Form-II

CERTIFICATE FOR TENDERS FOR WORKS INVOLVING POSSIBILITY OF SUB-CONTRACTING

To,
M/s GAIL (INDIA) LIMITED
GANDHAR

SUB: PROCUREMENT OF MOLECULAR SIEVES FOR GAIL (INDIA) LIMITED, GAS PROCESSING UNIT, GANDHAR

TENDER NO: GAIL/GDR/LPG/C&P/OPSN/2K2421 (NIC Tender ID No. 2024_GAIL_199433_1)

REF: OM No. 7/10/2021-PPD(1) dated 23.02.2023 of Dept of Expenditure, Ministry of Finance, Government of India (<https://doe.gov.in/procurement-policy-divisions>)

Dear Sir

We, M/s _____ (**Name of Bidder**), have read the clause regarding restrictions on Procurement from a Bidder of a country which shares a land border with India and on sub-contracting to contractors from such countries as mentioned in the tender document in line with the above referred guidelines dated 23.02.2023 for Procurement from a bidder which shares a land border with India and We certify that

(i)	Bidder is not from such a country	
(ii)	If the Bidder is from such a country which share a land border with India, has been registered with the Competent Authority. (Evidence of valid registration by the Competent Authority to be attached by the bidder)	
(Bidder is to tick appropriate option (✓) above).		

We further certify that we will not sub-contract any work to a contractor from such countries unless such contractor is registered with the Competent Authority.

We hereby certify that we fulfill all requirements in this regard and is eligible to be considered.

Place:	[Signature of Authorized Signatory of Bidder]
Date:	Name:
	Designation:
	Seal:



Schedule I

List of Category-I Sensitive sectors:

Sr. No.	Sector
(i)	Atomic Energy
(ii)	Brocasting/ Print and Digital Media
(iii)	Defense
(iv)	Space
(v)	Telecommunications

Schedule II

List of Category-II Sensitive sectors:

Sr. No.	Sector
(i)	Power and Energy (including exploration/generation/transmission/distribution/pipeline)
(ii)	Banking and Finance including Insurance
(iii)	Civil Aviation
(iv)	Construction of ports and dams & river valley projects
(v)	Electronics and Microelectronics
(vi)	Meteorology and Ocean Observation
(vii)	Mining and extraction (including deep sea projects)
(viii)	Railways
(ix)	Pharmaceuticals & Medical Devices
(x)	Agriculture
(xi)	Health
(xii)	Urban Transportation

Schedule III

List of Sensitive Technologies:

Sr. No.	Sensitive Technologies
(i)	Additive Manufacturing (e.g. 3D Printing)
(ii)	Any equipment having electronic programmable components or autonomous systems (e.g. SCADA systems)
(iii)	Any technology used for uploading and streaming of data including broadcasting, satellite communication etc.
(iv)	Chemical Technologies
(v)	Biotechnologies including Genetic Engineering and Biological Technologies
(vi)	Information and Communication Technologies
(vii)	Software



Appendix-A1 of Section II

FORMAT OF AGREEMENT TO BE EXECUTED BETWEEN BIDDER AND THEIR FOREIGN BASED SUPPORTING COMPANY ON INDIAN NON-JUDICIAL STAMP PAPER OF REQUISITE VALUE DULY NOTARIZED.

This agreement made this ____ day of ____ month ____ year by and between M/s. _____
(Fill in Bidder's full name, constitution and registered office address) _____ hereinafter referred to as bidder on the first part and M/s. _____ (Fill in full name, constitution and registered office address company which hold more than fifty percent of the paid up share capital of the bidding company or vice versa) hereinafter referred to as “Supporting Company” of the second part.

Whereas

M/s. GAIL (India) Limited (hereinafter referred to as GAIL) has invited offers vide their tender No. _____ for _____ and M/s. _____ (Bidder) intends to bid against the said tender and desires to have technical support of M/s. _____ [Supporting Company]

And whereas Supporting Company represents that they have gone through and understood the requirements of the subject tender and are capable and committed to provide the services as required by the bidder for successful execution of the contract, if awarded to the bidder.

Now, it is hereby agreed to by and between the parties as follows:

- a) M/s. _____ (Bidder) will submit an offer to GAIL for the full scope of work as envisaged in the tender document as a main bidder and liaise GAIL directly for any clarifications etc. in this context.
- b) M/s. _____ [Supporting Company] undertakes to provide technical support and expertise, expert manpower and project management including financial support, if so required, to the bidder to discharge its obligations as per the Scope of Work of the tender / Contract for which offer has been made by the bidder and accepted the GAIL.
- c) The Bidder/ Supporting Company holds more than 50% paid up equity capital of the Supporting Company/ Bidder.
- d) This agreement will remain valid till validity of bidder's offer to GAIL including extension if any and till satisfactory performance of the contract, the same is awarded by GAIL to the bidder.
- e) Supporting Company undertakes that this agreement shall remain enforceable even if their stake in Bidder is diminished during the execution of works under the contract between the Bidder and GAIL.
- f) The bidder shall have the overall responsibility of satisfactory execution of the contract awarded by GAIL, however without prejudice to any rights that GAIL might have against the Supporting Company



g) It is further agreed that, if contract pursuant to Supporting Company shall be jointly and severely responsible to GAIL for the performance of works during contract period and for the satisfactory execution of the contract, and for all the consequences for non-performance thereof.

In witness whereof the parties hereto have executed this agreement on the date mentioned above.

For and on behalf of
(Bidder)
M/s.

For and on behalf of
(Supporting Company)
M/s.

Witness:
1)
2)

Witness:
1)
2)



Appendix-A2 of Section II

GUARANTEE BY THE FOREIGN BASED SUPPORTING COMPANY/ GUARANTOR
(To be executed on plain paper)

THIS DEED OF GUARANTEE executed at this day of by M/s (mention complete name) a company duly established and existing under the laws of (insert country), having its Registered Office at hereinafter called “the Guarantor and/ or the Supporting Company” which expression shall, unless excluded by or repugnant to the subject or context thereof, be deemed to include its successors and permitted assignees.

FOR

M/s (bidder) a company duly established and existing under the laws of (insert country), having its Registered Office at hereinafter called the “Bidder” which expression shall, unless excluded by or repugnant to the subject or context thereof, be deemed to include its successors and permitted assignees.

TOWARDS

M/s GAIL(India) Limited, a company duly registered under the law of India having its Registered Office at 16, Bhikaiji Cama Place, R. K. Puram, New Delhi-110066, India, and having Purchase center at hereinafter called “GAIL” which expression shall unless excluded by or repugnant to the context thereof, be deemed to include its successor and assignees

WHEREAS GAIL has invited tender number for on, and the bidder has submitted it bid number..... in response to the above mentioned tender invited by GAIL.

AND WHEREAS the bidder/ Guarantor Company holds more than 50% paid up equity capital of the Supporting Company/ Bidder .

AND WHEREAS one of the condition for acceptance of Bidder’s bid against said tender is that in case the bidder is seeking to qualify upon the technical credentials of its Guarantor Company, then the bidder shall arrange a guarantee from its Guarantor Company guaranteeing due and satisfactory performance of the work covered under the said tender including any change therein as may be deemed appropriate by the GAIL at any stage.

The Guarantor represents that they have gone through and understood the requirement of the above said tender and are capable of and committed to provide technical and such other supports as may be required by the Bidder for successful execution of the same.

The Bidder and the Guarantor have entered into an agreement dated as per which the Guarantor shall be providing technical, financial and such other supports as may be necessary for performance of the work under the tender, if the contract is awarded to the Bidder.



Accordingly, at the request of the Bidder and in consideration of and as a requirement for the GAIL to enter into agreement(s) with the Bidder, the Guarantor hereby guarantees and undertakes that upon award of Contract to Bidder against bid number, made by the Bidder under tender number.....:

1. The Guarantor unconditionally agrees that in case of non-performance by the Bidder of any of its obligations in any respect, the Guarantor shall, immediately on receipt of notice of demand by the GAIL, take up the job without any demur or objection, in continuation and without loss of time and without any cost to the GAIL and duly perform the obligations of the Bidder to the satisfaction of the GAIL.
2. The Guarantor agrees that the Guarantee contained herein shall remain valid till the satisfactory execution and completion of the work (including discharge of the warranty obligations) awarded to the Bidder.
3. The Guarantor shall be jointly and severally responsible to GAIL for satisfactory performance of works during contract period and for the satisfactory execution of the contract, and for all consequences for non-performance thereof.
4. The liability of the Guarantor, under the Guarantee, is limited of the Bidder for non-performance under the contract entered between GAIL and the Bidder. This will, however, be in addition to the forfeiture of the Performance and Advance Guarantees furnished by the Bidder.
5. The Guarantor agrees to execute a Corporate Guarantee in favour of GAIL, guaranteeing the performance of obligations by the Bidder, in case the Contract is awarded to the Bidder by GAIL.
6. The Guarantor represents that this Guarantee has been issued after due observance of the appropriate laws in force in India. The Guarantor hereby undertakes that the Guarantor shall obtain and maintain in full force and effect all the governmental and other approvals and consents that are necessary and do all other acts and things necessary or desirable in connection therewith or for the due performance of the Guarantor's obligations towards GAIL.
7. Any dispute arising out of or in connection with this contract, including any question regarding its existence, validity or termination, shall be referred to and finally resolved by arbitration. It is further agreed that Claims by and against the Guarantor, the Bidder and GAIL under the different contract to be entered pursuant to their relationship can be brought under a single reference and there shall be no bar on the consolidation of such proceedings before the same arbitral tribunal. The governing law shall be the laws of India and seat of arbitration shall be New Delhi, India. The language of arbitration shall be English.
8. The Guarantor hereby declares and represents that this Guarantee has been given without any undue influence or coercion, and that the Guarantor has fully understood the implications of the same.
9. In case of award of contract to the bidder, the Guarantor shall provide Performance Bank Security to GAIL, equivalent to 50% of the value of Performance Bank Security to be submitted by the bidding company, in the prescribed format within 15 days from the date of Fax of Acceptance, as guarantee for performance by the bidder. The Guarantor hereby expressly agrees that if in the opinion of GAIL, the Bidder has failed to perform its obligations under the contract in any manner, GAIL shall have unfettered right to invoke the said Bank guarantee. The guarantor hereby agrees that decision of GAIL about performance of the bidder shall be final and shall not be questioned



by the Guarantor. Guarantor shall have no objection to invocation of the Performance Bank Guarantee submitted by the Guarantor

OR

10. (applicable, subject to meeting the conditions stipulated in BEC in respect of additional Performance Bank Security)

In case of award of contract to the bidder, the bidder on behalf of the Guarantor shall provide additional Performance Bank Security to GAIL, equivalent to 50% of the value of Performance bank Security to be submitted by the bidding company, in the prescribed format within 15 days from the date of Fax of Acceptance, as guarantee for performance by the bidder. The Guarantor hereby expressly agrees that if in the opinion of GAIL, the Bidder has failed to perform its obligations under the contract in any manner, GAIL shall have unfettered right to invoke the said Bank guarantee. The Guarantor hereby agrees that decision of GAIL about performance of the bidder shall be final and shall not be questioned by the Guarantor. Guarantor shall have no objection to invocation of the Performance Bank Security submitted by the Bidder on behalf The Guarantor represents and confirms that the Guarantor has the legal capacity, power and authority to issue this Guarantee and that giving of this Guarantee and the performance and observations of the obligations hereunder do not contravene any existing laws.

(Strike through the clause whichever is not applicable)

11. The Guarantor represents and confirms that the Guarantor has the legal capacity, power and authority to issue this Guarantee and that giving of this Guarantee and the performance and observations of the obligations hereunder do not contravene any existing laws.

For & on behalf of (Supporting Company)

M/s _____

Signature _____

Name _____

Designation _____

official seal _____

Witness:

1. Signature _____

Full Name _____

Address _____

2. Signature _____

Full Name _____

Address _____

INSTRUCTIONS FOR FURNISHING GUARANTEE

1. The official(s) executing the guarantee should affix full signature(s) on each page.
2. Resolution passed by Board of Directors of the guarantor company authorizing the signatory(ies) to execute the guarantee, duly certified by Company Secretary should be furnished along with Guarantee.



Appendix-A2A of Section II

CERTIFICATE ISSUED BY COMPANY SECRETARY OF THE GUARANTOR COMPANY

“Obligations contained in deed of guarantee No. _____ furnished against tender No. _____ are enforceable against the Guarantor Company and the same do not, in any way, contravene any law of the country of which the Guarantor Company is the subject.”

The above certificate should be enclosed alongwith the Guarantee.



Appendix-A3 of Section II

**PROFORMA OF "BANK GUARANTEE" TOWARDS CONTRACT PERFORMANCE
SECURITY BY FOREIGN BASED SUPPORTING COMPANY OF THE BIDDING COMPANY**

**CONTRACT PERFORMANCE SECURITY
(ON NON-JUDICIAL STAMP PAPER OF APPROPRIATE VALUE)**

To,

To, M/s GAIL (India) Limited _____	Bank Guarantee No.	
	Date of BG	
	BG Valid up to (Expiry date)	
	Claim period up to (indicate date of expiry of claim period which includes minimum three months from the expiry date)	
	Stamp Sl. No./e-Stamp Certificate No.	

Dear Sir(s),

M/s. _____ having registered office at _____ (herein after called the “SUPPLIER” which expression shall wherever the context so require include its successors and assignees) have been placed/ awarded the job/work of _____ vide PO/LOA /FOA No. _____ dated _____ (herein after called ORDER) for GAIL (India) Limited having registered office at 16, Bhikaiji Cama Place, R.K. Puram, New Delhi (herein after called the “GAIL” which expression shall wherever the context so require include its successors and assignees). Further, M/s _____ (Name of the Supporting company) having its registered/head office at _____ based on whose experience/technical strength, the SUPPLIER has qualified for award of contract (hereinafter referred to as the 'SUPPORTING COMPANY') which expression shall, unless repugnant to the context or meaning thereof include all its successors, administrators, executors and assignees) has agreed to provide complete technical and other support to the SUPPLIER for successful completion of the contract/order as mentioned above, entered between GAIL and the SUPPLIER and GAIL having agreed that the 'SUPPORTING COMPANY' shall furnish to GAIL a performance guarantee for Indian Rupees/US\$ towards providing complete financial and other support to the SUPPLIER for successful completion of the contract/order as mentioned above,

1. The said M/s. _____ (Supporting Company) has approached us and at their request and in consideration of the premises we having our office at _____ have agreed to give such guarantee as hereinafter mentioned.
2. We (name of the bank) _____ registered under the laws of _____ having head/registered office at _____ (hereinafter referred to as "the Bank", which expression shall, unless repugnant to the context or meaning thereof, include all its successors, administrators, executors and permitted assignees) do hereby guarantee and undertake to pay immediately on first demand in writing any/all moneys to the extent of Indian Rs./US\$ (in figures) _____ (Indian Rupees/US Dollars (in



- words) _____) without any demur, reservation, contest or protest and/or without any reference to the 'SUPPORTING COMPANY'. Any such demand made by GAIL on the Bank by serving a written notice shall be conclusive and binding, without any proof, on the bank as regards the amount due and payable, notwithstanding any dispute(s) pending before any Court, Tribunal, Arbitrator or any other authority and/or any other matter or thing whatsoever, as liability under these presents being absolute and unequivocal. We agree that the guarantee herein contained shall be irrevocable and shall continue to be enforceable until it is discharged by GAIL in writing. This guarantee shall not be determined, discharged or affected by the liquidation, winding up, dissolution or insolvency of the 'SUPPORTING COMPANY' and shall remain valid, binding and operative against the bank.
3. The Bank also agrees that GAIL at its option shall be entitled to enforce this Guarantee against the Bank as a principal debtor, in the first instance, without proceeding against the 'SUPPORTING COMPANY' and notwithstanding any security or other guarantee that GAIL may have in relation to the 'SUPPORTING COMPANY's liabilities.
 4. The Bank further agrees that GAIL shall have the fullest liberty without our consent and without affecting in any manner our obligations hereunder to vary any of the terms and conditions of the said ORDER or to extend time of performance by the said SUPPLIER from time to time or to postpone for any time or from time to time exercise of any of the powers vested in GAIL against the said SUPPLIER and to forbear or enforce any of the terms and conditions relating to the said agreement and we shall not be relieved from our liability by reason of any such variation, or extension being granted to the said SUPPLIER or for any forbearance, act or omission on the part of GAIL or any indulgence by GAIL to the said SUPPLIER(s) or any such matter or thing whatsoever which under the law relating to sureties would, but for this provision, have effect of so relieving us.
 5. The Bank further agrees that the Guarantee herein contained shall remain in full force during the period that is taken for the performance of the ORDER and all dues of GAIL under or by virtue of this ORDER have been fully paid and its claim satisfied or discharged or till GAIL discharges this guarantee in writing, whichever is earlier.
 6. This Guarantee shall not be discharged by any change in our constitution, in the constitution of GAIL or that of the 'SUPPORTING COMPANY'.
 7. The Bank confirms that this guarantee has been issued with observance of appropriate laws of the country of issue.
 8. The Bank also agrees that this guarantee shall be governed and construed in accordance with Indian Laws and subject to the exclusive jurisdiction of Indian Courts of the place from where the purchase ORDER has been placed.
 9. Notwithstanding anything contained hereinabove, our liability under this Guarantee is limited to Indian Rs./US\$ (in figures) _____ (Indian Rupees/US Dollars (in words) _____ only) and our guarantee shall remain in force until (indicate the date of expiry of bank guarantee) _____.
 8. We have power to issue this guarantee in your favor under Memorandum and Articles of Association and the undersigned has full power to do under the Power of Attorney, dated _____ granted to him by the Bank.
 9. Notwithstanding anything contained herein:
 - a) The Bank's liability under this Guarantee shall not exceed (currency in figures)
 - .. (currency in words only)



- b) This Guarantee shall remain in force upto _____ (this date should be expiry date of defect liability period of the Contract) and any extension(s) thereof; and
- c) The Bank shall be released and discharged from all liability under this Guarantee unless a written claim or demand is issued to the Bank on or before the midnight of(indicate date of expiry of claim period which includes minimum three months from the expiry of this Bank Guarantee) and if extended, the date of expiry of the last extension of this Guarantee. If a claim has been received by us within the said date, all the rights of GAIL under this Guarantee shall be valid and shall not cease until we have satisfied that claim.

Details of next Higher Authority of the Officials who have issued the Bank Guarantee:

Name

Designation

Yours faithfully,

Bank by its Constituted Attorney
Signature of a person duly
Authorized to sign on behalf of the Bank
E-mail :
Telephone/Mobile No. :

INSTRUCTIONS FOR FURNISHING

"CONTRACT PERFORMANCE SECURITY / SECURITY DEPOSIT" BY "BANK GUARANTEE"

1. The Bank Guarantee by successful Bidder(s) will be given on non-judicial stamp paper as per 'stamp duty' applicable. The non-judicial stamp paper should be in name of the issuing bank. In case of foreign bank, the said Bank Guarantee to be issued by its correspondent bank in India on requisite non-judicial stamp paper and place of Bid to be considered as Delhi.
2. A letter from the issuing bank of the requisite Bank Guarantee confirming that said Bank Guarantee and all future communication relating to the Bank Guarantee shall be forwarded to Purchaser as per format appended below.
3. The Bank Guarantee shall be from any Indian scheduled bank (excluding Co-operative banks and Regional Rural bank) or a branch of an International bank situated in India and registered with Reserve bank of India as scheduled foreign bank. However, in case of bank guarantees from banks other than the Nationalised Indian banks, the bank must be a commercial bank having net worth in excess of Rs 100 crores and a declaration to this effect shall be made by such commercial bank either in the Bank Guarantee itself or separately on its letterhead.
4. In case BG is issued directly by a bank outside India (if allowed), it should be executed on Letter Head of the Bank and should be advised and made payable through their Indian Branch/Corresponding Bank in India.



MATTER TO BE MENTIONED IN COVERING LETTER TO BE SUBMITTED BY VENDOR ALONG WITH BANK GUARANTEE

1	BANK GUARANTEE NO	:				
2	VENDOR NAME / VENDOR CODE	:	NAME			
			VENDOR CODE			
3	BANK GUARANTEE AMOUNT	:				
4	PURCHASE ORDER/ LOA NO	:				
5	NATURE OF BANK GUARANTEE	:				
	(Please Tick (√) Whichever is Applicable)		PERFORMANCE BANK GUARANTEE	SECURITY DEPOSIT	EMD	ADVANCE
6	BG ISSUED BANK DETAILS					
		(A)	EMAIL ID	:		
		(B)	ADDRESS	:		
		(C)	PHONE NO	:		



SECTION-III

INSTRUCTIONS TO

BIDDERS

(TO BE READ IN CONJUNCTION WITH
BIDDING DATA SHEET (BDS))



SECTION-III

INSTRUCTION TO BIDDERS

INDEX

[A] GENERAL:

1. SCOPE OF BID
2. ELIGIBLE BIDDERS
3. BID FROM CONSORTIUM / JOINT VENTURE
4. ONE BID PER BIDDER
5. COST OF BIDDING
6. SITE-VISIT

[B] TENDER DOCUMENT:

7. CONTENTS OF TENDER DOCUMENT
8. CLARIFICATION OF TENDER DOCUMENT
9. AMENDMENT OF TENDER DOCUMENT

[C] PREPARATION OF BID:

10. LANGUAGE OF BID
11. DOCUMENTS COMPRISING THE BID
12. BID PRICES
13. TAXES & DUTIES
14. BID CURRENCIES
15. BID VALIDITY
16. EARNEST MONEY DEPOSIT (EMD) / BID BOND
17. PRE-BID MEETING
18. FORMAT AND SIGNING OF BID
19. ZERO DEVIATION & REJECTION CRITERIA
20. MODE OF PAYMENT

[D] SUBMISSION OF BIDS:

21. SUBMISSION, SEALING AND MARKING OF BID
22. DEADLINE FOR SUBMISSION OF BID
23. LATE BID
24. MODIFICATION AND WITHDRAWAL OF BID

[E] BID OPENING AND EVALUATION:

25. PURCHASER'S RIGHT TO ACCEPT ANY BID AND TO REJECT ANY OR ALL BIDS
26. BID OPENING
27. CONFIDENTIALITY
28. CONTACTING THE PURCHASER
29. EXAMINATION OF BIDS AND DETERMINATION OF RESPONSIVENESS
30. CORRECTION OF ERRORS
31. CONVERSION TO SINGLE CURRENCY FOR COMPARISON OF BIDS
32. EVALUATION AND COMPARISON OF BIDS
33. QUANTITY VARIATION



34. PURCHASE PREFERENCE

[F] AWARD OF CONTRACT:

35. AWARD
36. NOTIFICATION OF AWARD / FAX OF ACCEPTANCE [FOA]
37. DISPATCH SCHEDULE
38. CONTRACT PERFORMANCE SECURITY / SECURITY DEPOSIT
39. PROCEDURE FOR ACTION IN CASE CORRUPT/ FRAUDULENT /COLLUSIVE/COERCIVE PRACTICES
40. PUBLIC PROCUREMENT POLICY FOR MICRO AND SMALL ENTERPRISE
41. PACKING, MARKING & SHIPPING INSTRUCTIONS
42. VENDOR PERFORMANCE EVALUATION
43. MENTIONING OF PAN NO. IN INVOICE/BILL
44. DISPUTE RESOLUTION MECHANISM
45. DISPUTES BETWEEN CPSE'S/GOVERNMENT DEPARTMENT'S/ ORGANIZATIONS
46. REPEAT ORDER
47. PROMOTION OF PAYMENT THROUGH CARDS AND DIGITAL MEANS
48. PROVISION FOR STARTUPS
49. PROVISION REGARDING INVOICE FOR REDUCED VALUE OR CREDIT NOTE TOWARDS PRS
50. UNIQUE DOCUMENT IDENTIFICATION NUMBER BY PRACTICING CHARTERED ACCOUNTANTS
51. PERMANENT ESTABLISHMENT CLAUSE (APPLICABLE FOR FOREIGN BIDDER ONLY)
52. EMPLOYMENT VISA FOR FOREIGN NATIONALS
53. PROVISION W.R.T. TDS ON PURCHASE OF GOODS UNDER SECTION 194Q OF INCOME TAX ACT
54. DOCUMENTS FOR PAYMENT
55. ORDER TRANSMITTAL SYSTEM
56. VENDOR INVOICE MANAGEMENT (VIM)
57. CONCURRENT APPLICATION OF PUBLIC PROCUREMENT POLICY FOR MICRO AND SMALL ENTERPRISES ORDER, 2012 AND PUBLIC PROCUREMENT (PREFERENCE TO MAKE IN INDIA) ORDER, 2017

[G] ANNEXURES:

1. ANNEXURE-I: PROCEDURE FOR ACTION IN CASE CORRUPT/FRAUDULENT/COLLUSIVE/COERCIVE PRACTICES
2. ANNEXURE-II: PROCEDURE FOR EVALUATION OF PERFORMANCE OF VENDORS/SUPPLIERS/CONTRACTORS/ CONSULTANTS
3. ANNEXURE-III: ADDENDUM TO INSTRUCTIONS TO BIDDERS (INSTRUCTION FOR PARTICIPATION IN E-TENDER)
4. ANNEXURE-IV: BIDDING DATA SHEET (BDS)
5. ANNEXURE-V: PACKING, MARKING, SHIPPING AND DOCUMENTATION SPECIFICATIONS FOR INDIGENOUS MATERIALS/ IMPORTED MATERIALS
6. ANNEXURE-VI: POLICY TO PROVIDE PURCHASE PREFERENCE AS PER PUBLIC PROCUREMENT (PREFERENCE TO MAKE IN INDIA), ORDER 2017



INSTRUCTIONS TO BIDDERS [ITB]

[A] – GENERAL

1 SCOPE OF BID

- 1.1 The Purchaser as defined in the "General Conditions of Contract-Goods [GCC-Goods]", wishes to receive bids as described in this Invitation For Bid to offer (the “**Tender Document /Bid Document**”) issued by the Purchaser. Purchaser/Owner occurring herein under shall be considered synonymous.
- 1.2 SCOPE OF BID: The scope of Supply shall be as defined in the Tender Document.
- 1.3 The successful Bidder (the “**Supplier/Seller**”) shall complete delivery of Goods alongwith its incidental Services (if any) as per Specification, Scope of Supply/Job within the period stated in Special Conditions of Contract.
- 1.4 Throughout the Tender Documents, the terms 'Bid', 'Tender' 'Offer' & Proposal and their derivatives [Bidder/Tenderer, Bid/Tender/Offer etc.] are synonymous. Further, 'Day' means 'Calendar Day' and 'Singular' also means 'Plural'. The definitions of Capitalized word(s) used herein, shall be as per definitions provided in GCC-Goods.

2 ELIGIBLE BIDDERS

- 2.1 The Bidder shall not be under a declaration of ineligibility by Purchaser for Corrupt/ Fraudulent/ Collusive/ Coercive practices, as defined in ITB, Clause No. 39” (Action in case Corrupt/ Fraudulent/ Collusive/ Coercive Practices).
- 2.2 The Bidder is not put on ‘Holiday’ by GAIL or Public Sector Project Management Consultant (like EIL, Mecon etc. only due to “poor performance” or “corrupt and fraudulent practices”) or banned/blacklisted by Government department/ Public Sector on Bid Due Date. Further, neither bidder nor their allied agency/(ies) (as defined in the Annexure-I to Section-III, Procedure for Action in case of Corrupt/ Fraudulent/ Collusive/ Coercive Practices) are on banning list of GAIL or the Ministry of Petroleum and Natural Gas.

If the Tender Document is/was issued inadvertently to such Bidder/ downloaded from website by such Bidder, then Bid submitted by such Bidder shall not be considered for opening/ evaluation/ award and in case of Manual Tendering, such Bid will be returned immediately to the Bidder.

In case there is any change in status of the declaration prior to award of Contract (the ‘**Contract / Purchase Order**’), the same has to be promptly informed to GAIL by the Bidder.

It shall be the sole responsibility of the bidder to inform GAIL in case the bidder is put on ‘Holiday’ by GAIL or Public Sector Project Management Consultant (like EIL, Mecon only due to “poor performance” or “corrupt and fraudulent practices”) or banned/blacklisted by Government department/ Public Sector on bid due date and during the course of finalization of the tender. Concealment of the facts shall tantamount to misrepresentation of facts and shall lead to action against such Bidders as per Clause No. 39 of ITB.



- 2.3 Bidder shall not be affiliated with a firm or entity:
- (i) that has provided consulting services related to the work to the Purchaser during the preparatory stages of the work or of the project of which this Tender Document forms a part of or
 - (ii) that has been hired (proposed to be hired) by the Purchaser as an Engineer/ Consultant for the Contract.
- 2.4 Neither the firm/entity appointed as the Project Management Consultant (PMC) for a Project (except feasibility report) nor its affiliates shall be allowed to participate in the tendering process in same project.
- 2.5 Pursuant to qualification criteria set forth in the Tender Document, the Bidder shall furnish all necessary supporting documentary evidence to establish Bidder's claim of meeting qualification criteria.
- 2.6 **Power of Attorney:**

Power of Attorney (POA) to be issued by the bidder in favour of the authorised employee(s), in respect of the **particular tender**, for purpose of signing the documents including bid, all subsequent communications, agreements, documents etc. pertaining to the tender and act and take any and all decision on behalf of the bidder. Any consequence resulting due to such signing shall be binding on the Bidder.

The Power of Attorney shall be issued as per the constitution of the bidder as below:

- a) **In case of Proprietorship:** by Proprietor
- b) **In case of Partnership:** by all Partners or Managing Partner
- c) **In case of Limited Liability Partnership:** by any bidder's employee authorized in terms of Deed of LLP
- d) **In case of Public / Limited Company:** PoA in favour of authorized employee(s) by Board of Directors through Board Resolution or by the designated officer authorized by Board to do so. Such Board Resolution should be duly countersigned by Company Secretary / MD / CMD / CEO.

The Power of Attorney should be valid till award of contract / order to successful bidder.

- 2.7 In case of change of constitution of bidder after submission of bid, the same shall be informed by the bidder to GAIL promptly. Failure to same shall be considered as misrepresentation by the bidder.

3 BID FROM "CONSORTIUM"– NOT APPLICABLE

4 ONE BID PER BIDDER

- 4.1 A Bidder shall submit only 'one [01] Bid' in the same Bidding Process either as single entity or as a member of any consortium (wherever consortium bid is allowed). A Bidder who submits or participates in more than 'one [01] Bid' will cause all the proposals in which the Bidder has participated to be disqualified.



4.2 A bidder shall not have conflict of interest with other bidders. Such conflict of interest can lead to anti-competitive practices. The bidder found to have a conflict of interest shall be disqualified. A bidder shall be considered to have a conflict of interest with one or more bidders in this bidding process, if:

- a) they have controlling partner (s) in common; or
- b) they receive or have received any direct or indirect subsidy/ financial stake from any of them; or
- c) they have the same legal representative/authorized signatory/agent for purposes of this bid; or
- d) they have relationship with each other, directly or through common third parties, that puts them in a position to have access to information about or influence on the bid of another Bidder; or
- e) Bidder participates in more than one bid in bidding process. Participation by a Bidder in more than one Bid will result in the disqualification of all bids in which the parties are involved. However, this does not limit the inclusion of the components/ sub-assembly/ Assemblies from one bidding manufacturer in more than one bid.
- f) a Bidder or any of its affiliates participated as a consultant in the preparation of the design or technical specifications of the contract that is the subject of the Bid;
- g) In case of a holding company having more than one independently manufacturing units, or more than one unit having common business ownership/management, only one unit should quote. Similar restrictions would apply to closely related sister companies. Bidders must proactively declare such sister/ common business/ management units in same/ similar line of business.

Bidders are required to submit a confirmation for no conflict of interest with other bidders. Failure to comply this clause during tendering process will disqualify all such bidders from process of evaluation of bids.

4.3 Alternative Bids shall not be considered.

4.4 The provisions mentioned at sl. no. 4.1 and 4.2 shall not be applicable wherein bidders are quoting for different Items / Sections / Parts / Groups/ SOR items of the same tender which specifies evaluation on Items / Sections / Parts / Groups/ SOR items basis.

4.5 Bidders are required to provide complete details of all Directors/Partners/Proprietors etc. including Father's name, Residential address, AADHAR, PAN Card details. & DIN Nos. in Form F-1 of ITB and corresponding documents duly notarized by Notary Public.

It is the responsibility of the participating Bidder(s) to assess the relationship as mentioned above.

In case any undertaking/declaration given by a Bidder(s) in this regard is found to be false, this would be a sufficient ground for rejection of Bid(s) /termination of contract and also initiation of further action as per "Procedure for Action in case of Corrupt/ Fraudulent/ Collusive / Coercive Practices" of tender document.



5 **COST OF BIDDING**

The Bidder shall bear all costs associated with the preparation and submission of the Bid including but not limited to Documentation Charges, Bank charges, all courier charges, translation charges, authentication charges and any associated charges including taxes & duties thereon. Further, GAIL will in no case, be responsible or liable for these costs, regardless of the outcome of the bidding process..

6 **SITE VISIT**

- 6.1 The Bidder is advised to visit and examine the site and its surroundings and obtain for itself on its own responsibility all information that may be necessary for preparing the Bid and entering into a Contract for the required supply/job.
- 6.2 The Bidder or any of its personnel or agents shall be granted permission by the Purchaser to enter upon its site, premises and land for the purpose of such visits, but only upon the express conditions that the Bidder, its personnel and agents will release and indemnify the Purchaser and its personnel, agents from and against all liabilities in respect thereof, and will be responsible for death or injury, loss or damage to property, and any other loss, damage, costs, and expenses incurred as a result of inspection.
- 6.3 The Bidder shall not be entitled to hold any claim against GAIL for non-compliance due to lack of any kind of pre-requisite information as it is the sole responsibility of the Bidder to obtain all the necessary information with regard to site, surrounding, working conditions, weather etc. on its own before submission of the Bid.

[B] – TENDER DOCUMENT

7 **CONTENTS OF TENDER DOCUMENT**

- 7.1 The contents of Tender Document are those stated below, and should be read in conjunction with any 'Addendum / Corrigendum and Clarification(s)' issued in accordance with the Clause No. 8 & 9 of ITB,":

- Section-I : Invitation for Bid [IFB]*
- Section-II : Bid Evaluation Criteria [BEC] & Evaluation Methodology
- Section-III : Instructions to Bidders [ITB], Annexures and Forms & Formats **
- Section-IV : General Conditions of Contract [GCC] - Goods***
- Section-V : Special Purchase Conditions/ Special Conditions of Contract [SCC]
- Section-VI : Technical Specifications , Drawing (wherever applicable) and scope for incidental Services (wherever applicable)
- Section-VII : Price Schedule/ Schedule of Rates

*Request for Quotation', wherever applicable, shall also form part of the Bidding Document.

** The subject tender is based on standard formats and applicability of some specific clauses may be seen in Annexure-IV to Section-III i.e. BDS (Bidding Data Sheet)

*** General Conditions of Contract – Goods (Rev.2) is available on GAIL's Tender website (<http://gailtenders.in/Gailtenders/gccs.asp>). Further, Hindi version of GCC is available on GAIL's



tender website (www.gailtenders.in) for reference. However, in case of any discrepancy in English & its Hindi translation, for interpretation and legal aspects, the English version shall prevail.

- 7.2 The Bidder is expected to examine all instructions, forms, terms & conditions of the Tender Document. The Tender Document together with all its attachments thereto, shall be considered to be read, understood and accepted by the Bidders. Failure to furnish all information required by the Tender Document or submission of a Bid not substantially responsive to the Tender Document in every respect will be at Bidder's risk and may result in the rejection of his Bid.

8 CLARIFICATION OF TENDER DOCUMENT

- 8.1 A prospective Bidder requiring any clarification(s) on the terms & conditions of the Tender Document may notify GAIL in writing or by fax or email in the format “F-11” at GAIL's mailing address indicated in the IFB/BDS no later than 02 (two) days prior to pre-bid meeting (in cases where pre-bid meeting is scheduled) or 05 (five) days prior to the Bid Due Date in cases where pre-bid meeting is not scheduled. GAIL reserves the right to ignore the bidders request for clarification if received after the aforesaid period. GAIL may respond in writing to the request for clarification. GAIL's response including an explanation to the query, but without identifying the source of the query will be uploaded on Websites as mentioned at Clause No. 2.0 (G) of IFB/ communicated to prospective bidders by e-mail/ fax.
- 8.2 Any clarification or information required by the Bidder but same not received by the Purchaser as per instructions at clause 8.1 above is liable to be considered as "no clarification / information required".

9 AMENDMENT OF TENDER DOCUMENT

- 9.1 At any time prior to the bid due date & time, Purchaser may, for any reason, whether at its own initiative or in response to a clarification requested by a prospective Bidder(s), modify the Tender Document by addenda/ corrigendum.
- 9.2 Any addendum/ corrigendum thus issued shall be integral part of the Tender Document and shall be hosted on the websites as provided at Clause No. 2.0 (G) of IFB /communicated to prospective bidders by e-mail/ fax. Bidders have to take into account all such addendum/ corrigendum before submitting their Bid.
- 9.3 The Purchaser, if consider necessary, may extend the bid due date in order to allow the Bidders a reasonable time to furnish their most competitive bid taking into account the addenda/ corrigendum issued thereof.

[C] – PREPARATION OF BID

10 LANGUAGE OF BID:

- 10.1 The bid prepared by the Bidder and all correspondence, drawing(s), document(s), certificate(s) etc. relating to the Bid exchanged by Bidder and GAIL shall be written in English language only. In case a document, certificate, printed literature etc. furnished by the Bidder is in a language other than English, the same should be accompanied by an English translation duly authenticated by the



Chamber of Commerce of Bidders Country, in which case, for the purpose of interpretation of the Bid, the English translation shall govern.

- 10.2 In the event of submission of any document/certificate by the Bidder in a language other than English, the English translation of the same duly authenticated by Chamber of Commerce of Bidder's country shall be submitted by the Bidder.

11. DOCUMENTS COMPRISING THE BID

11.1 In case of e-tendering:

Bidders are requested to refer instructions for participating in e-Tendering (Annexure-III to Section III), Bidder's Manual Kit and FAQs available in e-portal and bids submitted manually shall be rejected. All pages of the Bid must be digitally signed by the "authorized signatory" of the Bidder holding Power of Attorney. The Bid must be submitted on e-tender portal (<https://etenders.gov.in/eprocure/app>) as follows-

11.1.1 PART-I: "TECHNO-COMMERCIAL / UN-PRICED BID"

Comprising all the below mentioned documents should be uploaded in the private area earmarked (Tender Document) in the GAIL's e- portal:

- (a) 'Covering Letter' on Bidder's 'Letter head' clearly specifying the enclosed contents with index.
- (b) 'Bidder's General Information', as per 'Form F-1'.
- (c) Copy of Price Schedule/ Schedule of Rate (SOR) with prices blanked out but mentioning “Quoted” / “Not Quoted” (as applicable) written against each item, in support of having submitted prices in the Priced Bid /SOR strictly in the format provided in the Tender Document.
- (d) 'Letter of Authority' on the Letter Head, as per 'Form F-3'
- (e) 'Agreed Terms and Conditions', as per 'Form F-5A or 'Form-5B (as the case may be)'
- (f) Duly certified / attested documents in accordance with the "Bid Evaluation Criteria [BEC]", Section II of Tender Document.
- (g) Copy of Power of Attorney in favour of the authorized signatory of the Bid, as per clause no.2.6 of ITB.
- (h) EMD in original (in case of manual tendering) / copy of EMD (in case of e-Tender) Declaration for Bid Security, as per Clause 16 of ITB
- (i) Integrity Pact as per Form F-13 (if applicable)
- (j) Proforma for details of Indian Agents as per Form F-14 if Agent/Consultant/Retainer/ Associate is involved
- (k) All other forms and Formats including Annexures.
- (l) Undertaking as per *Form-1 of Annexure VI to Section-III* by MSE bidders and Bidders seeking preference under Policy to provide purchase preference as per public procurement (preference to make in India), Order 2017 (PPP-MII), if applicable.



- (m) Undertaking as per *Form-2 of Annexure VI to Section-III* and Certification from statutory auditor or cost auditor of the company (in the case of companies) or from a practicing cost accountant or practicing chartered accountant (in respect of other than companies) as per *Form-2 of Annexure VI to Section-III (Applicable for Class-I & Class-II Local Suppliers)*.
- (n) Undertaking as per Form-IA (to Section II) regarding Provisions for Procurement from a Bidder which shares a land border with India
- (o) All other forms and Formats including Annexures.
- (p) Tender Document, its Corrigendum/Amendment/Clarification(s) duly signed on each page (in case of manual tendering)/ digitally signed (in case of e-Tender) by the Authorized Signatory holding POA.
- (q) Additional document specified in BDS, SCC, Scope of Supply or mentioned elsewhere in the Tender Document, its Corrigendum/ Amendment/ Clarification(s).
- (r) Any other information/details required as per Tender Document

As specified at Clause no. 4.0 of Section I, Bidders must submit the original "Bid Security / EMD", Power of Attorney, Integrity Pact and any other documents specified in the Tender Document to the address mentioned in IFB, in a sealed envelope, superscribing the details of Tender Document (i.e. tender number & tender for) within 7 days from the Bid Due Date.

Bidders are required to submit the EMD in original by Bid Due Date and Time or upload a scanned copy of the same in the Part-I of the Bid. If the Bidder is unable to submit EMD in original by Bid Due Date and Time, the Bidder is required to upload a scanned copy of the EMD in Part-I of Bid, provided the original EMD, copy of which has been uploaded, is received within 7 days from the Bid Due Date, failing which the Bid will be rejected irrespective of their status/ranking in tendering process and notwithstanding the fact that a copy of EMD was earlier uploaded by the Bidder.

11.1.2 PART-II: Price Bid

Part-II of the Bid shall contain Price Bid only. The Prices are to be submitted strictly in the Price Schedule/ Schedule of Rate (SOR) format of the Tender Document as per instructions mentioned hereunder and to be digitally signed and uploaded in Financial Bid in tender Portal. GAIL shall not be responsible for any failure on the part of the bidder to follow the instructions given in the Note below.

Note:

- i) Bidders are advised NOT to mention Rebate/Discount separately, either in the SOR format or anywhere else in the Bid. In case Bidder(s) intend to offer any Rebate/Discount, they should include the same in the item rate(s) itself under the “Price Schedule/ Schedule of Rates (SOR)” and indicate the discounted unit rate(s) only.
- ii) If any unconditional rebate has been offered in the quoted rate the same shall be considered in arriving at evaluated price. However, no cognizance shall be taken for any conditional discount for the purpose of evaluation of the Bid.
- iii) In case, it is observed that any of the Bidder(s) has/have offered *suo-moto* Discount/Rebate after opening of unpriced bid but before opening of price bid, such discount /rebate(s) shall not be considered for evaluation. However, in the event of the Bidder emerging as the lowest evaluated Bidder without considering the discount/rebate(s), then such discount/



rebate(s) offered by the Bidder shall be considered for Award and the same will be conclusive and binding on the Bidder.

- iv) In the event as a result of techno-commercial discussions or pursuant to seeking clarifications / confirmations from Bidder, while evaluating the un-priced part of the Bid, any of the bidders offers upward revised prices; such Bidder(s) will be requested to withdraw the revised prices failing which the bid will not be considered for further evaluation.

11.2 **IN CASE OF MANUAL TENDERING;**

In case the bids are invited under Manual tendering system, the Bidder shall submit bid sealed in 2 different envelopes, in following manner:

- (i) Sealed Envelope-I consisting of all the above documents mentioned at 11.1.1 herein above.
- (ii) Sealed Envelope-II consisting of the Prices to be filled strictly in the Price Schedule/Schedule of Rate (SOR) format of the Tender Document as per provisions mentioned at para 11.1.2 hereinabove.

Both the envelopes shall be put on outer envelope with proper address & details (refer cut-out slip)

Note: In case of manual tendering, all the pages of the Bid must be signed by the "Authorized Signatory" as mentioned in POA submitted.

- 11.3 In case of bids invited under Single Bid System (clause no. 2.0(C) of IFB refers), all the documents as specified at Clause 11.1.1 & 11.1.2 of ITB can be submitted in single envelope /folder, as per instructions of Tender Document.

12 **BID PRICES**

12.1 **Indian Bidders:**

12.1.1 Bidders shall indicate the following in the Price Schedule/SOR format:

- A) Ex-works Price including packing and forwarding charges (such price to include all costs as well as duties and taxes paid or payable on components and raw materials incorporated or to be incorporated in the goods).
- B) Inland transportation upto Delivery Location and other costs incidental to delivery.
The material is required to be delivered through a registered common carrier as per section 3 of Carriage by the Road Act 2007.
Also, GAIL reserves the right to transport the material with it's own transporter.
- C) GST (CGST & SGST/UTGST or IGST) on the finished goods as well as on inland transportation,
- D) Charges for incidental services and GST (CGST & SGST/UTGST or IGST) on these services as per the Price Schedule/ Schedule of Rates.



12.1.2 All duties, taxes and other levies (if any) payable by the Seller under the Contract or for any other cause, except GST (CGST & SGST/UTGST or IGST) on finished product, freight and on the incidental services, shall be included in the rates / prices and the total bid-price submitted by the Bidder. The quoted rate of GST (CGST & SGST/UTGST or IGST) on finished product, freight and on the incidental services shall be indicated in the Schedule of Rates (SOR). Bidders are required to quote the prices after carefully reading the provisions mentioned in tender document including SCC, GCC, Scope of Work, etc.

12.2 Foreign Bidder:

12.2.1 Bidders shall indicate the following in the Price Schedule/SOR format:

- A) Prices on the basis of FOB as well as CFR
FOB prices shall be inclusive of all costs, insurance, taxes & duties upto FOB port of shipment.
- B) Charges for incidental services and GST (CGST & SGST/UTGST or IGST) [in case bidder has Permanent Establishment in India / tax residency in India/ GST Registration] on these services as per the Price Schedule/ Schedule of Rates.

12.2.2 Foreign bidders shall include third party inspection charges of Third Party Inspection Agency (TPIA) (i.e. BV/DNV/TUV/CEIL/LRS/ABS/AIB-Vincotte/Moody, etc) in the country of origin, wherever applicable (for details, refer SCC). Prices quoted shall be inclusive of all applicable taxes and duties, packing & forwarding, stowing, if applicable, etc. applicable up to FOB-International Sea Port of shipment. Insurance up to FOB International Sea Port of exit is in the scope of Foreign Bidder. Insurance beyond FOB International Sea Port of exit shall be arranged by the Owner.

12.2.3 Concessional rate of Import Duty:

- (i) The bidder must ascertain and confirm along with supporting documents in the bid, if any Import Duty exemption/waiver is applicable to the products being supplied by him under any multi-lateral/bi-lateral trade agreement between India and bidder's country.
- (ii) The bidder shall be liable to provide all documentation to ensure availment of the exemption/waiver. In case the bidder defaults on this due to any reason, whatsoever, he shall be liable to bear the incremental Import Duty applicable, if any.
- (iii) Any Import Duty applicability on account of any change in the bi-lateral/multi-lateral agreement shall be bidder's account.
- (iv) Documentation to be furnished for availing the exemption/waiver of Import Duty shall be specifically listed in the Letter of Credit also as the pre-requisite for release of payment against shipping documents and this documentation shall necessarily form a part of shipping documents.

12.3 Purchaser will arrange transit/marine insurance (refer BDS for details).

12.4 Prices must be filled exactly in the format for "Price Schedule/ Schedule of Rates [SOR]" enclosed as part of Tender Document. If quoted in separate typed sheets and any variation in item description, unit, quantity, any conditions of SOR etc. is noticed, the Bid is liable to be rejected.



As stated elsewhere in tender, bidder is required to quote all components of Price Schedule. In case, it is found that some of components of Price schedule viz. Freight, Ocean/Air Freight Charges, Incidental Services Component, etc. are left blank or quoted “Nil/Zero” in Price Bid, the same shall be considered inclusive in total quoted price for evaluation and ordering. No confirmation from the bidder shall be sought in this regard.

- 12.5 The delivery basis of the goods is mentioned in BDS. In case of Indian bidder the Goods are to be dispatched through dedicated full truck load, date of receipt of Goods by Purchaser at its designated site(s) /Store shall be considered as the date of delivery. Similarly, in case of break-bulk dispatches, the date of LR/GR shall be considered as date of delivery. However, in case of Foreign Bidder, the delivery terms [other than those mentioned in BDS] shall be interpreted as per INCOTERMS®2020 or its latest version.
- 12.6 Prices quoted by the Bidder, shall remain firm and fixed and valid till completion of the Contract and will not be subject to variation on any account, whatsoever; unless any price escalation/variation is allowed elsewhere in the Tender Document.
- 12.7 The Bidder shall quote the rates in ‘figures’ & ‘words’, as per Price Schedule /SOR format provided in the Tender Document. There should not be any discrepancy between the prices indicated in figures and in words. In case of any discrepancy, the same shall be dealt as per clause no. 30 of ITB.
- 12.8 Bidder shall also mention the Harmonized System Nomenclature (HSN) applicable for Goods/Items and Service Accounting Codes (SAC) applicable for incidental Services, at the designated place in Schedule of Rates (SOR).

12.0 TAXES & DUTIES

A) IN CASE OF INDIAN BIDDER

- 13.1 Bidders are required to mention the GST Registration No. in bids wherever **GST (CGST & SGST/UTGST or IGST)** is applicable.
- 13.2 Quoted prices should be inclusive of all taxes and duties, except **GST (CGST & SGST or IGST or UTGST)**. Please note that the responsibility of payment of **GST (CGST & SGST or IGST or UTGST)** lies with the Service Provider only. Service Provider providing taxable service shall issue an e-Invoice/Invoice/ Bill, as the case may be as per rules/ regulation of GST. Further, returns and details required to be filled under GST laws & rules should be timely filed by Service Provider with requisite details.

Payments to Service Provider for claiming **GST (CGST & SGST/UTGST or IGST)** amount will be made provided the above formalities are fulfilled. Further, GAIL may seek copies of challan and certificate from Chartered Accountant for deposit of **GST (CGST & SGST/UTGST or IGST)** collected from Owner.

- 13.3 In case CBIC (Central Board of Indirect Taxes and Customs)/ any tax authority / any equivalent government agency brings to the notice of GAIL that the Service Provider has not remitted the amount towards GST (CGST & SGST/UTGST or IGST) collected from GAIL to the government exchequer, then, that Contactor shall be put under Holiday list of GAIL for period of six months



after following the due procedure. This action will be in addition to the right of recovery of financial implication arising on GAIL.

- 13.4 In case of statutory variation in **GST (CGST & SGST/UTGST or IGST)**, other than due to change in turnover, payable on the contract value during contract period, the Service Provider shall submit a copy of the 'Government Notification' to evidence the rate as applicable on the Bid due date and on the date of revision.

Beyond the contract period, in case GAIL is not entitled for input tax credit of **GST (CGST & SGST/UTGST or IGST)**, then any increase in the rate of **GST (CGST & SGST/UTGST or IGST)** beyond the contractual delivery period shall be to Service Provider's account whereas any decrease in the rate **GST (CGST & SGST/UTGST or IGST)** shall be passed on to the Owner.

Beyond the contract period, in case GAIL is entitled for input tax credit of **GST (CGST & SGST/UTGST or IGST)**, then statutory variation in quoted **GST (CGST & SGST/UTGST or IGST)** on supply and on incidental services, shall be to GAIL's account.

Claim for payment of **GST (CGST & SGST/UTGST or IGST)**/ Statutory variation, should be raised within two [02] months from the date of issue of 'Government Notification' for payment of differential (in %) **GST (CGST & SGST/UTGST or IGST)**, otherwise claim in respect of above shall not be entertained for payment of arrears.

The base date for the purpose of applying statutory variation shall be the Bid Due Date.

- 13.5 Where GAIL is entitled to avail the input tax credit of **GST (CGST & SGST/UTGST or IGST)**:-

- 13.5.1 Owner/GAIL will reimburse the **GST (CGST & SGST/UTGST or IGST)** to the Service Provider at actuals against submission of E-Invoices/Invoices as per format specified in rules/ regulation of GST to enable Owner/GAIL to claim input tax credit of **GST (CGST & SGST/UTGST or IGST)** paid. In case of any variation in the executed quantities, the amount on which the **GST (CGST & SGST/UTGST or IGST)** is applicable shall be modified in same proportion. Returns and details required to be filled under GST laws & rules should be timely filed by supplier with requisite details.

- 13.5.2 The input tax credit of quoted **GST (CGST & SGST/UTGST or IGST)** shall be considered for evaluation of bids, as per evaluation criteria of tender document.

- 13.6 Where GAIL is not entitled to avail/take the full input tax credit of **GST (CGST & SGST/UTGST or IGST)**:-

- 13.6.1 Owner/GAIL will reimburse **GST (CGST & SGST/UTGST or IGST)** to the Service Provider at actuals against submission of E-Invoices/Invoices as per format specified in rules/ regulation of GST subject to the ceiling amount of **GST (CGST & SGST/UTGST or IGST)** as quoted by the bidder, subject to any statutory variations, except variations arising due to change in turnover. In case of any variation in the executed quantities (If directed and/or certified by the Engineer-In-Charge) the ceiling amount on which **GST (CGST & SGST/UTGST or IGST)** is applicable will be modified on pro-rata basis.

- 13.6.2 The bids will be evaluated based on total price including quoted **GST (CGST & SGST/UTGST or IGST)**.



- 13.7 GAIL will prefer to deal with registered supplier of goods/ services under GST. Therefore, bidders are requested to get themselves registered under GST, if not registered yet.

However, in case any unregistered bidder is submitting their bid, Bids will be evaluated as per quoted prices without loading of GST (CGST & SGST/UTGST or IGST), if not quoted. Further, an unregistered bidder is required to mention its Income Tax PAN in bid document.

- 13.8 In case GAIL is required to pay entire/certain portion of applicable **GST (CGST & SGST/UTGST or IGST)** and remaining portion, if any, is to be deposited by Bidder directly as per **GST (CGST & SGST/UTGST or IGST)** laws, entire applicable rate/amount of **GST (CGST & SGST/UTGST or IGST)** to be indicated by bidder in the SOR.

Where GAIL has the obligation to discharge **GST (CGST & SGST/UTGST or IGST)** liability under reverse charge mechanism and GAIL has paid or is /liable to pay **GST (CGST & SGST/UTGST or IGST)** to the Government on which interest or penalties becomes payable as per GST laws for any reason which is not attributable to GAIL or ITC with respect to such payments is not available to GAIL for any reason which is not attributable to GAIL, then GAIL shall be entitled to deduct/ setoff / recover such amounts against any amounts paid or payable by GAIL to Service Provider / Supplier.

- 13.9 Service Provider shall ensure timely submission of correct invoice(s)/e-invoice(s), as per GST rules/ regulation, with all required supporting document(s) within a period specified in Contract to enable GAIL to avail input credit of GST (CGST & SGST/UTGST or IGST). Further, returns and details required to be filled under GST laws & rules should be timely filed by Service Provider with requisite details.

If input tax credit is not available to GAIL for any reason not attributable to GAIL, then GAIL shall not be obligated or liable to pay or reimburse GST (CGST & SGST/UTGST or IGST) claimed in the invoice(s) and shall be entitled to deduct / setoff / recover such GST amount (CGST & SGST/UTGST or IGST) or Input Tax Credit amount together with penalties and interest, if any, against any amounts paid or becomes payable by GAIL in future to the Service Provider under this contract or under any other contract.

13.10 Anti-profiteering clause

As per Clause 171 of GST Act it is mandatory to pass on the benefit due to reduction in rate of tax or from input tax credit to the consumer by way of commensurate reduction in prices. The Service Provider / supplier may note the above and quote their prices accordingly.

- 13.11 In case the GST rating of Service Provider on the GST portal / Govt. official website is negative / black listed, then the bids may be rejected by GAIL. Further, in case rating of bidder is negative / black listed after award of work, then GAIL shall not be obligated or liable to pay or reimburse GST to such Service Provider and shall also be entitled to deduct / recover such GST along with all penalties / interest, if any, incurred by GAIL.

- 13.12 GST, as quoted by the bidder in Schedule of Rates, shall be deemed as final and binding for the purpose of bid evaluation (applicable for tenders where bidder quotes the GST rates). In case a bidder enters “zero/blank” GST or an erroneous GST, the bid evaluation for finalizing the L1 bidder will be done considering the “Zero” or quoted GST rate, as the case may be. No request for change in GST will be entertained after submission of bids.



In cases where the successful bidder quotes a wrong GST rate, for releasing the order, the following methodology will be followed:

- In case the actual GST rate applicable is lower than the quoted GST rate, the actual GST rate will be added to the quoted basic prices. The final cash outflow will be based on actual GST rate.
- In case the actual GST rate applicable is more than the quoted GST rate, the basic prices quoted will be reduced proportionately, keeping the final cash outflow the same as the overall quoted amount.

Based on the Total Cash Outflow calculated as above, GAIL shall place orders.

13.13 Wherever TDS under GST Laws has been deducted from the invoices raised / payments made to the Service Provider, as per the provisions of the GST law / Rules, Service Provider should accept the corresponding GST-TDS amount populated in the relevant screen on GST common portal (www.gst.gov.in). Further, Service Provider should also download the GST TDS certificate from GST common portal (reference path: Services > User Services > View/Download Certificates option).

13.14 Provision w.r.t. E- Invoicing requirement as per GST laws:

Supplier who is required to comply with the requirements of E-invoice for B2B transactions as per the requirement of GST Law will ensure the compliance of requirement of E Invoicing under GST law. If the invoice issued without following this process, such invoice can-not be processed for payment by GAIL as no ITC is allowed on such invoices.

Therefore, all the payments to such supplier who is liable to comply with e-invoice as per GST Laws shall be made against the proper e-invoice(s) only. Further, returns and details required to be filled under GST laws & rules against such e-invoices should be timely filed by Supplier of Goods with requisite details.

If input tax credit is not available to GAIL for any reason attributable to supplier (both for E-invoicing cases and non-E-invoicing cases), then GAIL shall not be obligated or liable to pay or reimburse GST (CGST & SGST/UTGST or IGST) claimed in the invoice(s) and shall be entitled to deduct / setoff / recover such GST amount (CGST & SGST/UTGST or IGST) or Input Tax Credit amount together with penalties and interest, if any, by adjusting against any amounts paid or becomes payable in future to the supplier under this contract or under any other contract.

To ensure compliance, undertaking in requisite format is to be submitted by supplier as per format F-15 along with documents for release of payment.

13.15 **New Taxes & duties:** Any new taxes & duties, if imposed by the State/ Central Govt. of India after the due date of bid submission but before the Contractual Completion Date, shall be reimbursed to the Service Provider on submission of copy of notification(s) issued from State/ Central Govt. Authorities along with documentary evidence for proof of payment of such taxes & duties, but only after ascertaining it's applicability with respect to the Contract.



- 13.16 Full payment including GST will be released at the time of processing of invoice for payment, where the GST amount reflects in Form GSTR-2A of GAIL. However, in case where the GST amount doesn't reflect in Form GSTR-2A of GAIL, the amount of GST will be released after reflection of GST amount of corresponding invoice in Form GSTR-2A of GAIL.

B) IN CASE OF FOREIGN BIDDER:

A foreign Seller shall be entirely responsible for all taxes, stamp duties, licence fees and other such levies imposed outside the Purchaser's country.

Customs duty payable in India for imported goods ordered by Purchaser on foreign Seller shall be borne and paid by Purchaser.

Any income tax payable in respect of supervisory services rendered by foreign Seller under the Contract shall be as per the Indian Income Tax Act and shall be borne by Seller. For Foreign bidders who is not having the Permanent Establishment/ Tax Residency (refer clause no.51 of this Section) in India/ GST Registration, IGST (Intergraded Goods and Services Tax) in respect of supervisory Services shall be payable by GAIL wherever applicable to statutory authorities in India under reverse charge mechanism. Further, in cases where GST is not charged by foreign bidders in the invoices and GAIL makes payment of IGST under Reverse Charge to Exchequer, if the foreign bidder is later on required to discharge tax liability as service provider, then GAIL will not reimburse tax, interest and penalty amount to such foreign vendor on this account.

In case Foreign bidder who is having the permanent establishment/ tax residency in India/ GST Registration, GST (CGST & SGST/UTGST or IGST) in respect of Supervisory Services shall be quoted and paid by the bidder. In such cases, all other provision w.r.t. to GST (CGST & SGST/UTGST or IGST) in respect of supervisory services shall be as per provision applicable to Indian bidder mentioned herein above.

14 BID CURRENCIES:

- 14.1 Indian Bidders may submit bid in Indian Rupees or in any foreign currency and receive payment in such currency.
- 14.2 Foreign Bidders are allowed to quote price (and get paid) in RBI's notified basket of foreign currencies - US Dollar or Euro or Pound Sterling or Yen etc., in addition to the Indian Rupees - except for expenditure incurred in India (including agency commission if any) which should be stated in Indian Rupees.
- 14.3 A Bidder expecting to incur a portion of his expenditure in the performance of Contract in more than one currency (limited to maximum two currencies) (without prejudice to the provisions of Clause 14.2) and wishing to be paid accordingly shall indicate the same in the bid. In such a case, the bid shall be expressed in different currencies with the respective amounts in each currency together making up the total price.
- 14.4 Currency once quoted will not be allowed to be changed. Purchaser shall not be compensating for any exchange rate fluctuation.



15 BID VALIDITY

- 15.1 Bid shall be kept valid for period specified in BDS from the final ‘Bid Due Date’. A Bid valid for a shorter period may be rejected by GAIL as ‘non-responsive’.
- 15.2 In exceptional circumstances, prior to expiry of the original ‘Bid Validity Period’, the Purchaser may request the Bidder to extend the ‘Period of Bid Validity’ for a specified additional period. The request and the responses thereto shall be made in writing or by fax/email. A Bidder may refuse the request without forfeiture of his ‘Bid Security’/ any actions being invoked as per bid security declaration. A Bidder agreeing to the request will not be required or permitted to modify his Bid, but will be required to extend the validity of its ‘EMD’ for the period of the extension and in accordance with “ITB: Clause-16” in all respects.

16 EARNEST MONEY DEPOSIT (EMD) / BID SECURITY – NOT APPLICABLE

16A DECLARATION FOR BID SECURITY

MSEs, Start-Ups and CPSEs (to whom exemption is allowed as per extant guidelines in vogue) are required to submit Declaration for Bid Security as per proforma at Form F-2A.

17 PRE-BID MEETING

- 17.1 The Bidder(s) or his designated representative are invited to attend a “Pre-Bid Meeting” which will be held at Date, Time & Venue as specified in IFB. It is expected that a Bidder shall not depute more than 02 representatives for the meeting.
- 17.2 Purpose of the meeting will be to clarify issues and to answer questions on any matter that may be raised at that stage and give hands-on demonstration of e-tendering process. The Bidder must submit their queries / clarifications to GAIL in the format “F-11”, as mentioned at clause no. 8.0 of ITB.
- 17.3 The text of the questions raised and the responses that may become necessary as a result of the Pre-Bid Meeting, will be prepared in the form of Addendum / Corrigendum /Clarification to the Tender Document and will be uploaded on websites of GAIL, Govt. and GAIL’s e-Portal (in case of e-tendering) and not through the minutes of the Pre-Bid Meeting.
- 17.4 Non-attendance of the Pre-Bid Meeting will not be a cause for disqualification of Bidder.

18 FORMAT AND SIGNING OF BID

- 18.1 The original and all copies of the Bid shall be typed or written in indelible ink [in the case of copies, photocopies are also acceptable] and shall be signed by a person(s) duly authorized to sign on behalf of the Bidder (as per POA). The name and position held by person signing, must be typed or printed below the signature. All pages of the Bid except for unamendable printed literature where entry(s) or amendment(s) has been made, shall be initialed by the person or persons signing the Bid.
- 18.2 The Bid shall contain no alterations, omissions, or additions, unless such corrections are initialed by the person(s) signing the Bid.



- 18.3 In case of e-tendering, digitally signed documents to be uploaded as detailed in addendum to ITB (Annexure-III to Section III).

19 ZERO DEVIATION AND REJECTION CRITERIA

- 19.1 **ZERO DEVIATION:** Deviation to terms and conditions of Tender Document may lead to rejection of Bid. GAIL will accept Bid based on terms & conditions of Tender Document only. Bidder may note, GAIL will determine the substantial responsiveness of each bid to the Tender Document pursuant to provision contained in clause 29 of ITB. For purpose of this, a substantially responsive bid is one which conforms to all terms and conditions of the Tender Document without deviation(s) or exception n(s). GAIL's determination of a Bid's responsiveness is based on the content of the Bid itself without recourse to extrinsic evidence.

Bidder is requested not to take any deviation(s)/exception(s) to the terms & conditions of Tender Document, and submit all requisite documents as mentioned in this Tender Document, failing which their Bid will be liable for rejection. If a Bidder does not reply to the queries in the permitted time frame then its Bid shall be evaluated based on the documents available in the Bid.

As a principle, clarifications from bidders after opening of tenders will not be sought. However, where clarifications / documents from the bidders on important aspects are absolutely necessary for finalization of tender, clarifications from bidder can be asked. The request for clarification shall be given in email/portal, asking the bidder to respond by a specified date, and also mentioning therein that, if the bidder does not comply or respond by the date, his tender will be liable to be rejected. Depending on the outcome, such tenders are to be ignored or considered further. No change in prices or substance of the bid including specifications, shall be offered or permitted. No post-bid clarification at the initiative of the bidder shall be entertained. The shortfall information/ documents should be sought only in case of historical documents which pre-existed bids and which have not undergone change since then.

19.2 REJECTION CRITERIA:

Notwithstanding the above, deviation to the following clauses of Tender Document shall lead to summarily rejection of Bid:

- (a) Firm Price
- (b) Earnest Money Deposit/ Bid Security declaration
- (c) Specifications
- (d) Schedule of Rates / Price Schedule / Price Basis
- (e) Delivery Period / Period of Contract/ Completion schedule
- (f) Period of Validity of Bid
- (g) Price Reduction Schedule
- (h) Contract Performance Security / Security Deposit
- (i) Warranty/ Guarantee
- (j) Arbitration / Resolution of Dispute/Jurisdiction of Court
- (k) Force Majeure & Applicable Laws
- (l) Integrity Pact
- (m) Any other condition specifically mentioned in the Tender Document elsewhere that non-compliance of the clause lead to rejection of Bid



Note: Further, it is once again reminded not to mention any condition in the Bid which is contradictory to the terms & conditions of Tender Document.

20 MODE OF PAYMENT:

DOMESTIC BIDDER:

GAIL (India) Limited has initiated payments electronically to Suppliers electronically through ‘e-banking’.

FOREIGN BIDDER:

Through an irrevocable Letter of Credit (L/C) as per payment schedule specified in Special Conditions of Contract (SCC) less Indian Agent’s Commission/Fee (as quoted by the Foreign Bidder, if applicable) to be established by Purchaser through an Indian Nationalized Bank within 30 days of acceptance of award by the Seller (unconditional acknowledgment of Fax of Acceptance) and its furnishing requisite Performance Bank Guarantee. L/C opening charges payable to the L/C opening bank shall be borne by the Purchaser. In case the Seller requires a confirmed L/C, the confirmation charges shall be borne by the Seller. Any other charges not specified herein shall be on Seller’s account.

Agency Commission (if applicable) will be paid by GAIL in non-convertible Indian currency in India (on conversion rate as applicable on the date of payment to vendor) after satisfactory completion of order. A valid registration certificate should also exist at the time of agency commission being paid directly by GAIL.

Alternatively, Payments to foreign bidder shall also be released through Cash against Documents (CAD) through bank.

[D] – SUBMISSION OF BIDS

21 SUBMISSION, SEALING AND MARKING OF BID

- 21.1 In case of e-tendering, Bid shall be submitted through e-tender mode in the manner specified in Tender Document. No Manual/ Hard Copy (Original) Bid shall be acceptable. ~~EMD~~/physical documents shall be addressed to the owner at address specified in IFB.
- 21.2 In case of manual tender, Bid must be submitted in sealed envelope. If the envelope is not sealed & marked as per Clause No. 11 of ITB, the Purchaser will assume no responsibility for misplacement or pre-mature opening of the Bid. The Bid shall be addressed to the Purchaser at address specified in IFB.
- 21.3 Bids submitted under the name of AGENT/ REPRESENTATIVE /RETAINER/ ASSOCIATE etc. on behalf of a Bidder /Affiliate shall not be accepted.
- 21.4 **AGENTS/ REPRESENTATIVES/RETAINERS/ASSOCIATES:**
- 21.4.1 GAIL would prefer to deal directly with the manufacturers/ principals abroad without involving any Indian Agent. But in case they decide to have their Agent/ Representative/Retainer/Associate in India and pay commission for their services against a particular tender it should be bare minimum (not exceeding five percent) and the principal would have to certify that such a



commission is commensurate with the services rendered to them by such an Agent/ Representative/ Retainer/ Associate in India. The principal will also have to broadly list out services to be rendered by the Agent Representative/ Retainer/Associate in India.

21.4.3 In the event bidder is having Agent/ Representative/Retainer/ Associate/servicing facilities in India (who is not an employee of the bidder) the bidder should indicate in their offer the name of such an Agent/ Representative /Retainer /Associate, they have for services in India. The bidder must also indicate clearly the commission payable to the Agent/ Representative/Retainer/Associate in rupees in terms of Agreement (enclosing copy of the same). The bidder, in his bid will indicate the nature and extent of service to be provided by such an Agent/ Representative /Retainer/Associate on behalf of the bidder and also remuneration therefore provided in the price, as a separate item, quoted by the bidder to GAIL. Such remuneration/commission will be paid by GAIL in non-convertible Indian currency in India. Should it be established at any subsequent point of time that the above statement of the bidder is not correct or that any other amount of remuneration /commission either in India or abroad is being paid to any one (who is not an employee of the bidder), the bidder would be liable to be debarred from participating in the future tenders of GAIL. Failure to give such information will lead to rejection of the offer.

The following particulars will also be furnished by the bidder:

- (i) Name, address and precise relationship between the foreign manufacturer/ principal and their Agent/ Representative/Retainer/ Associate in India.
- (ii) The mutual interest which the manufacturer/principal and the Agent/ Representative/ Retainer/Associate in India have in the business of each other.
- (iii) Any payment which the Agent/ Representative/ Retainer/ Associate receives in India or abroad from the manufacturer/principal whether as a commission for the contract or as a general fee. Bidder's quoted price shall be treated as inclusive of such commission/fee.
- (iv) Permanent Income Tax number of Agent/ Representative/ Retainer/ associate in India.
- (v) Permanent income tax account number of foreign supplier.
- (vi) All services to be rendered by the Agent/Representative /Retainer/Associate.

Agent/ Representative/Retainer/Associate can be engaged only in case of tender for procurement of Equipment/Capital items only.

Note: Tenders which do not comply with the above stipulations are liable to be ignored.

21.4.3 Overseas bidder should submit bid directly. Bid sent through Agent/ Representative/Retainer/Associate will not be recognized. Agent /Representative/Retainer/Associate of the overseas manufacturers/suppliers are, however, permitted to download bidding documents and attend bid opening provided such as Agent/ Representative/Retainer/Associate has a power of attorney/letter of authority setting out very clearly his role, which will be limited to such areas of activity as downloading of bid documents, attending of bid opening and claiming of payment for their services, provided further that such a power of attorney/letter of authority is submitted to GAIL in advanced for scrutiny and acceptance or otherwise.



22 DEADLINE FOR SUBMISSION OF BID

- 22.1 In case of e-tendering, the Bid must be uploaded on GAIL's e-Portal not later than the Due Date & Time of Bid Submission specified in IFB of the Tender Documents.
- 22.2 In case of manual tender, EMD alongwith Bid must be submitted within the Due Date & Time as specified in Clause no. 2.0 (I) of IFB and place mentioned in BDS.
- 22.3 GAIL may, in exceptional circumstances and at its discretion, extend the Due Date & Time for Bid submission through a Corrigendum as per clause no. 8.0 and / or 9.0 of ITB. In that case all rights and obligations of GAIL and the Bidder, previously subject to the original Due Date & Time will thereafter be subject to the Due Date & Time as extended. Such Corrigendum for extension of Due Date & Time of Bid submission will be uploaded on websites of GAIL and Govt. and GAIL's e-Portal / communicated to bidders.

23 LATE BID

- 23.1 Any Bid received after the Due Date & Time of Bid submission of tenders will be treated as late bids. However, e-tendering system of GAIL shall close immediately after the Due Date & Time of Bid submission and no bids can be submitted thereafter.
- 23.2 In case of manual tender, Bid(s) received by GAIL after Due Date & Time of Bid Submission shall not be considered. Such late bids shall be returned to the Bidder within “10 days” in ‘unopened conditions’. The EMD of such Bidder shall be returned along with the un-opened bid. In case of e-tendering, where the EMD /physical documents has been received but the Bid is not submitted by the bidder in the e-Portal, such EMD/ physical documents shall be returned immediately.
- 23.3 EMD /physical documents received to address other than one specifically stipulated in the Tender Document will not be considered for evaluation/opening/award if not received to the specified destination within stipulated date & time.
- 23.4 Unsolicited Bids or Bids received to address other than one specifically stipulated in the Tender Document will not be considered for evaluation/opening/award if not received to the specified destination within stipulated date & time.

24 MODIFICATION AND WITHDRAWAL OF BID

- 24.1 The Bidder may withdraw or modify its Bid after bid submission but before the Bid Due Date & Time. No bid shall be modified/ withdrawn after the Bid Due Date & Time.
- 24.2 Modification and withdrawal of bid shall be as follows:-
- 24.2.1 **IN CASE OF E- TENDER**
The Bidder may withdraw or modify its Bid after bid submission but before the Due Date & Time of Bid submission.
- 24.2.2 **IN CASE OF MANUAL TENDER**
The Bidder may withdraw or modify its Bid after bid submission but before the Due Date & Time for Bid submission provided that the written modification/ substitution/ notice of the withdrawal is received by GAIL prior to the Due Date & Time for Bid submission.



The modification shall also be prepared, sealed, marked and dispatched in accordance with the provisions of the clause 11 & 22 of ITB with relevant ‘Cut-Out Slip’ duly pasted and mentioning on top of the envelope as “MODIFICATION”. In case of withdrawal of bid, the Envelope containing withdrawal letter duly superscribing the envelope as “WITHDRAWAL” and “Tender Document number :....”/ communication regarding withdrawal of bid with “Tender Document number :....”/ must reach concerned dealing official of GAIL within Due date & Time of submission of Bid. No bid shall be modified/ withdrawn after the Due Date & Time for Bid submission.

- 24.3 Any withdrawal/ modification/substitution of Bid in the interval between the Due Date & Time for Bid submission and the expiration of the period of bid validity specified by the Bidder in their Bid shall result in the Bidder’s forfeiture of EMD pursuant to clause 16 of ITB / invocation of action as per Bid Security declaration and rejection of Bid.
- 24.4 The latest Bid submitted by the Bidder before Bid Due Date & Time shall be considered for evaluation and all other Bid(s) shall be considered to be unconditionally withdrawn.

[E] BID OPENING AND EVALUATION:

25 PURCHASER'S RIGHT TO ACCEPT ANY BID AND TO REJECT ANY OR ALL BIDS

- 25.1 GAIL reserves the right to accept or reject any Bid, and to annul the Bidding process and reject all Bids, at any time prior to award of Contract, without thereby incurring any liability to the affected Bidder or Bidders or any obligations to inform the affected Bidder or Bidders of the ground for GAIL's action. However, Bidder if so desire may seek the reason (in writing) for rejection of their Bid to which GAIL shall respond quickly.
- 25.2 A bidder is to be permitted to send his representation in writing to dealing officer specified in tender for rejection of bid. But, such representation has to be sent upto 10(ten) days from the date of Notification of Award/FOA. A decision on representation will be taken by GAIL within 15 (fifteen) days of the receipt of the representation. Only a directly affected bidder can represent in this regard:

- i) Only a bidder who has participated in tender can make such representation
- ii) In case technical bid has been evaluated before the opening of the financial bid, an application for review in relation to the financial bid may be filed only by a bidder whose technical bid is found to be acceptable

However, following decisions of GAIL shall not be subject to review:

- a) Determination of the need for procurement;
- b) Selection of the mode of procurement or bidding system;
- c) Choice of selection procedure;
- d) Provisions limiting participation of bidders in the procurement process;
- e) The decision to enter into negotiations with the L1 bidder;



- f) Cancellation of the procurement process except where it is intended to subsequently re-tender the same requirements;
- g) Issues related to ambiguity in contract terms may not be taken up after a contract has been signed, all such issues should be highlighted before consummation of the contract by the vendor/ contractor; and
- h) Complaints against specifications except under the premise that they are either vague or too specific so as to limit competition may be permissible.

26 BID OPENING

26.1 Unpriced Bid Opening:

GAIL will open bids, in the presence of Bidders' designated representatives who choose to attend, at date, time and location stipulated in the BDS. The Bidders' representatives, who are present shall sign a Bid Opening Register evidencing their attendance.

26.2 Priced Bid Opening:

26.2.1 GAIL will open the price bids of those Bidders who meet the qualification requirement and whose bid is determined to be technically and commercially responsive. Techno-commercial bid evaluation status will be informed to all bidders (including techno-commercially not qualified Bidders). Price bids are to be opened in the presence of only techno-commercially acceptable bidders, who are willing to attend the bid opening, at a pre-publicised date, time and place or on the portal in case of e-procurement. The bidder's name, bid price, discount (if any) and any such details considered appropriate shall be read out during the price bid opening. The Bidders' representatives, who are present shall sign a Price Bid Opening Register evidencing their attendance and may be required to be present even on a short notice.

26.2.2 The price bids of those Bidders who were not found to be techno-commercially responsive shall not be opened.

26.3 In case of Bids invited under the Single Bid System, Bid shall be opened on the Due Date & Time of Bid Opening as specified in the Tender Document.

27 CONFIDENTIALITY

Information relating to the examination, clarification, evaluation and comparison of bids, and recommendations for the award of a contract, shall not be disclosed to bidders or any other person not officially concerned with such a process until the award to the successful bidder.

28 CONTACTING THE PURCHASER

28.1 From the time of bid opening to the time of contract award, no bidder shall contact GAIL on any matter related to the bid, except on request and prior written permission.

28.2 Any effort by the bidder to influence GAIL in bid evaluation, bid comparison or contract award decisions will vitiate the process and will result in the rejection of the bidder's bid and action shall



be initiated as per the GAIL's procedure for action in case Corrupt / Fraudulent / Collusive / Coercive practices in this regard apart from forfeiture of EMD/ Bid Security, if any.

29 EXAMINATION OF BIDS AND DETERMINATION OF RESPONSIVENESS

29.1 The purchaser's determination of a bid's responsiveness is based on the content of the bid only. Prior to the detailed evaluation of Bids, the Purchaser will determine whether each Bid:-

- (a) meets the “Bid Evaluation Criteria” of the Tender Document;
- (b) has been properly signed;
- (c) is accompanied by the required EMD / Bid Security Declaration;
- (d) is substantially responsive to the requirements of the Tender Document; and
- (e) provides any clarification and/or substantiation that the Purchaser may require to determine responsiveness pursuant to “ITB: Clause-29.2”

29.2 A substantially responsive Bid is one which conforms to all the terms & conditions, specifications etc. of the Tender Document without any material deviation or reservation or omission, for this purpose Purchaser defines the foregoing terms below:-

- a) “Deviation” is departure from the requirement specified in the Tender Documents.
- b) “Reservation” is the setting of limiting condition(s) or withholding from complete acceptance of the requirement in the Tender Documents.
- c) “Omission” is the failure to submit part or all of the information or documentation required in the Tender Document for evaluation of bid.

29.3 A material deviation, reservation or omission is one that,

- a) If accepted would,
 - i) affect in any substantial way the scope, quality or performance of the job as specified in Tender Document.
 - ii) limit, in any substantial way, inconsistent with the Tender Document, the Purchaser's rights or the Bidder's obligation under the proposed Contract.
- b) If rectified, would unfairly affect the competitive position of other bidders presenting substantially responsive bids.

29.4 The Purchaser shall examine all aspects of the Bid to confirm that all requirements have been met without any material deviation, reservation or omission.

29.5 Tenders that do not meet the basic requirements specified in the bid documents are to be treated as unresponsive {both during Techno-commercial evaluation and Financial Evaluation in case of Two Bid System } and will be ignored. All tenders received will first be scrutinized to see whether the tenders meet the basic requirements as incorporated in the Bid document and to identify unresponsive tenders, if any. Unresponsive offers may not subsequently be made responsive by correction or withdrawal of the non- conforming stipulation. Some important points on the basis of which a tender may be declared as unresponsive and be ignored during the initial scrutiny are :



- i) The tender is not in the prescribed format or is unsigned or not signed as per the stipulations in the bid document;
- ii) The required EMD has not been provided or exemption from EMD is claimed without acceptable proof of exemption;
- iii) The bidder is not eligible to participate in the bid as per laid down eligibility criteria
- iv) The bid departs from the essential requirements specified in the bidding document (for example, the tenderer has not agreed to give the required contract performance security); or
- v) Against a schedule in the list of requirements in the tender enquiry, the tenderer has not quoted for the entire requirement as specified in that schedule (example: in a schedule, it has been stipulated that the tenderer will supply the equipment, install and commission it and also train the GAIL's personnel for operating the equipment. The tenderer has, however, quoted only for supply of the equipment).

30 CORRECTION OF ERRORS

- 30.1 Bids determined to be substantially responsive will be checked by the Purchaser for any arithmetic errors. Errors in Price Schedule/SOR will be corrected by the Purchaser as follows:
- (i) When there is a difference between the rates in figures and words, the rate which corresponds to the amount worked out by the Bidder (i.e. by multiplying the quantity and rate) shall be taken as correct.
 - (ii) When the rate quoted by the Bidder in figures and words tallies but the amount is incorrect, the rate quoted by the bidder shall be taken as correct and not the amount. The amount shall be re-calculated/ corrected accordingly.
 - (iii) In case a Price Schedule/ Schedule of Rate is having provisions of sub-total and grand total and there is a difference between “sum of sub totals” and “grand total”, “sum of sub totals” shall be taken as correct.
 - (iv) When it is not possible to ascertain the correct rate, in the manner prescribed above, the rate as quoted in words shall be adopted and the amount worked out, for comparison purposes
- 30.2 The discrepancy in bid shall be conveyed to the bidder asking to respond by a target date and if the bidder does not agree with observation, the Bid is liable to be rejected and the EMD shall be forfeited / actions shall be invoked as per Declaration for Bid Security.
- 30.3 The above provision of Correction of Error shall not be applicable for E-tendering.

31 CONVERSION TO SINGLE CURRENCY FOR COMPARISON OF BIDS

To facilitate evaluation and comparison, the Employer / Consultant will convert all bid prices expressed in the amounts in various currencies in which the bid price is payable to single currency and that will be Indian Rupees only, as per following methodology.
The following methodology shall be adopted for evaluation of bids in foreign currencies considering the forward rate:



- (i) The forward rates applicable as on the expected date of delivery/ Completion shall be considered. To arrive at the forward exchange rate applicable on reference date, the following method shall be applied:
- (a) Wherever only one time delivery is to be made against order or one-time payment is to be made after completion period of contract:
The reference date shall be the date of price bid opening plus delivery/ completion period specified in tender
- (b) Wherever staggered delivery is to be made against order or multiple/Running Account (RA) bill payment is to be made during completion period of contract:
The reference date shall be the date of price bid opening plus arithmetic mean of staggered delivery/completion period specified in tender.
- (ii) The applicable closing forward rates of M/s Bloomberg (or other software as decided by company from time to time) for different currencies for the above reference date obtained one day prior to price bid opening shall be considered for evaluation of bids. Where the time lag between the opening of the price bids and conducting Reverse Auction (if applicable in this tender) exceeds three months, the applicable closing forward rates for different currencies for the above reference date obtained two days prior to the date of first Reverse Auction of that tender shall be considered for evaluation of bids.

32 EVALUATION AND COMPARISON OF BIDS

Bid shall be evaluated as per Evaluation Methodology mentioned in Section-II of Tender Document on lowest bid basis.

In case of a tie at the lowest bid (L1) position between two or more bidders, the order/LOA will be placed on the bidder who has higher/ highest turnover in last audited financial year.

In case there is a tie at the lowest bid (L1) position between only startup bidders and none of them has past turnover, the order/LOA will be placed on the startup who is registered earlier with Department for Promotion of Industry and Internal Trade.

33 QUANTITY VARIATION

- 33.1 Where nature of items is such that the items cannot be supplied in exact quantity of the Purchase Order as in case of cables/ steel/ chemicals etc., quantity tolerance upto $\pm 5\%$ may be allowed, if there is no specific quantity variation / tolerance criteria in SCC. For such tolerance, separate amendment to Purchase Order would not be necessary.
- 33.2 The Purchaser reserves the right to delete the requirement of any one or more items of Tender Document without assigning any reason.
- 33.3 At the time of awarding the contract, the tendered quantity can be increased or decreased by 25 (twenty-five) per cent for ordering, if so warranted without change in quoted prices.



34 PURCHASE PREFERENCE

Purchase preference to Micro & Small Enterprises (MSEs) or Purchase Preference (linked with Local content) or Domestically Manufactured Electronic Products (DMEP) / Domestically Manufactured Telecom Products (DMTP) / or Policy to Provide Purchase Preference as per Public Procurement (Preference to Make in India), Order 2017 / Domestically Manufactured Products Of Petroleum And Natural Gas Sector etc. shall be allowed as per Government instructions in vogue, as applicable from time to time.

Bidders are required to select the applicable purchase preference (i.e. preference category) option while submitting the bid on GePNIC portal. However, evaluation and applicability of purchase preference policy will be based on the confirmations & documents submitted by the bidder in the their bid irrespective of selection made on GePNIC portal.

[F] – AWARD OF CONTRACT

35 AWARD

Subject to “ITB: Clause-29.0”, GAIL will place order to the successful Bidder whose Bid has been determined to be substantially responsive and has been determined as the lowest provided that Bidder, is determined to be qualified to satisfactorily perform the Contract.

In case Indian bidder emerged as successful bidder, GAIL intent to place the order directly on the address from where Goods are produced/dispatched. In case, bidder wants order at some other address or supply of Goods from multiple locations, bidder is required to provide in their bid, address on which order is to be placed.

GAIL will place the Order directly on the successful bidder from whom the bid has been received & evaluated and will not place order on other entities such as subsidiary, business associate or partner, dealer/distributor etc. of the Bidder.

36 NOTIFICATION OF AWARD / FAX OF ACCEPTANCE [FOA]

- 36.1 Prior to the expiry of ‘Period of Bid Validity’, Notification of Award for acceptance of the Bid will be intimated to the successful Bidder by GAIL either by E - mail /Letter or like means defined as the “Fax of Acceptance (FOA)”. The Contract shall enter into force on the date of FOA and the same shall be binding on GAIL and successful Bidder (i.e. Supplier/Seller). The Notification of Award/FOA will constitute the formation of a Contract. The detailed Purchase Order /Contract shall be issued thereafter incorporating terms & conditions of Tender Document, Corrigendum, Clarification(s), Bid and agreed variation(s)/acceptable deviation(s), if any. GAIL may choose to issue Notification of Award in form of detailed Purchase Order without issuing FOA and in such case the Contract shall enter into force on the date of detailed Purchase Order only.
- 36.2 Contract/ Delivery/Completion Period shall commence from the date of Notification of Award/FOA or as mentioned therein.
- 36.3 Upon the successful Bidder’s / Supplier’s furnishing of ‘Contract Performance Security’, pursuant to “ITB: Clause-38”, GAIL will promptly discharge his EMD, pursuant to “ITB: Clause-16”.



36.4 Order value mentioned in the FOA/Purchase Order is subject to Price Reduction Schedule (PRS) clause.

36.5 GAIL will issue order to the successful bidder, who, within fifteen [15] days' of receipt of the same, shall sign and return the acknowledged copy to GAIL.

37.0 **DISPATCH SCHEDULE**

37.1 **INDIAN BIDDER:**

37.1.1 If Purchase Order issued based on FOT (Free on Truck) / FOR (Free on Rail) project site basis, materials shall be delivered at the destination on freight prepaid & door delivery basis and for the cases where order(s) are finalized on Ex-Works basis the transportation will be arranged by supplier(s) / GAIL on 'freight to pay' basis and the freight will be paid at the destination.

Seller shall submit the following details of goods/cargo within 15 days from Notification of Award to the designated authority as per Purchase Order:

- (i) Shipments Schedule
- (ii) Dimension details of packages
- (iii) Detailed technical write-up along with Catalogue (if applicable)
- (iv) Any other document/details, if mentioned in Purchase Order

37.1.2 The consignment should be handed over to transporter with E-way bill, wherever required as per law/act. In case such e-way bill is required to be issued by GAIL, the concerned designated order issuing authority may be contacted in this regard. It will be the responsibility of the supplier to ensure the compliance of the provisions relating to E-Way bill before dispatch of the consignment and any financial implication arising due to non-compliance in this regard will be to the account of the supplier.

37.1.3 It shall be responsibility of the seller to send intimation immediately on dispatch of the material so that necessary arrangements can be made at site. Delays on account of the same shall solely be attributable to the Supplier.

37.1.4 Wherever the items make a full truck load, the suppliers to dispatch such items in a full truck direct to the consignee on a door delivery basis to the site. In such cases, the supplier to send a consignee copy of the lorry receipt to the consignee along with the consignment and the consignment shall be booked to GAIL and not "self". The supplier should dispatch the consignments to the designated consignee. All dispatch documents, that is, railway/lorry receipt, goods consignment note, airway bill, invoices, packing list, freight memos, test certificate, and so on, shall be sent to the concerned authority which will arrange to make the payment. If the payment is to be made through the bank, all original documents are to be sent through the designated bank.

37.2 **FOREIGN BIDDER:**

37.2.1 Where the Seller is required under the Contract to deliver the Goods on CFR or CIF, transportation of the Goods to the port of discharge or such other point in the country of destination as shall be



specified in the Contract shall be arranged and paid for by the Seller and the for the cases where order(s) are finalized on FOB or FCA basis the transportation will be arranged by GAIL.

Seller shall submit the following details of goods/cargo within 15 days from Notification of Award to the designated authority as per Purchase Order:

- (i) Shipments Schedule
- (ii) Dimension details of packages
- (iii) Detailed technical write-up along with Catalogue (if applicable)
- (iv) Any other document/details, if mentioned in Purchase Order

37.2.2 It shall be responsibility of the seller to send intimation and Original Shipping Documents immediately on dispatch of the material so that necessary arrangements can be made at Destination Port. Delays on account of the same shall solely be attributable to the Supplier.

37.3 All equipments / materials are to be insured by GAIL for transit/marine risks unless specified otherwise in the purchase order, to cover the damages during the transportation etc.

Any such damage during the transportation shall be immediately notified to under-writers as well as the transporter, for further necessary action for recovery of transit damages.

For the purpose of arranging transit/marine insurance of the goods despatched / shipped, vendors are required to furnish the despatch / shipping particulars to the Insurance Company giving complete details of despatches along with Policy No. etc.

37.4 Wherever, part shipment is allowed (refer BDS), the Supplier is allowed to make part shipment. However, until specified elsewhere in Tender Document, Payment for such part supplied Goods shall be made after supply of complete quantity of respective item.

37.5 Where critical equipment is involved, suitable special instructions will be provided in SCC to the supplier about the mode of transport, loading, avoidance of transshipment and, if necessary, provision of escorts. In case of chemicals, powdery materials, liquid materials, and so on, supplier is to ensure proper packaging to avoid spillage enroute, so as to avoid pollution problems and also to conform to the ISO 14001 standard (wherever applicable).

38 CONTRACT PERFORMANCE SECURITY (CPS)

38.1 Within 30 days of the receipt of the notification of award/ FOA from GAIL, the successful Bidder shall furnish the Contract Performance Security (CPS) in accordance with of General Conditions of the Contract. **The CPS shall be in the form of bank guarantee (including e- bank guarantee), Demand Draft (DD), Insurance Security Bond, online banking transaction, Fixed Deposit Receipt Banker's Cheque, a letter of credit to be denominated in the currency of contract for the amount as applicable.** However, CPS shall not be applicable in cases wherein the order value as specified in Notification of Award is less than INR 5 Lakh or its equivalent in U.S. Dollars (exclusive of GST). bank guarantee(including e- bank guarantee), Demand Draft (DD), online banking transaction ,Banker's Cheque, Insurance Security Bond, Fixed Deposit Receipt or a letter of credit.



38.2 The CPS shall be for an amount as specified in BDS towards faithful performance of the contractual obligations and performance of equipment/material. For the purpose of CPS, Order Value shall be exclusive of taxes and duties

Bank Guarantee towards CPS shall be from any Indian scheduled bank (excluding Co-operative banks and Regional Rural bank) or a branch of an International bank situated in India and registered with Reserve Bank of India as scheduled foreign bank. However, in case of bank guarantees from banks other than the Nationalized Indian banks, the bank must be a commercial bank having net worth in excess of Rs 100 crores/or its equivalent in U.S. Dollars) and a declaration to this effect should be made by such commercial bank either in the Bank Guarantee itself or separately on its letterhead.

38.3 Failure of the successful Bidder to comply with the requirements of this article shall constitute sufficient grounds for consideration of the annulment of the award and ~~forfeiture of the EMD /~~ action as per declaration for Bid Security.

38.4 Further, Ministry of Finance (MOF) Department of financial service has issued direction for submission of Bank Guarantee through online vide letter ref number F.No.7/112/2011-BOA dated 17th July 2012. The successful bidder can submit CPS online through issuing bank to GAIL directly as per the above direction including its revisions, if any. In such cases confirmation will not be sought from issuing banker by GAIL.

38.5 The successful bidder can also submit the CPS through online banking transaction i.e. IMPS/NEFT/RTGS/SWIFT etc. For this purpose, the details of GAIL's Bank Account is mentioned in BDS. Further, in case a successful Bidder is willing to furnish CPS through SWIFT, the details may be obtained from Purchase Officer immediately after receipt of FOA.

While remitting such online transaction, the bidder must indicate “Contract Performance Security against FOA/Order no. _____ (vendor to specify FOA/Order No.)” under remarks column of such transaction on respective bank portal. The vendor shall be required to submit the successful transaction details to the dealing officer immediately through email/letter and necessarily within 30 days from the date of Fax of Acceptance.

38.6 In case of forfeiture of Contract Performance Security (CPS) in terms of GCC, the forfeited amount will be considered inclusive of tax and tax invoice will be issued by GAIL. The forfeiture amount will be subject to final decision of GAIL based on other terms and conditions of order/contract.

38.7 CPS will not be accepted in case the same has reference of ‘remitter’/‘financer’ other than bidder on the aforementioned financial instrument of CPS submitted by the Supplier.

38.8 The first payment to vendor is to be released only after submission of CPS / Security Deposit (SD).

38.9 Before the CPS / Security Deposit (SD) is released a "No Claim Certificate" is to be submitted by the supplier/vendor.

38.10 In case, GAIL allows additional time for submission of CPBG/SD beyond 30 days, a penal interest of Marginal Cost of Fund based Lending Rate (MCLR) for one year charged by SBI (applicable on due date of submission of CPBG/SD i.e. 30th day after issuance of FOA/Notification of award) plus 4.0% p.a (on CPBG/SD amount) shall be charged for delay



beyond 30 days i.e. from 31st days after issuance of FOA.

38.11 Fixed Deposit Receipt as CPS:

- (i) The Fixed Deposit Receipt (FDR) submitted by Vendor/Contractor from a Bank based in India shall be duly pledged / lien in favour of “GAIL (India) Limited”(GAIL).

The FDR shall be in the name of the GAIL (India) Limited A/c(Name of Vendor/Contractor) and the Vendor/Contractor cannot encash / pre-mature this FDR without the discharge letter / NOC/approval of GAIL. However, GAIL can encash this FDR without the approval of the Vendor/Contractor in case of non-compliance of the terms of the order/contract.

The original FDR shall be accompanied by a confirmation letter in original on letter head from the issuing bank to GAIL as per the format of “**Third Party Deposit Confirmation Letter**” placed as **Annexure**

Note : FDR (free from any encumbrance payable at place mentioned in BDS) along with original confirmation letter in the manner mentioned above shall be submitted by the Vendor/Contractor within 30 days of the receipt of the notification of award/ FOA from GAIL.

Here **Bank** means - Any Indian scheduled Bank (excluding Co-operative banks and Regional Rural bank) or a branch of an International Bank situated in India and registered with ‘Reserve Bank of India’ as Scheduled Foreign Bank. However, in case of “Fixed Deposit” from Banks other than the Nationalized Indian Banks, the Bank must be commercial Bank having net worth in excess of Rs. 100 Crores [Rupees One Hundred Crores] and a declaration to this effect should be made by such commercial Bank either in the “Fixed Deposit” itself or separately on its letterhead. GAIL will verify the Fixed Deposit Receipt from issuing bank.

- (ii) The FDR submitted should have a validity of at least ‘three [03] months’ beyond the Warranty Period/Defect Liability Period.
- (iii) Any dispute arising out of or in relation to the said FDR shall be subject to the exclusive jurisdiction of courts at New Delhi.
- (iv) FDR in Original and Third Party Deposit Confirmation Letter in Original has to be kept in Custody of GAIL.

39 PROCEDURE FOR ACTION IN CASE CORRUPT/ FRAUDULENT /COLLUSIVE/ COERCIVE PRACTICES

- 39.1 Procedure for action in case Corrupt/ Fraudulent/Collusive/Coercive Practices is enclosed at Annexure-I to Section-III which will supersede the Annexure attached with the GCC.
- 39.2 The Fraud Prevision Policy document is available on GAIL’s website (www.gailonline.com).
- 39.3 Name and contact details of nodal officer - refer BDS
- 39.4 **NON-APPLICABILITY OF ARBITRATION CLAUSE IN CASE OF BANNING OF VENDORS/ SUPPLIERS / CONTRACTORS/BIDDERS/ CONSULTANTS INDULGED IN FRAUDULENT/ COERCIVE PRACTICES**



Notwithstanding anything contained contrary in GCC or elsewhere in the Purchase Order, in case it is found that the Bidder/ Supplier indulged in fraudulent/ coercive practices at the time of bidding, during execution of the Contract and/or on other grounds as mentioned in GAIL's "Procedure for action in case Corrupt/ Fraudulent/ Collusive/Coercive Practices" (Annexure-I to Section-III), the Bidder/Supplier shall be banned (in terms of aforesaid procedure) from the date of issuance of such order by GAIL (India) Ltd., to such Bidder/Supplier.

The Bidder /Supplier / understands and agrees that in such cases where Bidder /Supplier has been banned (in terms of aforesaid procedure) from the date of issuance of such order by GAIL, such decision of GAIL shall be final and binding on the Bidder /Supplier and the 'Arbitration Clause' mentioned in the GCC or elsewhere in the Purchase Order shall not be applicable for any consequential issue /dispute arising in the matter.

**40 PUBLIC PROCUREMENT POLICY FOR MICRO AND SMALL ENTERPRISES (MSE)
(applicable for Indian bidder)**

40.1 Following provision has been incorporated for Micro and Small Enterprises (MSE), in line with notification of Government of India, vide Gazette of India No. 503 dated 26.03.2012 proclaiming the Public Procurement Policy on procurement of goods and services from MSEs.

- i) Issue of tender document to MSEs free of cost.
- ii) Exemption to MSEs from payment of EMD.
- iii) In Tender, participating Micro and Small Enterprises quoting price within price band of L1 + 15% shall also be allowed to supply a portion of requirement by bringing down their prices to L1 price in a situation where L1 price is from someone other than a micro and small enterprises and such micro and small enterprises shall be allowed to supply upto 25% of the total tendered value. In case of more than one such Micro and Small Enterprises, the supply shall be shared proportionately (to tendered quantity). Further, out of above 25%, 4% shall be reserved for MSEs owned by SC/ST entrepreneurs. Further, 3% shall be reserved for MSEs owned by women within above 25% reservation. The respective quota(s) shall be transferred to other MSEs in case of non-availability of MSEs owned by SC/ST entrepreneurs / MSEs owned by Women.

The quoted prices against various items shall remain valid in case of splitting of quantities of the items above.

In case tendered item is non-splitable or non- dividable (specified in Bid Data Sheet), MSE quoting price within price band L1 (other than MSE) + 15% , may be awarded for full/ complete supply of total tendered value subject to matching of L1 price.

40.2 The MSE(s) owned by SC/ST Entrepreneurs shall mean:-

- a) In case of proprietary MSE, Proprietor(s) shall be SC/ST.
- b) In case of partnership MSE, the SC/ST partners shall be holding atleast 51% share in the unit
- c) In case of private Limited Companies, at least 51% share is held by SC/ST. If the MSE is owned by SC/ST Entrepreneurs, the bidder shall furnish appropriate documentary evidence in this regard.



The MSE(s) owned by Women shall mean:-

- a) In case of proprietary MSE, Proprietor(s) shall be Women.
- b) In case of partnership MSE, the Women partners shall be holding atleast 51% share in the unit
- c) In case of private Limited Companies, at least 51% share is held by Women. If the MSE is owned by Women Entrepreneurs, the bidder shall furnish appropriate documentary evidence in this regard.

40.3 In case Bidder is a Micro or Small Enterprise, the Bidder shall submit Udyam Registration Certificate for availing benefit under Public Procurement Policy for MSEs-2012.

Vide Gazette notification dated 18.10.2022 of Ministry of MSME, the following is notified:

“In case of an upward change in terms of investment in plant and machinery or equipment or turnover or both, and consequent re-classification, an enterprise shall continue to avail of all nontax benefits of the category (micro or small or medium) it was in before the re-classification, for a period of three years from the date of such upward change”

Accordingly, in case of upward change in status, MSE bidder is required to submit the previous certificate also to get the MSE benefit.

The above document(s) submitted by the Bidder shall be duly certified by the Chartered Accountant (not being an employee or a Director or not having any interest in the bidder's company/firm) and notary public with legible stamp.

If the bidder does not provide the above confirmation or appropriate document or any evidence, then it will be presumed that they do not qualify for any preference admissible in the Public Procurement Policy (PPP) 2012.

Further, MSEs who are availing the benefits of the Public Procurement Policy (PPP) 2012 get themselves registered with MSME Data Bank being operated by NSIC, under SME Division, M/o MSME, in order to create proper data base of MSEs which are making supplies to CPSUs.

- 40.4 If against an order placed by GAIL, successful Bidder(s) (other than Micro/Small Enterprise) is procuring material/services from their sub-vendor who is a Micro or Small Enterprise as per provision mentioned at clause no. 40.3 above with prior consent in writing from GAIL, the details like Name, Registration No., Address, Contact No. details of material & value of procurement made, etc. of such Enterprises shall be furnished by the successful Bidder at the time of submission of invoice/Bill.
- 40.5 The benefits of policy are not extended to the traders/dealers/ Distributors /Stockiest/Wholesalers.
- 40.6 NSIC has initiated a scheme of “Consortia and Tender Marketing Scheme” under which they are assisting the Micro & Small enterprises to market their products and services through tender participation on behalf of the individual unit or through consortia.
Accordingly, if the MSEs or the consortia, on whose behalf the bid is submitted by NSIC, is meeting the BEC and other terms and conditions of tender their bid will be considered for further evaluation.



Further, in such cases a declaration is to be submitted by MSE/ consortia on their letter head (s) that all the terms and conditions of tender document shall be acceptable to them.

40.7 It may be noted that Government of India has implemented Trade Receivable Discounting System (TReDS) to address challenges faced by MSMEs in delayed payments (after receipt/acceptance of Material/Services) from Government buyers leading to shortfall of Working Capital. TReDS is an online electronic institutional mechanism for facilitating the financing of trade receivables of MSMEs through multiple financiers. GAIL is already registered on the following TReDS platform:

- M/s Receivable Exchange of India (RXIL), Mumbai
- M/s Mynd Solutions Private Limited (Mynd), New Delhi
- M/s A. TREDIS (Invoicemart), Mumbai

MSME Bidders are required to register on the TReDS platform. The MSME vendors can avail the TReDS facility, if they want to.

40.8 Interest Payment on Delayed Payments to MSMEs is payable in line with the Micro, Small and Medium Enterprises Development Act, 2006 .

41 PACKING, MARKING & SHIPPING INSTRUCTIONS

41.1 The Seller, wherever applicable shall after proper painting, pack and crate all goods for sea/air/road/rail transportation in a manner suitable to tropical humid climatic region in accordance with the internationally accepted practices and in such a manner so as to protect it from damage and deterioration, in transit by sea or air or road or rail and during storage at the storehouse. The Seller shall be held responsible for all damages due to improper packing. The Seller shall ensure sizing or packing of all oversized consignments in such a way that availability of carrier and/or road/rail route is properly taken into consideration.

41.2 Seller shall comply with the Packing, Marking and Shipping Instructions and Special Packaging Requirement as per Annexure-V to ITB herewith.

41.3 Permits are to be obtained separately for entry/use of vehicles/trailers etc. inside the plant. The following requirements are to be met to obtain vehicle permit:-

- a) Vehicle/Equipment etc. should be brought to site in good conditions.
- b) Valid Road Tax Certificate, fitness certificate and insurance policy from Competent Authority
- c) Valid operating/driving license of driver/operator
- d) Any other requirement mentioned elsewhere in Tender Document

41.4 GREEN PACKAGING:

Green packaging, also known as **sustainable packaging makes use of materials and manufacturing methods for the packaging of goods** that has a significantly low impact on both energy consumption and the environment thus resulting in improved sustainability

In order to promote Green Packing, vendors/suppliers may use packaging that are preferably biodegradable. Multilayer packaging may not be used, wherever applicable. While packaging, the following may be preferred:



- (i) Adopt green packaging practices for packaging
- (ii) Packaging may be recyclable with appropriate recycling labels on packaging or goods. The product may be packaged in material that is recyclable after use and be certified for this.
- (iii) If plastic packaging is unavoidable, then the packaging shall be reusable plastics or made of recycled material. The packaging should have appropriate recycling label on it.
- (iv) The paper to be packaged in material that is recyclable/reusable or biodegradable.
- (v) Alternate packaging materials like aluminium, cardboard, paper, paper board, jute bag etc. may be explored.
- (vi) Use of reusable containers or packaging to transport products;
- (vii) Styrofoam, thermocols, thin film plastics, polystyrene etc. may be avoided
- (viii) Avoid the use of materials toxic to humans or the environment

42. VENDOR PERFORMANCE EVALUATION

Shall be as stipulated in Annexure-II to Section-III herewith which will supersede the Annexure attached with the GCC.

43. MENTIONING OF PAN NO. IN INVOICE/BILL (APPLICABLE FOR INDIAN BIDDER)

As per CBDT Notification No. 95/2015 dated 30.12.2015, mentioning of PAN no. is mandatory for transactions related to procurement of goods / services/ exceeding Rs. 2 Lacs per transaction or as amended from time to time.

Accordingly, Supplier should mention their PAN no. in their invoice/ bill for any transaction exceeding Rs. 2 lakhs. As provided in the notification, in case Supplier do not have PAN no., they have to submit declaration in Form 60 along with invoice/ bill for each transaction. Payment of Supplier shall be processed only after fulfilment of above requirement.

44. DISPUTE RESOLUTION MECHANISM

44.1 QUARTERLY CLOSURE OF THE CONTRACT AND SAMADHAN MECHANISM

During execution of orders, various issues may arise. In order to timely detect and to address the contractual issue(s) during the execution of contracts, GAIL has introduced a mechanism of Quarterly Closure of the contract, under which all the related issues /disputes will be monitored and addressed on quarterly basis for resolution. Vendor/ Supplier/ Contractor/Consultant (hereinafter referred 'Vendor') should first refer any issues/disputes to Engineer-in-Charge (EIC) for LOA/contracts/ Dealing C&P Executive for Purchase Orders and co-operate them for smooth execution of the contract and to timely address the issues, if any. For applicability of 'Quarterly Closure', please refer BDS.

In case issue is not resolved by above, Supplier may submit their issue(s) to Vendor Grievance Portal "Samadhan", which will be addressed by GAIL within 15 days. The Samadhan Portal is available at <https://gailebank.gail.co.in/grievance/welcome.aspx> .



Accordingly, the methodology for resolution of issue(s)/ grievance (s) of Vendor shall be as under:

- (i) Any issue should be first referred to EIC for contracts/ Dealing C&P Executive for Purchase Orders.
- (ii) In case issue is not resolved, Vendor may submit their issue/ grievance through online Vendor Grievance Portal-“Samadhan”.
- (iii) In case, Vendor is not satisfied, there is a provision of escalation of issue to higher authority in GAIL. This option is available two times to vendor.
- (iv) Further, issue(s) can only be submitted upto 1 month after closure of respective Order/ LOA/Contract.
- (v) Vendor should refer their issue/ grievance through above mode only. Issue/ grievance received through any other mode shall not be entertained.

44.2 **CONCILIATION AND ARBITRATION**

Shall be as per cl.no.30 of General Conditions of Contract (GCC)-Goods.

45. **DISPUTES BETWEEN CPSE’S/GOVERNMENT DEPARTMENT’S/ ORGANIZATIONS**

Shall be as per cl.no.30.4 of General Conditions of Contract (GCC)-Goods.

46 **REPEAT ORDER**

Shall be as per Clause no. 40 of GCC-Goods except the percentage of repeat order shall be order up to 25% of the original ordered quantity.

47 **PROMOTION OF PAYMENT THROUGH CARDS AND DIGITAL MEANS (APPLICABLE FOR INDIAN BIDDER)**

To promote cashless transactions, the onward payments by Suppliers to their employees, service providers, sub-contractors and suppliers may be made through Cards and Digital means to the extent possible

48 **PROVISIONS FOR STARTUPS [APPLICABLE FOR INDIAN BIDDERS ONLY] (AS DEFINED IN GAZETTE NOTIFICATION NO. D.L-33004/99 DATED 18.02.2016 AND 23.05.2017 OF MINISTRY OF COMMERCE AND INDUSTRY AND AS AMENDED FROM TIME TO TIME) (FOR APPLICABILITY REFER BDS)**

As mentioned in Section-II, Prior turnover and prior experience shall not be required for all Startups [whether Micro & Small Enterprises (MSEs) or otherwise] subject to their meeting the quality and technical specifications specified in tender document and submission of document specified in Section-II.

Further, the Startups are also exempted from submission of EMDs, if applicable.



If a Startup [whether Micro & Small Enterprises (MSEs) or otherwise] gets qualified without turnover and experience criteria specified in tender and emerges lowest bidder, the order on such Startup shall be placed for entire tendered quantity.

However, before supplying the total quantity, the startup enterprise shall first demonstrate its performance by supplying 10% of total ordered quantity (rounded off to the next higher digit in terms of Unit of Measurement (UoM), wherever required) and only after successful execution of this quantity the balance 90% quantity will be cleared for supply. In case, the demonstration of performance fails, the entire order will be canceled without any financial implication on either side.

49. PROVISION REGARDING INVOICE FOR REDUCED VALUE OR CREDIT NOTE TOWARDS PRS

PRS is the reduction in the consideration value for the goods covered under this contract. In case of delay in supply, supplier should raise invoice for reduced value as per Price Reduction Schedule Clause (PRS clause). If supplier has raised the invoice for full value, then supplier service provider should issue Credit Note towards the applicable PRS amount with applicable taxes.

In such cases if supplier fails to submit the invoice with reduced value or does not issue credit note as mentioned above, GAIL will release the payment to supplier after giving effect of the PRS clause with corresponding reduction of taxes charged on vendor's invoice, to avoid delay in delivery/collection of material.”

In case any financial implication arises on GAIL due to issuance of invoice without reduction in price or non-issuance of Credit Note, the same shall be to the account of supplier. GAIL shall be entitled to deduct / setoff / recover such GST amount (CGST & SGST/UTGST or IGST) together with penalties and interest, if any, against any amounts paid or becomes payable by GAIL in future to the Supplier under this contract or under any other contract.

50. UNIQUE DOCUMENT IDENTIFICATION NUMBER BY PRACTICING CHARTERED ACCOUNTANTS

Practicing Chartered Accountants shall generate Unique Document Identification Number (UDIN) for all certificates issued by them as per provisions of Tender Document.

However, UDIN may not be required for documents being attested by Chartered Accountants in terms of provisions of Tender Document.

51. PERMANENT ESTABLISHMENT (PE) W.R.T. FOREIGN BIDDERS

Foreign bidders must submit (along with their bid) the following particulars which are required to be furnished by GAIL to Income Tax Department for complying with the requirements for making remittances to non-residents as per Income Tax Act, 1961 (as amended from time to time):



(i) In case of procurement of goods / spares / services/works (other than technical services and Royalty) etc.

- A certificate of having no business connection in India as given in Annexure-1 in case aggregate value of transactions does not exceed Rs. 2 Crores during the year, or
- In case Aggregate value exceed Rs. 2 Crores during the year or In case the non-resident bidder has a business connection in India, but the bidder does not have a permanent establishment in India, in terms of Double Taxation Avoidance Agreement (DTAA) between India and his country of tax residency through which the non-resident carries on business activities (if such DTAA is in force), then the bidder is required to furnish (i) a certificate of no permanent establishment (No PE) (as given in Annexure-2) along with (ii) **Electronically submitted* (see Note 8)** declaration in form 10-F (as given in Annexure-3) and (iii) tax residency certificate (TRC).

(ii) In case of services in nature of Fees for Technical Services & Royalty for use of equipment or instrument etc.

If the bidder does not have a permanent establishment in India, in terms of Double Taxation Avoidance Agreement (DTAA) between India and his country of tax residency through which the non-resident carries on business activities (if such DTAA is in force), then the bidder is required to furnish (i) a certificate of no permanent establishment (No PE) (as given in Annexure-2) along with (ii) **Electronically submitted* (see Note 8)** declaration in form 10-F (as given in Annexure-3) and (iii) tax residency certificate (TRC).

(iii) The foreign bidder is required to additionally comply with the following conditions:-

- a) If the non-resident is unable to obtain & submit tax residency certificate to GAIL within a reasonable time, the bidder should furnish **Electronically submitted* (see Note 8)** Form 10F along with an undertaking to the effect that the bidder is a tax resident of (the specified country) and that they shall obtain and provide the tax residency certificate (TRC) to GAIL before 30 days of submission of first Invoice by them or within 3 months from the date of entering into contract whichever is earlier.
- b) Where a non-resident has a PE in India then tax will be deducted at applicable rates and no cognizance will be given to the statement/declaration of bidder that no income derived from transaction is attributable to PE in India.

Note 1:- The word permanent establishment shall include a fixed place PE or service PE or installation PE or dependent agent PE or any other PE by whatever name called.

Note 2:- In absence of above mentioned documents for respective category, tax will be withheld at rates applicable as per the provisions of Income Tax Act, 1961 and the benefit of reduced rate will not be given.



- Note 3:- In cases where the foreign bidder is not availing the benefits of DTAA and does not furnish the PAN No., TDS will be deducted at applicable rate or @ 20% (in accordance with section 206AA) whichever is higher under Income Tax Act, 1961.
- Note 4:- In case of contracts with term exceeding one financial year, the relevant documents like TRC, Form 10 F, No PE / Business Connection Certificate etc. as applicable, as per Income Tax Act, 1961 must be submitted at the beginning of each financial year and GAIL will not bear additional tax liability (if any) arising from non-submission of documents.
- Note 5:- The bidder shall be liable to intimate the subsequent changes (if any) to the information submitted against any of the above particulars, along with full details.
- Note 6:- Additionally, the foreign bidder shall be required to furnish following documents –
- In case the non-resident has a Permanent Establishment in India, in terms of DTAA between India and his country of tax residence through which the non-resident carries on business activities in relation to its engagement by GAIL, the address of Permanent Establishment or Dependent Agent is to be provided.
 - In addition to the above particulars, the bidder should also provide any other information as may be required at a later stage for determining the taxability of the amount to be remitted to the non-residents.
- Note 7:- The benefit The benefit under Most Favoured Nation (MFN) clause of DTAA with certain OECD countries (illustratively, Netherlands, France, Switzerland, Sweden, Spain, Hungary) shall be granted only if following conditions are satisfied.
- The second treaty (with the third state) is entered into after the Signature / entry into force (depending upon the language of the MFN clause) of the treaty between India and first state;
 - The second treaty is entered into between India and a state which is a member of the OECD at the time of signing the treaty with it;
 - India limits its taking rights in the second treaty in relation to rate or scope of taxation in respect of the relevant items of income, and
 - A separate notification has been issued by India, importing the benefits of the second treaty into the treaty with the first state, as required by the provisions of the sub-section (1) of Section 90 of the Income-tax Act, 1961
- *Note 8- At present, Partial relaxation from electronic Form 10F granted till



30.09.2023 in case foreign bidders not having PAN and not required to have PAN as per relevant provisions of Income Tax Act and Form 10F can be submitted manually as per DGIT(Systems) F. No. DGIT(S)-ADG(S)-3/e- Filing Notification/Forms/ 2023/13420 dt 28.03.2023. Further, the guidelines issued by CBDT from time to time shall be followed in this regard.

(iv) Tax Incidence

- If bidder insists at the time of bidding that withholding tax/TDS liability is to be borne by GAIL, then the bidder's total quoted prices shall be suitably loaded by equivalent amount of withholding tax/TDS for evaluation purpose (depending upon the status of Foreign Vendor based on the documents submitted by them at the time of bidding) and Withholding Tax/TDS certificate will be issued.

Provided that in case, any additional tax liability arises on GAIL due to any action of bidders like delay in submission / non-submission of information / documents required as above or change in residential status post submission of documents or change in any document (like TRC, Form 10F etc.) after its submission shall be recovered from supplier / contractor / consultant.

Provided further where any supplier / contractor / consultant avails tax credit on the basis of WHT certificate issued by GAIL then he shall be obligated to refund the amount of which credit has been availed by the supplier.

- In case bidder agrees to bear the WHT as per provisions of Income Tax Act, 1961, no loading on quoted prices towards WHT will be done. The Withholding tax (WHT)/TDS will be deducted from their payments due to them and WHT/TDS certificate will be issued as per Income Tax Act 1961."

52. EMPLOYMENT VISA FOR FOREIGN NATIONALS

All foreign nationals coming to India for execution of Projects/Contracts will have to apply for Employment Visa only and that grant of Employment Visa would be subject to strict adherence of following norms:

- (i) Employment Visa is granted only for the skilled and qualified professionals or to a person who is being engaged or appointed by a Company, Organization, Industry or Undertaking etc., in India or contract or employment basis at a senior level, skilled position such as technical expert, senior executive or in managerial position etc.,
- (ii) Request for Employment Visa for jobs for which large number of qualified Indians are available, is not considered.
- (iii) Under no circumstances an Employment Visa is granted for routine, ordinary secretarial/clerical jobs.



Bidders are advised in their own interest to check latest Visa rules from Indian Embassy / High Commission in their country in case foreign nationals are required to be deputed to India during execution of the Contract.

53. PROVISION W.R.T. TDS ON PURCHASE OF GOODS UNDER SECTION 194Q OF INCOME TAX ACT (APPLICABLE FOR INDIAN BIDDER ONLY)

- 53.1 TDS as applicable will be deducted by GAIL under section 194Q of the Income Tax Act, 1961 on Purchases exceeds Rs. 50 Lakhs or limit defined therein from time to time during the financial year.
- 53.2 Since GAIL is liable to deduct Income Tax TDS under section 194Q, the provision of TCS as per section 206C(1H) of the Income Tax Act, 1961 shall not be applicable.
- 53.3 Higher rate of TDS for non-filers of ITR**
As per Section 206AB of Income Tax Act, 1961, in case of any vendor/supplier who does not filed their Income Tax Return for both of the two previous years preceding to current year and aggregate amount of TDS is more than or equal to 50,000/- in each of those previous two years (or limit defined by Govt. from time to time), then TDS will be deducted at the higher of following rates:

- (I) Twice the rate mentioned in relevant TDS section.
- (II) Twice the rate or rates in force
- (III) 5%

54. DOCUMENTS FOR PAYMENT:

Payment terms shall be as mentioned in GCC-Goods/SCC.

However, for release of payment, the following documents is to be submitted by supplier/vendor:

DOMESTIC SUPPLIER:

- i) Supplier's Invoice indicating, inter alia description and specification of the goods, quantity, unit price, total value;
- ii) Packing list;
- iii) LR/GR/consignment note;
- iv) Manufacturer's guarantee certificate and in-house inspection certificate (wherever applicable);
- v) Inspection certificate issued by purchaser's inspector (wherever applicable); and
- vi) Any other document(s) as and if required in terms of the contract.

Further, GAIL is in process of implementing Vendor Invoice Management (VIM). After implementation of same (to be communicated separately), Supplier/ Vendor to forward the invoice on VIM Collection Center or upload digital invoice on Portal (details of same will be provided separately). The copy of invoice and all other document mentioned above or in order/ contract is to be forwarded to address provided in order/contract.



FOREIGN SUPPLIER:

- i) Supplier's original invoice giving full details of the goods including quantity, value, and so on;
- ii) Packing list;
- iii) Certificate of country of origin of the goods to be given by the seller or a recognised chamber of commerce or another agency designated by the local Government for this purpose;
- iv) Certificate of pre-dispatch inspection by the purchaser's representative (wherever applicable);
- v) Manufacturer's test certificate and guarantee;
- vi) Bill of lading/airway bill, indicating:
 - a) Name of the vessel/carrier;
 - b) Bill of lading/airway bill;
 - c) Port of loading;
 - d) Date of shipment;
 - e) Port of discharge and expected date of arrival of goods; and
- viii) Any other document(s) as and if required in terms of the contract.

55. ORDER TRANSMITTAL SYSTEM:

The complete PO/LOA along with all annexures including tender document shall be shared through order/contract transmittal system after intimation through email.

Supplier/Contractor is requested to visit <https://gailonline.com/home.html> and click on link order/contract transmittal system (It can be found under Vendor Zone (Portal For Suppliers)) or https://gailebank.gail.co.in/GOGA_AUDIT/frmUserLogin.aspx.

Therein, in order to access the detailed order/contract, supplier/contractor shall be prompted to enter your email id. Further an OTP shall be sent on your registered mobile number. After entering OTP, supplier/contractor shall be allowed to download complete PO/LOA along with all annexures including tender document. After downloading the documents, the supplier/contractor shall be required to digitally sign the document (by authorized signatory) for uploading the documents on order/contract transmittal system towards acknowledgement of the same.

56. Vendor Invoice Management (VIM)

GAIL is implementing Vendor Invoice Management (VIM) system titled as 'SARATHI' for automation, digitization & centralization of Account Payable process w.e.f. 01.04.2023.

After implementation, Supplier/ Contractor/Service Provide/ Consultant is required to upload digital invoice on 'Sparsh' portal. The system optimizes and simplifies the process of receiving, managing, monitoring and forwarding invoices for payment process. The link of 'Sparsh' portal is as under:

<https://sparsh.gail.co.in/flipper/#/login>

The 'Help Manual' hyperlink to access the detailed User Manual, Demo Videos, FAQ's and other relevant information is available on 'Sparsh' portal.



Only digital invoice is to be uploaded on 'Sparsh' portal and all other supporting documents along with copy of invoice are to be submitted to concerned as defined in Purchase Order (PO)/ Letter of Acceptance (LoA).

57 Concurrent application of Public Procurement Policy for Micro and Small Enterprises Order, 2012 and Public Procurement (Preference to Make in India) Order, 2017

1. The Class-I local suppliers, under PPP-MII Order, participating in any government tender, may or may not be MSEs, as defined under the MSME Act. Similarly, MSEs participating in any government tender, may or may not be Class-I local suppliers. Suppliers may be categorised in following four broad categories for consideration or applicability of purchase preference

Category	Terminology
Supplier is both MSE & Class-I local supplier.	"MSE Class-I local supplier"
Supplier is MSE but not Class-I local supplier.	"MSE but non-Class-I local supplier"
Supplier is not MSE but is Class-I local supplier.	"Non-MSE but Class-I local supplier"
Supplier is neither MSE nor Class-I local.	"Non-MSE non-Class-I local supplier"

2. The applicability of PPP-MSE Order and PPP-MII Order in various scenarios, involving simultaneous purchase preference to MSEs and Class-I local suppliers under PPP-MSE Order and PPP-MII Order respectively, shall be as under:
 - a) *Items covered under Para 1(a) of PPP- MII Order, 2017 for which Nodal Ministry has notified sufficient local capacity and competition:* For these items, only Class-I local suppliers are eligible to bid irrespective of purchase value. Hence, Class-II local suppliers or Non-local suppliers, including MSEs which are Class-II local suppliers/ Non-local suppliers, are not eligible to bid. Possible scenarios can be as under:
 - (i) L-1 is "MSE Class-I local supplier" - 100% of the tendered quantity is to be awarded to L-1.
 - (ii) L-1 is "Non-MSE but Class-I local supplier" - Purchase preference is given to MSEs as per PPP-MSE Order. Balance quantity is to be awarded to the L-1 bidder.
 - b) *Items reserved exclusively for procurement from MSEs as per PPP-MSE Order:* These items are reserved exclusively for purchase from MSEs. Hence, non-MSEs are not eligible to bid for these items. Possible scenarios can be as under:
 - (i) L-1 is "MSE Class-I local supplier" - 100% of the tendered quantity is to be awarded to L-1.
 - (ii) L-1 is "MSE non-Class-I local supplier" - Purchase preference is to be given to Class-I local supplier as per PPP-MII Order. Balance quantity, is to be awarded to L-1 bidder.
 - c) *If items are neither notified for sufficient local capacity nor reserved for MSEs, then the process will be as follows:*



- c (a) Items covered under Para 1A(b) of PPP-MII Order are divisible items and both MSEs as well as Class-I local suppliers are eligible for purchase preference. Possible scenarios can be as under:
- (i) L-1 is "MSE Class-I local supplier" - 100% of the tendered quantity is to be awarded to L-1.
 - (ii) L-1 is "Non-MSE but Class-I local supplier" - Purchase preference is to be given to MSEs, if eligible, as per PPP-MSE Order. Balance quantity is to be awarded to L-1 bidder.
 - (iii) L-1 is "MSE but non-Class-I local supplier" - Purchase preference is to be given to Class-I local suppliers, if eligible, as per PPP-MII Order. Balance quantity is to be awarded to L-1 bidder.
 - (iv) L-1 is "Non-MSE non-Class-I local supplier" - Purchase preference is to be given to MSEs as per PPP-MSE Order. Thereafter, purchase preference is to be given to Class-I local suppliers for "50% of the tendered quantity minus quantity allotted to MSEs above" as per PPP- MII Order. For the balance quantity, contract is to be awarded to L-1 bidder. (Kindly refer to the illustrative example in the annexure).
- c (b) Items covered under Para 1A(c) of PPP-MII Order, 2017 are non-- divisible items and both MSEs as well as Class-I local suppliers are eligible for purchase preference. Possible scenarios can be as under:
- (i) L-1 is "MSE Class-I local supplier" - Contract is awarded to L-1.
 - (i) L-1 is not "MSE Class-I local supplier" but the "MSE Class-I local supplier" falls within 15% margin of purchase preference - Purchase preference is to be given to lowest quoting "MSE Class-I local supplier". If lowest quoting "MSE Class-I local supplier" does not accept the L-1 rates, the next higher "MSE Class-I local supplier" falling within 15% margin of purchase preference is to be given purchase preference and so on.
 - (ii) If conditions mentioned in sub paras (i) and (ii) above are not met i.e. L-1 is neither "MSE Class-I local supplier" nor "MSE Class-I local supplier" is eligible to take benefit of purchase preference, the contract is to be awarded/ purchase preference to be given in different possible scenarios as under:
 - A. L1 is "MSE but non-Class-I local supplier" or "Non-MSE but Class-I local supplier" - Contract is be awarded to L1.
 - B. L1 is "Non-MSE non-Class-I local supplier" - First purchase preference to be given to MSE as per PPP-MSE Order. If MSE not eligible/ does not accept - purchase preference to be given to Class- I Local supplier as per PPP-MII Order. If Class-I Local supplier also not eligible/ does not accept - contract to be awarded to L-1.
- d) *Items reserved for both MSEs and Class-I local suppliers:* These items are reserved exclusively for purchase from MSEs as well as Class-I local suppliers. Hence, only "MSE Class-I local supplier" are eligible to bid for these items. Non-MSEs/Class-II local suppliers/ Non-local



suppliers cannot bid for these items. Hence the question of purchase preference does not arise.

- e) Non-local suppliers, including MSEs falling in the category of Non-local suppliers, shall be eligible to bid only against Global Tender Enquiry

Annexure

Example explaining applicability in scenario explained in para 2 c (a)(iv)

(Scenario: Divisible items, both MSEs as well as Class-I local suppliers eligible for purchase preference and L-1 is "Non-MSE non-Class-I local supplier")

Item - Desktop computer

Qty-50 Nos.

Details of bids received

Sr. No.	Name of bidder	Rates quoted	Price Ranking	Status of bidder
1.	A	100	L1	"Non-MSE non- Class-I local supplier"
2.	B	110	L2	"Non-MSE but Class-I local supplier"
3.	C	112	L3	"MSE but non- Class-I local supplier"
4.	D	115	L4	"Non-MSE but Class-I local supplier"
5.	E	118	L5	"MSE but non- Class-I local supplier"
6.	F	120	L6	"MSE Class-I local supplier"

- In this case, first purchase preference is to be given to MSEs as per PPP-MSE Order for 25% of tendered quantity of 50 Nos. i.e. 12.5 Nos. (rounded off to the next whole number say 13 Nos). Accordingly, invite L3 (bidder C), whose quoted rates falls within 15% margin of purchase preference to match L1 price i.e. Rs. 100/- for quantity of 13 Nos. Bidder "E" and "F", although MSEs, will not get purchase preference since their quoted rates don't fall within 15% margin of purchase preference. Bidder C will be considered for order of 13 Nos. on confirmation of reduction of price.
- For 50% of balance quantity of 37 number (tendered quantity of 50 - 13 awarded to bidder C; assuming bidder C has confirmed to accept L1 rates), purchase preference will be given to lowest Class-I local supplier as per PPP-MII Order. Accordingly, bidder B will be invited to match L-1 price for 50% of 37 Nos i.e. 18.5 (say 19 Nos of computers). If bidder "B" does not accept the L1 price i.e. price of Rs. 100/- per unit, next higher Class-I local supplier falling within 20% margin of purchase preference, i.e. bidder "D", may be invited to match L-1 price for 19 Nos. of computers and so on.
- For remaining quantity i.e. 18 Nos (50-13-19), the contract will be awarded to lowest quoting bidder i.e. Bidder "A", who is L-1 in the example



Annexure-I to Section-III

PROCEDURE FOR ACTION IN CASE CORRUPT/FRAUDULENT/COLLUSIVE/COERCIVE PRACTICES

A Definitions:

- A.1 “Corrupt Practice” means the offering, giving, receiving or soliciting, directly or indirectly, anything of value to improperly influence the actions in selection process or in contract execution.
“Corrupt Practice” also includes any omission for misrepresentation that may mislead or attempt to mislead so that financial or other benefit may be obtained or an obligation avoided.
- A.2 “Fraudulent Practice” means and include any act or omission committed by an agency or with his connivance or by his agent by misrepresenting/ submitting false documents and/ or false information or concealment of facts or to deceive in order to influence a selection process or during execution of Contract/ order.
- A.3 “Collusive Practice amongst bidders (prior to or after bid submission)” means a scheme or arrangement designed to establish Bid prices at artificial non-competitive levels and to deprive the Purchaser of the benefits of free and open competition.
- A.4 “Coercive practice” means impairing or harming or threatening to impair or harm directly or indirectly, any agency or its property to influence the improperly actions of an agency, obstruction of any investigation or auditing of a procurement process.
- A.5 “Vendor/Supplier/Contractor/Consultant/Bidder” is herein after referred as “Agency” in this Annexure.
- A.6 “Appellate Authority” shall mean Committee of Directors of GAIL consisting of Director (Finance) and Director (BD) for works centers under Director (Projects). For all other cases committee of Directors shall consist of Director (Finance) & Director (Projects).
- A.7 “Competent Authority” shall mean the authority of GAIL, who is competent to take final decision for Suspension of business dealing with an Agency(ies) and Banning of business dealings with Agency(ies) and shall be the “Director” concerned.
- A.8 “Allied Agency” shall mean all concerns which come within the sphere of effective influence of the banned/suspended agency shall be treated as allied agency. In determining this, the following factors may be taken into consideration:
a) Whether the management is common;
b) Majority interest in the management is held by the partners or directors of banned/ suspended agency;
c) Substantial or majority shares are owned by the banned/ suspended agency and by virtue of this it has a controlling voice.
d) Directly or indirectly controls, or is controlled by or is under common control with another bidder.
e) All successor agency will also be considered as allied agency.
- A.9 “Investigating Agency” shall mean any department or unit of GAIL investigating into the conduct of Agency/ party and shall include the Vigilance Department of the GAIL, Central Bureau of Investigation, State Police or any other agency set up by the Central or State Government having power to investigate.
- A.10 “Obstructive practice”: materially impede the procuring entity's investigation into allegations of one or more of the above mentioned practices either by deliberately destroying, falsifying, altering; or by concealing of evidence material to the investigation; or by making false statements to investigators and/ or by threatening, harassing or intimidating any party to prevent it from disclosing its knowledge of matters relevant to the investigation or from pursuing the investigation; or by impeding GAIL's rights of audit or access to information.



B Actions against Bidder(s) indulging in corrupt /fraudulent/ collusive/ coercive practice

B.1 Irregularities noticed during the evaluation of the bids:

If it is observed during bidding process/ bids evaluation stage that a bidder has indulged in corrupt/fraudulent /collusive/coercive practice, the bid of such bidder (s) shall be rejected and its EMD shall be forfeited.

Further, such agency shall be banned for future business with GAIL for a period specified in para B 2.2 below from the date of issue of banning order.

B.2 Irregularities noticed after award of Contract

(i) During execution of Contract:

If an agency, is found to have indulged in corrupt/fraudulent/ collusive/coercive practices, action shall be initiated for putting the agency on banning list.

After conclusion of process and issuance of Speaking order for putting party on banning list, the order (s)/ contract (s) where it is concluded that such irregularities have been committed shall be terminated and Contract cum Performance Bank Guarantee (CPBG) submitted by agency against such order (s)/ contract (s) shall also be forfeited. Further such order/ contract will be closed following the due procedure in this regard.

The amount that may have become due to the contractor on account of work already executed by him shall be payable to the contractor and this amount shall be subject to adjustment against any amounts due from the contractor under the terms of the contract. No risk and cost provision will be enforced in such cases.

Suspension of order/ contract:

Further, only in the following situations, the concerned order (s)/ contract(s) (where Corrupt/Fraudulent/ Collusive/ Coercive Practices are observed) and payment shall be suspended after issuance of Suspension cum Show Cause Notice:

- (i) Head of Corporate Vigilance Department/CVO based on the investigation by them, recommend for specific immediate action against the agency.
- (ii) Head of Corporate Vigilance Department/CVO based on the input from investigating agency, forward for specific immediate action against the agency.

Suspension cum Show Cause Notice being issued in above cases after approval of the competent authority (as per provisions mentioned under Clause no. D) shall also include the provision for suspension of Order (s)/ Contract (s) and payment. Accordingly, after issuance of Suspension cum Show Cause Notice, the formal communication for suspension of Order (s)/ Contract (s) and payment with immediate effect will be issued by the concerned person of GAIL.

During suspension, Contractor/ Service Providers will be allowed to visit the plant/ site for upkeep of their items/ equipment, GAIL's issued materials (in case custody of same is not taken over), demobilizing the site on confirmation of EIC etc.

In addition to above, Recovery of payments (other than due payments) including balance advance payments, if any, made by along with interest thereon at the prevailing rate shall be recovered.

(ii) After execution of contract and during Defect Liability Period (DLP)/ Warranty/Guarantee Period:



If an Agency is found to have indulged in corrupt/fraudulent/ collusive /coercive practices, after execution of Contract and during DLP/ Warranty /Guarantee Period, the Agency shall be banned for future business with GAIL for a period specified in para B 2.2 below from the date of issue of banning order.

Further, the CPBG/CPS submitted by Agency against such Order(s) /Contract(s) shall be forfeited.

(ii) After expiry of DLP/ Warranty/Guarantee Period

If an Agency is found to have indulged in corrupt/fraudulent/ collusive /coercive practices, after expiry of DLP/ Warranty/Guarantee Period, the Agency shall be banned for future business with GAIL for a period specified in para B 2.2 below from the date of issue of banning order.

B.2.2 Period of Banning

The period of banning of agencies indulged in Corrupt/Fraudulent/Collusive/Coercive Practices shall be as under and to be reckoned from the date of banning order:

S. No.	Description	Period of banning from the date of issuance of Banning order
1	Misrepresentation/False information other than pertaining to BEC of tender but having impact on the selection process. For example, if an agency confirms not being in holiday in GAIL/PSU's PMC or banned by PSUs/ Govt. Dept., liquidation, bankruptcy & etc. and subsequently it is found otherwise, such acts shall be considered in this category.	06 Months
2	Corrupt/Fraudulent (except mentioned at sl. no. 1 above) /Collusive/Coercive Practices	01 year
2.1	If an agency again commits Corrupt/Fraudulent (except mentioned at sl. no. 1 above) /Collusive/ Coercive Practices in subsequent cases after their banning, such situation of repeated offense to be dealt with more severity	2 years (in addition to the period already served)
3	Indulged in unauthorized disposal of materials provided by GAIL	2 years
4	If act of vendor/ contractor is a threat to the National Security	2 years

C Effect of banning on other ongoing contracts/ tenders

C.1 If an Agency is put on Banning, such agency should not be considered in ongoing tender(s)/future tender(s).

C.2 However, if such an Agency is already executing other order(s)/contract (s) where no corrupt/fraudulent/ collusive/coercive practice is found, the Agency should be allowed to continue till its completion without any further increase in scope except those incidental to original scope mentioned in the contract.

C.3 If an Agency is put on the Banning List during tendering and no irregularity is found in the case under process:

C.3.1 After issue of the Tender Document but before opening of Part-I/Technical Bid, the bid submitted by the Agency shall be ignored.

C.3.2 After opening Part-I/Technical bid but before opening the Price bid, the Price bid of the Agency shall not be opened and EMD submitted by the Agency shall be returned to the Agency.



C.3.3 After opening of price (Part-II), EMD submitted by the Agency shall be returned; the offer of the Agency shall be ignored & will not be further evaluated. In case such agency is lowest (L-1), next lowest bidder shall be considered as L-1.

D. Procedure for Suspension of Bidder

D.1 Initiation of Suspension

Action for suspension business dealing with any Agency(ies) shall be initiated by Corporate C&P Department, GAIL when :-

- (i) Corporate Vigilance Department, GAIL based on the fact of the case gathered during investigation by them recommend for specific immediate action against the Agency.
- (ii) Corporate Vigilance Department, GAIL based on the input from Investigating agency, forward for specific immediate action against the Agency.
- (iii) Non performance of Vendor/Supplier/Contractor/Consultant leading to termination of Contract/Order.

D.2 Suspension Procedure:

- D.2.1 The order of suspension would operate initially for a period not more than 6 (six) months. Period of suspension can be extended by 1 (one) month at a time with a ceiling of 6(six) months pending a conclusive decision to put the Agency on banning list.
- D.2.2 During the period of suspension, no new business dealing may be held with the Agency.
- D.2.3 Period of suspension shall be accounted for in the final order passed for banning of business with the Agency.
- D.2.4 The decision regarding suspension of business dealings should also be communicated to the Agency.
- D.2.5 The suspension order and show cause notice must include that (i) the Agency is put on suspension list and (ii) why action should not be taken for banning the Agency for future business from GAIL.

D 3 Effect of Suspension of business:

Effect of suspension on other on-going/future tenders will be as under:

- D.3.1 No enquiry/bid/tender shall be entertained from an Agency as long as the name of Agency appears in the Suspension List.
- D.3.2 If an Agency is put on the Suspension List during tendering process:
 - D.3.2.1 After issue of the Tender Document but before opening of Part-I/Technical Bid, the Bid submitted by the Agency shall be ignored.
 - D.3.2.2 After opening Part-I/ Technical Bid but before opening of Part-II/ Price bid, the Price bid of the Agency shall not be opened and EMD submitted by the Agency shall be returned to the Agency.
 - D.3.2.3 After opening of price, EMD submitted by the Agency shall be returned; the Offer/Bid of the Agency shall be ignored & will not be further evaluated. In case such agency is lowest (L-1), next lowest bidder shall be considered as L-1.
- D.3.3 The existing contract (s)/ order (s) under execution shall continue.
- D.3.4 The Bidder confirms/undertake that (i) neither the Bidder themselves nor their allied Agency(ies) are on banning list of GAIL or the Ministry of Petroleum and Natural Gas and (ii) Bidder is not banned by any Government department/ Public Sector.

F. Appeal against the Decision of the Competent Authority:



- F.1 The Agency may file an appeal against the order of the Competent Authority for putting the Agency on banning list. The Appeal shall be filed to Appellate Authority of GAIL. Such an appeal shall be preferred within one month from the date of receipt of banning order.
- F.2 Appellate Authority would consider the appeal and pass appropriate order which shall be communicated to the party as well as the Competent Authority.
- F.3 Appeal process may be completed within 45 days of filing of appeal with the Appellate Authority.
- G. Wherever there is contradiction with respect to terms of ‘Integrity pact’, GCC and ‘Procedure for action in case of Corrupt/Fraudulent/ Collusive/Coercive Practice’, the provisions of ‘Procedure for action in case of Corrupt/Fraudulent/ Collusive/Coercive Practice’ shall prevail.



Annexure-II to Section-III

PROCEDURE FOR EVALUATION OF PERFORMANCE OF VENDORS/ SUPPLIERS/ CONTRACTORS/ CONSULTANTS

1.0 GENERAL

A system for evaluation of Vendors/ Suppliers/Contractors/ Consultants and their performance is a key process and important to support an effective purchasing & contracting function of an organization. Performance of all participating Vendors/ Suppliers/Contractors/ Consultants need to be closely monitored to ensure timely receipt of supplies from a Vendor, completion of an assignment by a Consultant or complete execution of order by a contractor within scheduled completion period. For timely execution of projects and meeting the operation & maintenance requirement of operating plants, it is necessary to monitor the execution of order or contracts right from the award stage to completion stage and take corrective measures in time.

2.0 OBJECTIVE

The objective of Evaluation of Performance aims to recognize and develop reliable Vendors/ Suppliers/Contractors/ Consultants so that they consistently meet or exceed expectations and requirements. The purpose of this procedure is to put in place a system to monitor performance of Vendors/ Suppliers/Contractors/ Consultants associated with GAIL in Projects and in O&M so as to ensure timely completion of various projects, timely receipt of supplies including completion of works & services for operation and maintenance of operating plants and quality standards in all respects.

3.0 METHODOLOGY

i) Preparation of Performance Rating Data Sheet (PRDS)

Performance rating data Sheet for each and every Vendor/ Supplier/Contractor/Consultant for all orders/Contracts with a value of Rs. 50 Lakhs and above is recommended to be drawn up. Further, Performance rating data Sheet for orders/contracts of Vendor/Supplier/Contractor/ Consultant who are on watch list/holiday list/ banning list shall be prepared irrespective of order/ contract value. These data sheets are to be separately prepared for orders/ contracts related to Projects and O&M. Format, Parameters, Process, responsibility for preparation of Performance Rating Data Sheet are separately mentioned.

ii) Measurement of Performance

Based on the parameters defined in PRDS, Performance of concerned Vendor/ Supplier/Contractor/ Consultant would be computed and graded accordingly. The measurement of the performance of the Party would be its ability to achieve the minimum scoring of 60% points in the given parameters.

iii) Initiation of Measures:

Depending upon the Grading of Performance, corrective measures would be initiated by taking up the matter with concerned Vendor/ Supplier/ Contractor/ Consultant. Response of Vendor/ Supplier/ Contractor/ Consultant would be considered before deciding further course of action.

iv) Implementation of Corrective Measures:



Based on the response of Vendor/ Supplier/Contractor/ Consultant, concerned Engineer-in-Charge for the Projects and/or OIC in case of O&M would recommend for continuation or discontinuation of such party from the business of GAIL.

- v) Orders/contracts placed on Proprietary/OEM basis for O&M will be evaluated and, if required, corrective action will be taken for improvement in future.

4.0 **EXCLUSIONS:**

The following would be excluded from the scope of evaluation of performance of Vendors/ Suppliers/Contractors/ Consultants:

- i) Orders/Contracts below the value of Rs. 50 Lakhs if Vendor/ Supplier/Contractor/ Consultant is not on watch list/ holiday list/ banning list.
- ii) Orders for Misc./Administrative items/ Non stock Non valued items (PO with material code ending with 9).

However, concerned Engineer-in-Charge /OICs will continue to monitor such cases so as to minimize the impact on Projects/O&M plants due to non performance of Vendors/ Suppliers/Contractors/ Consultants in all such cases.

5.0 **PROCESS OF EVALUATION OF PERFORMANCE OF VENDORS/ SUPPLIERS/ CONTRACTORS/ CONSULTANTS**

5.1 FOR PROJECTS

- i) Evaluation of performance of Vendors/Suppliers/Contractors/ Consultants in case of Projects shall be done immediately with commissioning of any Project.
- ii) On commissioning of any Project, EIC (Engineer-in-charge)/ Project-in-charge shall prepare a PRDS (Format at *Annexure-A of Annexure-II to Section-III*) for all Orders and Contracts.
- iii) Depending upon the Performance Rating, following action need to be initiated by Engineer-in-charge/Project-in-charge:

Sl.No.	Performance Rating	Action
1	POOR	Seek explanation for Poor performance
2	FAIR	Seek explanation for Fair performance
3	GOOD	Letter to the concerned for improving performance in future
4	VERY GOOD	No further action

- iv) Reply from concerned Vendor/ Supplier/Contractor/ Consultant shall be examined. In case of satisfactory reply, PRDS to be closed with a letter to the concerned for improving performance in future.
- v) When no reply is received or reasons indicated are unsatisfactory, the following actions need to be taken:



- A) Where performance rating is “POOR” (as per Performance Rating carried out after execution of Order/ Contract and where no reply/ unsatisfactory reply is received from party against the letter seeking the explanation from Vendor/Supplier/Contractor/ Consultant along with sharing the performance rating)

Recommend such defaulting Vendor / Supplier / Contractor / Consultant for the following action:

1. Poor Performance on account of Quality (if marks obtained against Quality parameter is less than 20):
 - (a) **First Instance: Holiday (Red Card) for One Year**
 - (b) **Subsequent instance (s) in other ongoing order (s)/ contract (s) or new order (s) /contact (s) on such Vendor/ Supplier/ Contractor/ Consultant: Holiday (Red Card) for Two Years**
2. Poor Performance on account of other than Quality (if marks obtained against Quality parameter is more than 20):
 - (a) **First such instance: Advisory notice (Yellow Card)** shall be issued and Vendor/Supplier/Contractor/ Consultant shall be put on watch list for a period of Two (2) Years.
 - (b) **Second such instance in other ongoing order (s)/ contract (s) or new order (s) /contact (s) on such Vendor/ Supplier/ Contractor/ Consultant: Putting on Holiday (Red Card) for a period of One Year**
 - (c) **Subsequent instances (more than two) in other ongoing order (s)/ contract (s) or new order (s) /contact (s) on such Vendor/ Supplier/ Contractor/ Consultant: Putting on Holiday (Red Card) for a period of Two Years.**

- B) Where Poor/Non-Performance leading to termination of contract or Offloading of contract due to poor performance attributable to Vendor/Supplier/ Contractor/Consultant (under Clause no. 28.1 of GCC-Goods)

- (a) **First instance: Advisory notice (Yellow Card)** shall be issued and Vendor/Supplier/Contractor /Consultant shall be put on watch list for a period of Two (2) Years.
- Further such vendor will not be allowed to participate in the re-tender of the same supply/work/services of that location which has terminated / offloaded. Moreover, it will be ensured that all other action as per provision of contract including forfeiture of Contract Performance Security (CPS) etc. are undertaken.
- However, such vendor will be allowed to participate in all other tenders and to execute other ongoing order/ contract (s) or new contract/ order (s).
- The Yellow card will be automatically revoked after a period of two years unless the same is converted into Red Card due to subsequence instances of poor/ non-performance in other ongoing order (s)/ contract (s) or new order (s) /contact (s) on such Vendor/ Supplier/ Contractor/ Consultant.



(b) **Second instances** in other ongoing order (s)/ contract (s) or new order (s) /contact (s) on such Vendor/ Supplier/ Contractor/ Consultant: **Holiday (Red Card)** for period of One Year and they shall also to be considered for Suspension.

(c) **Subsequent instances (more than two)** in other ongoing order (s)/ contract (s) or new order (s) /contact (s) on such Vendor/ Supplier/ Contractor/ Consultant: **Holiday (Red Card)** for period of Two Years and they shall also to be considered for Suspension.

(C) Where Performance rating is “FAIR”:

Issuance of warning to such defaulting Vendor/ Supplier/Contractor/ Consultant to improve their performance.

5.2 FOR CONSULTANCY JOBS

Monitoring and Evaluation of consultancy jobs will be carried out in the same way as described in para 5.1 for Projects.

5.3 FOR OPERATION & MAINTENANCE

- i) Evaluation of performance of Vendors/ Suppliers/Contractors/ Consultants in case of Operation and Maintenance, shall be done immediately after execution of Order/Contract.
- ii) After execution of Orders, a PRDS (Format at *Annexure-B of Annexure-II to Section-III*) shall be prepared for Orders by Site C&P and for Contracts/Services by respective Engineer-In-Charge.
- iii) Depending upon Performance Rating, following action need to be initiated by Site C&P:

Sl. No.	Performance Rating	Action
1	POOR	Seek explanation for Poor performance
2.	FAIR	Seek explanation for Fair performance
3	GOOD	Letter to the concerned for improving performance in future.
4	VERY GOOD	No further action

- iv) Reply from concerned Vendor/ Supplier/Contractor/ Consultant shall be examined. In case of satisfactory reply, PRDS to be closed with a letter to the concerned for improving performance in future.

- v) When no reply is received or reasons indicated are unsatisfactory, the following actions need to be taken:

A) Where performance rating is “POOR” (as per Performance Rating carried out after execution of Order/ Contract and where no reply/ unsatisfactory reply is received from party against the letter seeking the explanation from Vendor/Supplier/Contractor/ Consultant along with sharing the performance rating)

Recommend such defaulting Vendor / Supplier / Contractor / Consultant for the following action:



1. Poor Performance on account of Quality (if marks obtained against Quality parameter is less than 20):
 - (a) **First Instance: Holiday (Red Card) for One Year**
 - (b) **Subsequent instance (s) in other ongoing order (s)/ contract (s) or new order (s) /contact (s) on such Vendor/ Supplier/ Contractor/ Consultant: Holiday (Red Card) for Two Years**
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 - (a) **First such instance: Advisory notice (Yellow Card)** shall be issued and Vendor/Supplier/Contractor/ Consultant shall be put on watch list for a period of Two (2) Years.
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 - (c) **Subsequent instances (more than two)** in other ongoing order (s)/ contract (s) or new order (s) /contact (s) on such Vendor/ Supplier/ Contractor/ Consultant: **Holiday (Red Card) for period of Two Years and they shall also to be considered for Suspension.**



(C) Where Performance rating is “FAIR”:

Issuance of warning to such defaulting Vendor/ Supplier/Contractor/ Consultant to improve their performance.

6.0 REVIEW & RESTORATION OF PARITES PUT ON HOLIDAY

6.1 An order for Holiday passed for a certain specified period shall deemed to have been automatically revoked on the expiry of that specified period and it will not be necessary to issue a specific formal order of revocation.

Further, in case Vendor/ Supplier/Contractor/ Consultant is put on holiday due to quality, and new order is placed on Bidder after restoration of Vendor/ Supplier/Contractor/ Consultant, such order will be properly monitored during execution stage by the concerned site.

7.0 EFFECT OF HOLIDAY

7.1 If a Vendor/ Supplier/Contractor/ Consultant is put on Holiday, such Vendor/ Supplier/Contractor/Consultant should not be considered in ongoing tendering process/future tenders.

7.2 However, if such Vendor/ Supplier/Contractor/ Consultant is already executing any other order/ contract and their performance is satisfactory in terms of the relevant contract, should be allowed to continue till its completion without any further increase in scope except those incidental to original scope mentioned in the contract. In such a case CPBG/CPS will not be forfeited and payment will be made as per provisions of concerned Contract. However, this would be without prejudice to other terms and conditions of the Contract.

7.3. Effect on other ongoing tendering process:

7.3.1 after issue of the Tender Document but before opening of Part-I/Technical Bid, the Bid submitted by the party shall be ignored.

7.3.2 after opening of Part-I/Technical Bid but before opening the Part-II/Price Bid, the Price Bid of the party shall not be opened and EMD submitted by the party shall be returned to the party.

7.3.3 after opening of Part-II/Price Bid, EMD submitted by the party shall be returned; the Bid of the party shall be ignored & will not be further evaluated. In case such agency is lowest (L-1), next lowest bidder shall be considered as L-1.

8.0 While putting the Vendor/ Supplier/Contractor/ Consultant on holiday as per the procedure, the holding company, subsidiary, joint venture, sister concerns, group division of the errant Vendor/ Supplier/Contractor/ Consultant shall not be considered for putting on holiday list.

Any bidder, put on holiday, will not be allowed to bid through consortium route also against any Tender Document during the period of holiday.

9.0 If an unsuccessful Bidder makes any vexatious, frivolous or malicious complaint against the tender process with the intention of delaying or defeating any procurement or causing loss to GAIL or any other bidder, such Bidder will be put on holiday for a period of six months, if such complaint is proved to be vexatious, frivolous or malicious, after following the due procedure.



10. APPEAL AGAINST THE DECISION OF THE COMPETENT AUTHORITY:

- (a) The party may file an appeal against the order of the Competent Authority for putting the party on Holiday list. The appeal shall be filed to Appellate Authority. Such an appeal shall be preferred within one month from the date of receipt of Holiday order.
- (b) Appellate Authority would consider the appeal and pass appropriate order which shall be communicated to the party as well as the Competent Authority.
- (c) Appeal process may be completed within 45 days of filing of appeal with the Appellate Authority.
- (d) “Appellate Authority” shall mean Committee of Directors consisting of Director (Finance) and Director (BD) for works centers under Director (Projects). For all other cases committee of Directors shall consist of Director (Finance) & Director (Projects).

11. ERRANT BIDDER

In case after price bid opening the lowest evaluated bidder (L1) is not awarded the job for any mistake committed by him in bidding or withdrawal of bid or modification of bid or varying any term in regard thereof leading to re-tendering, GAIL shall forfeit EMD paid by the bidder and such bidders shall be debarred from participation in retendering of the same job(s)/item(s).

Further, such bidder will be put on Watch List (Yellow Card) for a period of two years after following the due procedure. However, during the period in watch list such vendor will be allowed to participate in all other tenders and to execute other ongoing order/ contract (s) or new contract/ order (s).

In case of subsequent instances of default in other tender(s) during aforesaid watch list period, the action shall be initiated as per provision of sl. no. 2 of para A of Clause no. 5.1 (v) and 5.3 (v).

The Yellow card will be automatically revoked after specified period unless the same is converted into Red Card.

12. In case CBIC (Central Board of Indirect Taxes and Customs)/ any tax authority / any equivalent government agency brings to the notice of GAIL that the Supplier has not remitted the amount towards GST (CGST & SGST/UTGST or IGST) collected from GAIL to the government exchequer, then, that Supplier shall be put under Holiday list of GAIL for period of six months after following the due procedure. This action will be in addition to the right of recovery of financial implication arising on GAIL.

Annexure-A of Annexure-II to Section-III

GAIL (India) Limited
PERFORMANCE RATING DATA SHEET [PRDS]
(FOR PROJECTS/ CONSULTANCY JOBS)

NOT APPLICABLE



Annexure-B of Annexure-II to Section-III

GAIL (India) Limited
PERFORMANCE RATING DATA SHEET [PRDS]
(FOR O&M)

- i) Location :
- ii) Order/ Contract No. & date :
- iii) Brief description of Items Works/Assignment :
- iv) Order/Contract value (Rs.) :
- v) Name of Vendor/Supplier/ Contractor/ Consultant :
- vi) Contracted delivery/ Completion Schedule :
- vii) Actual delivery/ Completion date :

Performance Parameter	Delivery Performance	Quality Performance	Reliability Performance#	Total
Maximum Marks	40	40	20	100
Marks Allocated (*)				

Remarks (if any)

PERFORMANCE RATING (**)

Note :

- (#) Vendor/Supplier/Contractor/Consultant who seek repeated financial assistance or deviation beyond contract payment term or seeking direct payment to the sub-vendor/sub-contractor due to financial constraints, then ‘0’ marks should be allotted against Reliability Performance
- (*) Allocation of marks should be as per enclosed instructions
- (**) Performance rating shall be classified as under :

Sl. No.	Range (Marks)	Rating
1	60 & below	POOR
2	61-75	FAIR
3	76-90	GOOD
4	More than 90	VERY GOOD

Signature of
Authorised Signatory:

Name:

Designation:



Instructions for allocation of marks (For O&M)

1. Marks are to be allocated as under:

1.1 DELIVERY/ COMPLETION PERFORMANCE 40 Marks

Delivery Period/ Completion Schedule	Delay in Weeks	Marks
a) Upto 3 months	Before CDD	40
	Delay upto 4 weeks	35
	” 8 weeks	30
	” 10 weeks	25
	” 12 weeks	20
	” 16 weeks	15
	More than 16 weeks	0
b) Above 3 months	Before CDD	40
	Delay upto 4 weeks	35
	” 8 weeks	30
	” 10 weeks	25
	” 16 weeks	20
	” 20 weeks	15
	” 24 weeks	10
	More than 24 weeks	0

1.2 QUALITY PERFORMANCE 40 Marks

For Normal Cases : No Defects/ No Deviation/ No failure:		40 marks
i) Rejection/Defects	Marks to be allocated on prorata basis for acceptable quantity as compared to total quantity for normal cases	10 marks
ii) When quality failure endanger system integration and safety of the system	Failure of severe nature	0 marks
	- Moderate nature	5 marks
	- low severe nature	10-25 marks
iii) Number of deviations	1. No deviation	5 marks
	2. No. of deviations ≤ 2	2 marks
	3. No. of deviations > 2	0 marks



1.3 RELIABILITY PERFORMANCE

20 Marks

A.	FOR WORKS/CONTRACTS	
i)	Submission of order acceptance, agreement, CPS/PBG, Drawings and other documents within time	4 marks
ii)	Mobilization of resources as per Contract and in time	4 marks
iii)	Liquidation of Check-list points	4 marks
iv)	Compliance to statutory and HS&E requirements or Reliability of Estimates/Design/Drawing etc. in case of Consultancy jobs	4 marks
v)	Timely submission of estimates and other documents for Extra, Substituted & AHR items	4 marks
B.	FOR SUPPLIES	
i)	Submission of order acceptance, CPS/PBG, Drawings and other documents within time	5 marks
ii)	Attending complaints and requests for after sales service/ warranty repairs and/ or query/ advice (upto the evaluation period).	5 marks
iii)	Response to various correspondence and conformance to standards like ISO	5 marks
iv)	Submission of all required documents including Test Certificates at the time of supply	5 marks



Annexure-III to Section-III

**ADDENDUM TO INSTRUCTIONS TO BIDDERS
(INSTRUCTIONS FOR PARTICIPATION IN E-TENDER)**

Detailed instructions regarding bid submission procedure under e-tendering system (e-tender portal) is available on <https://gailtenders.in/Gailtenders/Home.asp> as detailed below



ANNEXURE-IV TO SECTION-III

BIDDING DATA SHEET (BDS)
ITB (SECTION-III) TO BE READ IN CONJUNCTION WITH THE FOLLOWING:

ITB clause	Description				
A. GENERAL					
1.1	The Purchaser is: GAIL (India) Limited, Gas Processing Unit, Gandhar Village : Rozatankaria, Taluka – Amod, Dist. Bharuch – 392140 (Gujarat)				
1.2	The Invitation for Bid/ Tender is for PROCUREMENT OF MOLECULAR SIEVES FOR GAIL (INDIA) LIMITED, GAS PROCESSING UNIT, GANDHAR				
General	The consignee details and Delivery Location (For Indian Bidders) for the goods are:- Consignee: HOD (C&P), GAIL (India) Limited, Gas Processing Unit, Gandhar Delivery Location: Village : Rozatankaria, Taluka – Amod, Dist. Bharuch – 392140 (Gujarat)				
B. TENDER DOCUMENT					
8.1	For clarification purposes only, the communication address is: Attention: MR. MANOJ KUMAR, CH. MANAGER (C&P), Street Address: GAIL (INDIA) LIMITED, GPU-GANDHAR. Floor/Room number: VILL: ROZATANKARIA, TA-AMOD, City: BHARUCH ZIP Code: 392140 Country: INDIA Email: manoj15607@gail.co.in Fax No: 011-26185941 EXTN 15607 #				
C. PREPARATION OF BID					
11.1.1	Additional documents to be submitted by the Bidder with its Part-I (Techno-commercial/ Unpriced bid): As referred in SCC/Scope of Work of tender document				
12	Additional Provision for Price Schedule/ Schedule of Rate/ Bid Price are as under: AS PER TENDER DOCUMENT				
12.2.2	The Third Party Inspection shall be applicable only if there is a specific mentioning of such Inspection provisions in SCC of Tender Document.				
12.3	Transit/marine Insurance shall be arranged by :- <table border="1" style="margin-left: auto; margin-right: auto;"> <tr> <td>GAIL</td><td style="text-align: center;">✓</td></tr> <tr> <td>SUPPLIER</td><td style="text-align: center;">X</td></tr> </table>	GAIL	✓	SUPPLIER	X
GAIL	✓				
SUPPLIER	X				



	In case, transit/marine insurance to be arranged by GAIL, the details of Transit/marine Insurance Policy are as under:- Indian Bidders: _____ Foreign Bidders: _____													
12.5	Delivery basis shall be Indian Bidder: <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">FOT/FOR Site, GAIL Gandhar</td> <td style="text-align: center; width: 40%;">✓</td> </tr> <tr> <td>EX-WORKS / FOT Dispatch point,,(Bidder to indicate location)</td> <td style="text-align: center;">X</td> </tr> </table> Foreign Bidder: <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">CFR,[Sea port]</td> <td style="text-align: center; width: 40%;">✓</td> </tr> <tr> <td>FOB, (Bidder to indicate Port/location)</td> <td style="text-align: center;">X</td> </tr> </table>		FOT/FOR Site, GAIL Gandhar	✓	EX-WORKS / FOT Dispatch point,,(Bidder to indicate location)	X	CFR,[Sea port]	✓	FOB, (Bidder to indicate Port/location)	X				
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13.1.5	Details of Buyer: <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 40%;">Consignee</td> <td>HOD (C&P), GAIL (India) Limited Gas Processing Unit, Gandhar Village: Rozatankaria, Taluka: Vagra, Dist.: Bharuch – 392140 Gujarat (India)</td> </tr> <tr> <td>GST No.</td> <td>24AAACG1209J3Z0</td> </tr> <tr> <td>PAN No.</td> <td>AAACG1209J</td> </tr> </table>		Consignee	HOD (C&P), GAIL (India) Limited Gas Processing Unit, Gandhar Village: Rozatankaria, Taluka: Vagra, Dist.: Bharuch – 392140 Gujarat (India)	GST No.	24AAACG1209J3Z0	PAN No.	AAACG1209J						
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GST No.	24AAACG1209J3Z0													
PAN No.	AAACG1209J													
15	The bid validity period shall be 90 Days / Three (03) months from final 'Bid Due Date'.													
16.1, 16.9 & 38.5	In case ' Earnest Money / Bid Security ' or “ Contract Performance Security ” is in the form of in the form of a bank guarantee(including e- bank guarantee), Demand Draft (DD), online banking transaction ,Banker's Cheque, Insurance Security Bond, Fixed Deposit Receipt or a letter of credit , the same should be favor of GAIL (India) Limited , payable at BHARUCH In case of submission through online banking transaction i.e. IMPS / NEFT / RTGS / SWIFT, etc., the details of GAIL’s Bank account are as under: GAIL’s Bank a/c details: <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;">Account Holder’s Name</td> <td>GAIL (India) Limited</td> </tr> <tr> <td>Account Number</td> <td>00000032776829313</td> </tr> <tr> <td>IFSC Code</td> <td>SBIN0007449</td> </tr> <tr> <td>Bank Name</td> <td>STATE BANK OF INDIA</td> </tr> <tr> <td>Name of Branch & Address</td> <td>GNFC CHAVAJ BRANCH, BHARUCH</td> </tr> <tr> <td>MICR Number</td> <td>392002003</td> </tr> </table>		Account Holder’s Name	GAIL (India) Limited	Account Number	00000032776829313	IFSC Code	SBIN0007449	Bank Name	STATE BANK OF INDIA	Name of Branch & Address	GNFC CHAVAJ BRANCH, BHARUCH	MICR Number	392002003
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MICR Number	392002003													



	Bidder to mention reference no. “EMD/.....” in narration while remitting bid security /EMD amount in GAIL’s Bank Account. AND Successful Bidder to mention reference no. “CPS/FOA/PO no.....” in narration while remitting CPS amount in GAIL’s Bank Account.				
D. SUBMISSION AND OPENING OF BIDS					
18	In addition to the original of the Bid, the number of copies required is one. Not applicable in case of e-tendering.				
22	The E-Tender No. of this bidding process is: 2024_GAIL_199433_1				
22.2 and 26 of ITB and 4.0 of IFB	For bid submission purposes only (Manual) or the submission of physical document as per clause no. 4.0 of IFB and 22.2 of Section-III and Bid Opening Purpose, the Owner’s address is : Attention: MANOJ KUMAR, CH. MANAGER (C&P), Street Address: GAIL (INDIA) LIMITED, GPU-GANDHAR Floor/Room number: VILL: ROZATANKARIA, TALUKA: AMOD, City: BHARUCH, GUJARAT ZIP Code: 392140_Country: INDIA				
E. EVALUATION, AND COMPARISON OF BIDS					
32	Evaluation Methodology is mentioned in Section-II.				
34	The following Purchase Preference Policy will be applicable as per provisions mentioned in tender: i) Micro & Small Enterprises (MSEs) ii) Policy to Provide Purchase Preference as per Public Procurement (Preference to Make in India), Order 2017				
F. AWARD OF CONTRACT					
36	The following designated authority shall be contacted after receipt of Notification of Award for all contractual matters :- HOD (C&P), GAIL (India) Limited Gas Processing Unit, Gandhar Village: Rozatankaria, Taluka: Amod, Dist.: Bharuch – 392140 Gujarat (India)				
37.4	Whether part shipment is allowed: <table border="1" style="margin-left: auto; margin-right: auto;"> <tr> <td style="text-align: center;">YES</td><td style="text-align: center;"> X </td></tr> <tr> <td style="text-align: center;">NO</td><td style="text-align: center;"> ✓ </td></tr> </table>	YES	X	NO	✓
YES	X				
NO	✓				



38	Contract Performance Security (CPS) <table border="1" data-bbox="459 323 1117 474"> <tr> <td>APPLICABLE</td><td>☒</td></tr> <tr> <td>NOT APPLICABLE</td><td>☐</td></tr> </table> SD/CPBG @ 5% of Total Order/ Contract Value within 30 days of FOA/ notification of award. Security Deposit /Contract Performance Guarantee can be submitted at the bidder's option, in the form of a bank guarantee (including e- bank guarantee), Demand Draft (DD), Insurance Security Bond, online banking transaction, Fixed Deposit Receipt Banker's Cheque, a letter of credit to be denominated in the currency of contract for the amount as applicable. Delivery / Contract Period: 4 Months + Warranty / Guarantee Period: 48 months + Total validity of security deposit will be 52 months and additional claim period will be 3 months beyond validity of security deposit.	APPLICABLE	☒	NOT APPLICABLE	☐
APPLICABLE	☒				
NOT APPLICABLE	☐				
39.3	Name and contact details of nodal officer: Shri Krishna K Soni Tel: 02641-231016 Email: kksoni@gail.co.in				
40	Whether tendered item is non-split able or not-divisible : <table border="1" data-bbox="459 1308 1117 1459"> <tr> <td>YES</td><td>☒</td></tr> <tr> <td>NO</td><td>☐</td></tr> </table>	YES	☒	NO	☐
YES	☒				
NO	☐				
44.1	Quarterly Closure of Contract <table border="1" data-bbox="459 1549 1117 1701"> <tr> <td>APPLICABLE</td><td>☒</td></tr> <tr> <td>NOT APPLICABLE</td><td>☐</td></tr> </table>	APPLICABLE	☒	NOT APPLICABLE	☐
APPLICABLE	☒				
NOT APPLICABLE	☐				



48	Applicability of provisions relating to Startups: <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; text-align: center;">APPLICABLE</td><td style="width: 50%; text-align: center;"> X </td></tr> <tr> <td style="text-align: center;">NOT APPLICABLE</td><td style="text-align: center;"> ✓ </td></tr> </table>	APPLICABLE	X	NOT APPLICABLE	✓								
APPLICABLE	X												
NOT APPLICABLE	✓												
6.1 of Annexure-V (B) to ITB	The Port Consignee details shall be as under:- Port Consignee (in case of foreign bidder): HOD (C&P) GAIL (India) Limited GAIL Bhawan, Plot No 73, Road No 3, Sector 15 CBD Belapur, District & Taluka: Thane Navi Mumbai, Pin Code 400614 E-mail:												
6.2 of Annexure-V (B) to ITB	GAIL Banker's Details: <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;">Account Holder's Name</td><td style="width: 50%;">GAIL (India) Limited</td></tr> <tr> <td>Account Number</td><td>00000032776829313</td></tr> <tr> <td>IFSC Code</td><td>SBIN0007449</td></tr> <tr> <td>Bank Name</td><td>STATE BANK OF INDIA</td></tr> <tr> <td>Name of Branch & Address</td><td>GNFC CHAVAJ BRANCH, BHARUCH</td></tr> <tr> <td>MICR Number</td><td>392002003</td></tr> </table>	Account Holder's Name	GAIL (India) Limited	Account Number	00000032776829313	IFSC Code	SBIN0007449	Bank Name	STATE BANK OF INDIA	Name of Branch & Address	GNFC CHAVAJ BRANCH, BHARUCH	MICR Number	392002003
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Name of Branch & Address	GNFC CHAVAJ BRANCH, BHARUCH												
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SCC	MODE OF SHIPMENT: <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; text-align: center;">SEA</td><td style="width: 50%; text-align: center;"> ✓ </td></tr> <tr> <td style="text-align: center;">AIR</td><td style="text-align: center;"> X </td></tr> </table>	SEA	✓	AIR	X								
SEA	✓												
AIR	X												
Clause no.38 of GCC	Fall Clause <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; text-align: center;">APPLICABLE</td><td style="width: 50%; text-align: center;"> ✓ </td></tr> <tr> <td style="text-align: center;">NOT APPLICABLE</td><td style="text-align: center;"> X </td></tr> </table> Further, the list of exclusions mentioned at cl.no.38.2 of GCC-Goods are modified as under: “a) Export/Deemed Export by the supplier; b) Sale of goods as original equipment prices lower than the price charged for normal replacement; c) Sale of goods such as drugs, which have expiry date; d) Sale of goods at lower price on or after the date of completion of sale/placement of order of goods or services by the authority concerned, under the existing or	APPLICABLE	✓	NOT APPLICABLE	X								
APPLICABLE	✓												
NOT APPLICABLE	X												



	previous Rate Contracts as also under any previous contracts entered into with the Central or State Government Departments including new undertakings (excluding joint sector companies and or private parties) and bodies.
SCC	Documents required for accepting the Goods: Refer SCC & Scope of Works



ANNEXURE-V TO SECTION-III

(A) PACKING, MARKING, SHIPPING AND DOCUMENTATION SPECIFICATIONS FOR INDIGENOUS MATERIALS

1.0 General

- 1.1 This specification forms an integral part of the relevant Purchase Order, in addition to the specifications, drawings and instructions explicitly listed in the Purchase Order.
- 1.2 Seller shall strictly comply with all applicable prescriptions in the specifications. Lack of relevant information and/or documents shall not absolve the Seller of his responsibilities and any loss arising out of non-compliance shall be to supplier's account.

2.0 Project/Job

Name of Purchaser, Project/Job location and some other relevant information are as per Bid document/Annexure.

3.0 Packing

- 3.1 The packing specifications incorporated herein are supplementary to the internal and external packing methods and standards as per current rules of IRCA goods tariff Part-I. All packing shall be done in such a manner so as to reduce volume as much as possible. Fragile articles should be packed with special packing materials depending on the type of materials.
- 3.2 Items shipped in bundles must be securely tied with steel wire or strapping. Steel reinforcing rods, bars, pipes, structural materials, etc. shall be bundled in uniform lengths and the weight shall be within the breaking strength of the securing wire or strapping.
- 3.3 All delicate surfaces on equipment/materials should be carefully protected and painted with protective paint/compound and wrapped to prevent rusting and damage.
- 3.4 All mechanical and electrical equipment and other heavy articles shall be securely fastened to the case bottom and shall be blocked and braced to avoid any displacement/shifting during transit.
- 3.5 Attachments and spare parts of equipment and all small pieces shall be packed separately in wooden cases with adequate protection inside the case and wherever possible should be sent along with main equipment. Each item shall be suitably tagged with identification of main equipment, item denomination and reference number of respective assembly drawing. Each item of steel structure and equipments shall be identified with two erection markings with minimum lettering height of 15 mm. Such marking will be followed by connection numbers in indelible ink/paint. A copy of the packing list shall accompany the material in each package.
- 3.6 All protrusions shall be suitably protected by providing a cover comprising of tightly bolted wooden discs on the flanges.
- 3.7 Wherever required, equipments/materials/instruments shall be enveloped in polyethylene bags



containing silicagel or similar dehydrating compound.

3.8 All pipes shall be packed as under:

- a) Upto 50mm NB in Wooden cases/crates.
- b) Above 50mm NB and upto 100mm NB in Bundles and the bundles should be strapped at minimum three places.
- c) Above 100mm NB in loose.

Individual cases/bundles must contain the pipes of same size and length. Ends should be capped.

3.9 Pipes with threaded or flanged ends shall be protected with suitable caps/covers before packing.

3.10 Detailed packing list in waterproof envelope shall be inserted in the package together with equipment/material. One copy of the detailed packing list shall be fastened outside the package in waterproof envelope and covered by metal cover.

3.11 The Seller shall be held liable for all damages or breakages to the goods due to the defective or insufficient packing as well as for corrosion due to insufficient protection.

3.12 Packaged equipment or material showing damage, defects or shortages resulting from improper packaging material or packing procedures or having concealed damage or shortages, at the time of unpacking shall be to the seller's account.

4.0 Marking

4.1 Each package shall be marked on three sides with proper paints/indelible waterproof ink as follows:

PURCHASER: GAIL (INDIA) LIMITED

PROJECT/PLANT:

DESTINATION:

Purchase Order No.....

Net Wt..... Kgs Gross Wt.....Kgs.

Dimensions..... X..... X.....CM.

Package No. (Sl. No. of total packages).....

Seller's Name.....

4.2 Additional marking such as 'HANDLE WITH CARE', 'THIS SIDE UP', 'FRAGILE' or any other additional indications for protection and safe handling shall be added depending on the type of material.

4.3 Specific marking with paint for 'SLINGING and 'CENTRE OF GRAVITY' should be provided for all heavy lifts weighing 5 Tons and above.

4.4 In case of bundles/bags or other packages, wherever marking cannot be stencilled, the same shall



be embossed on metal or similar tag and wired securely at two convenient points.

5.0 Shipment

5.1 Despatch of materials shall be made in accordance with the relevant terms of the Purchase Order. Any change in mode of transport shall be resorted to only after prior approval in writing. Seller shall ensure despatch of equipments/materials immediately after they are inspected and released. All consignments shall be booked in the name of Purchaser and not under self-basis.

5.2 Despatch by Road

- (a) The Seller shall be responsible for despatch of materials on DOOR-DELIVERY basis through a reliable Bank-Approved transport company unless otherwise the transport company is named by PURCHASER/ PMC.
- (b) The SELLER shall ensure with Transport Company the delivery of materials within a reasonable transit period. SELLER shall also obtain from transporter, particulars of Lorry Number, Transporter's Challan Number, destination of lorry (if transshipment is involved), Transporter's Agent at destination, if any, etc. and intimate same to GAIL/PMC EIC (respective Project Site).

5.3 Despatch by Rail

5.3.1 The SELLER shall be responsible for:

- (a) Despatch by the shortest possible route. The Seller shall as far as possible, despatch the materials by the fastest goods train like QTS, Super Express Goods, etc. wherever such facilities exist.
- (b) Correct classification of goods and freight charges.
- (c) Obtaining clean Railway Receipts without any qualifying remarks. Should there be any restriction for movement by a particular route, the Railway authorities should be requested to move goods by the next alternative route, subject to prior consent of GAIL/PMC.

5.3.2 As “SMALLS”

When the materials that are ready do not make up a wagonload by weight/volume or for minimum freight payable for a wagon the despatch should be affected as “smalls”.

Seller should obtain from the Railway, the particulars of wagon in which the “Smalls” have been loaded, station at which sealed, train Number and date/time of movement and transmit the same to the Resident / Visiting Inspector, EIC (concerned Site) PMC for monitoring their movement.

5.3.3 As Wagon Loads

Consignments, though of lesser weight, but otherwise constituting a “wagon load” by volume should be despatched as “wagon load” paying the freight applicable to a minimum wagon load or



at the smalls rate, whichever is advantageous, as per Rule-164 of IRCA Goods Tariff Part-I (Vol.I)

When consignments call for full wagon(s), indents should be placed with the Railway Station concerned after predetermining accurately the type and number of wagons required. In case of covered wagons, it should be ensured that the same are watertight. If a particular type of wagon is in short supply, request should be made to the Railway Authorities to supply the next suitable type of wagon. Suitable packing in the wagon shall be done, wherever necessary, to ensure maximum safety of the material in transit.

When ODC packages are involved, the Seller shall apply to the Railway Authorities with loading sketches showing overall dimensions and the wagon proposed to be utilised sufficiently in advance for obtaining movement sanction and to establish firm transportability. Copies of all such correspondence together with loading sketches should be sent to PMC ODC packages shall be loaded, packed and lashed strictly in accordance with the Railway Regulations. Should there be any delay/difficulty in obtaining the required wagon(s), the Seller shall inform GAIL /PMC immediately giving details of the required number of wagons, type, carrying capacity, etc. and indent number so that the matter may be taken up with the Railway Authorities concerned.

After despatch, SELLER shall obtain from the Railway Authorities, particulars of the wagon/train number, date of movement and destination junction for the particular train and furnish the same to GAIL / PMC for follow-up action on movement, as may be necessary.

After despatch of the equipment from despatching station, if movement of the wagon is held-up due to improper/loose lashing resulting in shifting of the load and consignment is required to be readjusted/refixed the vendor shall be responsible to arrange for the same as per Railway requirements. Similarly, in case some infringement in dimensions of the loaded consignment is detected by Railway Authorities after its movement from despatching station and if it is required to be corrected either by adjustment of the load or by cutting a few protrusions the same shall be arranged by vendor at their cost.

5.4 Shipment by Air

Wherever Seller is instructed by Purchaser to airfreight any material, the Seller shall take prompt action for the same. Immediately after air shipment is effected, the Seller shall intimate by Fax / E-mail, the details of airway bill number and date, flight number, number of packages etc. to EIC, GAIL / PMC (respective Project Site).

5.5 Destination

The consignments should be despatched as indicated in bid document/Purchase Order.

5.6 Advance Information

Immediately after a shipment is made, Seller shall send advance information as to the particulars of materials, value, Purchase Order Number, date of despatch, railway receipt number, wagon number/goods consignment note number, truck number, name of transport company and their destination office/associate's address etc./Airway Bill Number and flight details by way of Fax /



E-Mail to Resident / Visiting Inspector, EIC, GAIL / PMC (respective Project Site).

5.7 Transmission of Despatch Documents

Seller shall, within 48 hours of the despatch of the material depending upon the payment terms of the Purchase Order, either negotiate through PURCHASER's Bankers or forward direct by Registered Post, the railway receipt/consignment note/Airway Bill to the Purchaser accompanied by the original invoices, packing lists and challans.

The Seller shall be responsible for any delay in clearance of the consignment at destination and consequent wharfage/demurrage, if any, due to delay in transmittal of the Railway Receipt, Consignment Note/Air Way Bill. Copies of such despatch advise together with 2 copies of invoices and packing lists shall be simultaneously distributed to Purchaser's / PMC etc.

6.0 Transit Risk Insurance

All equipments/materials will be insured for transit risk by Purchaser unless otherwise specified. The Insurance cover will be provided from warehouse - to - warehouse.

7.0 Despatch through Approved Transporters

All materials must be despatched through Purchaser/PMC approved transporters, list of which may be obtained from the Purchaser's / PMC nearest branch/regional office.

(B) PACKING, MARKING, SHIPPING AND DOCUMENTATION SPECIFICATIONS FOR IMPORTED MATERIAL

1. PACKING

- 1.1. Packing shall be strong and sturdy such that it can withstand loading/unloading, pushing and crane lifting etc. All packaging shall be done in such a manner as to reduce volume and weight as much as possible without jeopardizing the safety of the material. All packing materials shall be new and unless otherwise specified, shall be of packer's standard for export shipments.
- 1.2. Fragile articles should have special packing materials depending on type of materials.
- 1.3. All soft and delicate surfaces on equipment/material should be carefully protected / painted with suitable coating and wrapped to prevent rusting and damage.
- 1.4. All mechanical and electrical equipment and other heavy articles should be securely fastened to the bottom of the case, to avoid damage.
- 1.5. All packages requiring handling by crane should have sufficient space at appropriate place to put sling of suitable dia (strength). Irons/steels angle should be provided at the place where sling markings are made to avoid damage to package/equipments while lifting.
- 1.6. All threaded fittings and pipes should be greased and provided with plastic caps.
- 1.7. Attachments and spare parts of equipments and all small pieces shall be packed separately in wooden cases with adequate protection inside the case and sent along with main equipment. Each item shall be tagged so as to identify it with the main equipment and part number and



reference number shall be indicated.

- 1.8. All protrusions shall be suitably protected and openings shall be blocked by wooden/steel covers as may be required.
- 1.9. Wherever required equipments/materials shall be packed in polythene bags and silica gel or similar dehydrating compound shall be put inside the bags to protect them.
- 1.10. Detailed case wise packing list in water proof envelope shall be inserted in each package together with equipment/material. One copy of ‘Detailed Packing List’ shall be fastened outside of the package in waterproof envelope and covered by metal cover. In case of bigger dia pipes and large equipments, documents contained in the envelope shall be fastened inside a shell connection with an identifying arrow sign ‘Documents’ applied with indelible paint.

2. MARKING

- 2.1. Each package shall be marked on three sides with proper paints/indelible waterproof ink as follows:

PURCHASER: GAIL (INDIA) LIMITED.

PROJECT/JOB:

DESTINATION:

Purchase Order No.....

Net Wt.Kgs. Gross Wt. Kgs

DimensionsXXCM

Package No. (S. No. of total packages)

Seller’s Name

- 2.2. Letters, figures, marks etc., used for marking shall be stencil printed. Handwriting should be avoided as far as possible. Size of letters shall be optimum for each package dimension.
- 2.3. In case of bundles or other packages wherever marking can not be stencilled the same shall be embossed on metal or similar tag and wired securely at minimum two convenient points and both ends shall be suitably protected/covered. In case of loose pipes sticker of above markings should be pasted on inner wall corner of each pipe on both sides.

3. SHIPMENT

3.1. BY SEA

All shipment of materials shall be made by First class direct vessels. All shipments shall be under deck unless carriage on deck is unavoidable.

3.4. BY AIR

Wherever the shipments are to be effected by Air, the same shall be dispatched preferably through Air India.

4. SHIPPING DOCUMENTATION

- 4.1. All documents shall be in English Language.
- 4.2. DOCUMENTS REQUIRED BEFORE SHIPMENT



Proforma Packing Lists and sketches of Over Dimensioned Cargo should be forwarded to Purchaser/Project Division at address given at clause 6.1 below in triplicate.

4.3. DOCUMENTS REQUIRED AFTER SHIPMENT

The supplier shall air mail the shipping documents stated herein below after the shipment has been made so that the same are received at least two weeks prior to the arrival of vessel at destination Port. Copies to Port Office must be sent immediately through International Courier.

The supplier shall be fully responsible for any delay and/or demurrage that may become payable at destination Port on account of delay in transmittal of following shipping documents.

- i Commercial Invoice
- ii Bill of Lading / airway bill
- iii Inspection Release Note
- iv Packing List
- v Freight Memo
- vi Certificate of Origin
- vii Manufacturer's test certificate and guarantee)
- viii Certificate of pre-dispatch inspection by the purchaser's representative (wherever applicable);
- ix Certificate of Measurement and Weight
- x Any other document(s) as and if required in terms of the contract

One set each of the above documents is to be sent by first class courier to Purchaser/PMC at the address given at clause 6.1 below.

In case of air shipments, two sets of non-negotiable documents consisting of Commercial Invoice (ink signed), Packing list, Certificate of Origin, Technical Literature shall be handed over to Airlines with the instructions that the same should be handed over along with cargo arrival notice and copy of Airway Bill to Destination Airport Notify party.

Suppliers to note that as per notifications issued by Civil Aviation & Central Board of Indirect Taxes and Customs, Free Period for import consignments at AIR & SEA CARGO is only 48 Hrs.

In order to expedite the clearance procedure and avoid the delay in presentation of Bill of entries and demurrage charges, suppliers are advised to ensure that the above documents are forwarded well in advance before the landing and arrival of the shipment.

All foreign Suppliers are required to mention Standard unit of measurement and Commercial unit of measuring i.e. for all import packing list/Invoice the UoM shall be invariably in both unit.

4.4. BILL OF LADING

Bill of lading shall be 'Clean on Board'. Ocean Bill of Lading be made in favour of (Purchaser) or order of the bank (and not order of the shipper) and the notify column should indicate Port Consignee/PMC at its address given at clause 6.1 below.



4.5. PACKING LIST

Packing list must show, apart from other particulars actual contents in each case, net and gross weights and dimensions and the total number of packages. In case of pipes and plates in bundles, number of pipes/plates with individual length/size in each bundle must be indicated.

5. SHIPPING ADVICE

5.1. Within 48 hours after shipment, the supplier shall send shipping advice by way of Fax to Purchaser/PMC at clause 6.1 below, giving particulars of the shipment, vessel's name/Airlines, Flight No. & Date on which materials actually left (and not tentative flight No. and Date), Port of Shipment, Bill of Lading No. & Date, contents in brief, Purchase Order Number, total FOB and Freight Values, number of Packages and total gross weight, ETD & ETA of vessel. In case of Air shipment through consolidation services, information must contain both Master Air Way no. & House Airway Bill no.

5.2. In case of free replacement/supply of components/parts, the supplier shall advise by Fax above dispatch particulars along with specific statement 'Free Supply' 'Value for customs purposes only'.

6. ADDRESSES

6.1 Consignees:

A. Project/Work center Consignee:
[refer BDS for Consignee Details]

B. Consignee (for sea port/ airport of entry):
[refer BDS for port Consignee Details]

6.2. Bankers:
[refer BDS for Bankers details]

7. SHORT SHIPMENTS

7.1. Seller should thoroughly check all items in the packing before effecting shipment. If any item(s) are found short packed in sound boxes on examination at site / project site, Seller shall be responsible to supply short packed items free of charge on receipt of advice from Purchaser. Seller shall also be responsible to bear the import duty levied by Indian Customs on such short packed items.

(C) SPECIAL PACKAGING REQUIREMENTS

All raw/solid wood packaging material used for packaging shall be appropriately treated and marked as per ISPM-15 (International Standards of Phyto-sanitary measures 15) OR shall be accompanied by a Phytosanitary Certificate with the treatment endorsed.

The treatment of raw/solid wood packaging material prior to export shall include either Methyl Bromide (MB) @ 48 g/m³ for 16 hrs at 21° C and above or any equivalent thereof or heat treatment (HT) at 56° C for 30 min (core temperature of wood) or Kiln Drying (KD) or Chemical Pressure Impregnation (CPI) or any other treatments provided that these meet the HT specifications of the



ISPM-15.

However, the above conditions shall not be applicable to wood packaging material wholly made of processed wood products such as ply wood, particle board, oriental strand board of veneer that have been created using glue, heat and pressure or combination thereof. The above conditions shall also not be applicable to wood packaging material such as veneer peeler cores, wood wool & shavings and thin wood pieces (less than 6mm thickness) unless they are found to be harboring any pests.



Annexure-VI to Section-III

POLICY TO PROVIDE PURCHASE PREFERENCE AS PER PUBLIC PROCUREMENT (PREFERENCE TO MAKE IN INDIA), ORDER 2017

- 1.0 Ministry of Petroleum & Natural Gas vide Notification No. FP-20013/2/2017-FP-PNG-Part(4) (E-41432) dated 26.04.2022 has notified that Public Procurement (Preference to Make in India), Order 2017 (PPP-MII) issued by DPIIT and as amended from time to time shall be applicable to all the Public Sector Undertakings and their wholly owned subsidiaries under MoP&NG with certain modifications.
- 2.0 The Public Procurement (Preference to Make in India), Order 2017 (PPP-MII) issued by DPIIT to encourage ‘Make in India’ and promote manufacturing & production of goods and services in India with a view to enhancing income and employment.

3.0 DEFINITIONS:-

- (i) **Local Content** means the amount of value added in India which shall, unless otherwise prescribed by the Nodal Ministry, be the total value of item procured (excluding net domestic indirect taxes) minus the value of imported content in the item (including all custom duties) as a proportion of the total value, in percent.

Further Local value addition through services such as transportation, insurance, installation, commissioning, training, and after sale support like AMC/CMC etc. shall be considered in local content calculation.

- (ii) **‘Class-I local supplier’** means a supplier or service provider, whose goods, services or works offered for procurement, meets the minimum local content of equal to or more than 50%.

‘Class-II local supplier’ means a supplier or service provider, whose goods, services or works offered for procurement, meets the minimum local content of more than 20% but less than 50%.

‘Non - Local supplier’ means a supplier or service provider, whose goods, services or works offered for procurement, has local content less than or equal to 20%.

- (iii) **L1** mean the lowest tender or lowest bid or the lowest quotation received in a tender, bidding process or other procurement solicitation as adjudged in the evaluation process as per tender or other procurement solicitation.
- (iv) **Margin of Purchase Preference:** means the maximum extent to which the price quoted by a Class-I local supplier may be above the L1 for purpose of purchase Preference.
- (v) **Nodal Ministry** means the Ministry of Petroleum & Natural Gas
- (vi) **Procuring Entity** means GAIL (India) Limited (GAIL)



(vi) **Works** means all the works as per Rule 130 of GFR-2017 also include ‘turnkey works’

4.0 **Margin of Purchase Preference:** The margin of purchase preference shall be 20%.

5.0 **ELIGIBILITY OF ‘CLASS-I LOCAL SUPPLIER’/ ‘CLASS-II LOCAL SUPPLIER’/ ‘NON-LOCAL SUPPLIERS’ FOR DIFFERENT TYPES OF PROCUREMENT**

- (a) In procurement of all goods, services or works in respect of which the Nodal Ministry / Department has communicated that there is sufficient local capacity and local competition, only 'Class-I local supplier', shall be eligible to bid irrespective of purchase value.
- (b) Only ‘Class-I local supplier’ and ‘Class-II local supplier’, shall be eligible to bid in procurements undertaken by procuring entities, except when Global tender enquiry/ International Competitive bidding has been issued. In global tender enquiries/ International Competitive bidding ‘Non local suppliers' shall also be eligible to bid along with ‘Class-I local suppliers' and ‘Class-II local suppliers'.
- (c) Works includes Engineering, Procurement and Construction (EPC) contracts and services include System Integrator (SI) contracts
- (d) HP-HT Operations in upstream oil and gas business activities shall be exempted from this order.

6.0 PURCHASE PREFERENCE METHODOLOGY UNDER PPP-MII (SUBJECT TO QUANTITY DISTRIBUTION APPLICABLE TO MSES AS PER PUBLIC PROCUREMENT POLICY FOR MSE 2012, REFER EXAMPLES GIVEN BELOW):

- (a) Purchase preference shall be given to ‘Class-I local supplier’ in procurements in the manner specified here under.
- (b) In the procurements of goods or works which are cover by para 5 (b) above and which are divisible in nature, the ‘Class-I local supplier’ shall get purchase preference over ‘Class-II local supplier’ as well as ‘Non-local supplier’, as per following procedure:
 - i. Among all qualified bids, the lowest bid will be termed as L1. If L1 is ‘Class-I local supplier’, the contract for full quantity will be awarded to L1.
 - ii. If L1 bid is not a ‘Class-I local supplier’, 50% of the order quantity shall be awarded to L1. Thereafter, the lowest bidder among the 'Class-I local supplier' will be invited to match the L1 price for the remaining 50% quantity subject to the Class-I local supplier's quoted price falling within the margin of purchase preference, and contract for that quantity shall be awarded to such ‘Class-I local supplier’ subject to matching the L1 price. In case such lowest eligible ‘Class-I local supplier' fails to match the L1 price or accepts less than the offered quantity, the next higher ‘Class-I local supplier’ within the



margin of purchase preference shall be invited to match the L1 price for remaining quantity and so on, and contract shall be awarded accordingly. In case some quantity is still left uncovered on Class-I local suppliers, then such balance quantity may also be ordered on the L1 bidder.

(c) In the procurements of goods or works which are covered by para 5 (b) and which are not divisible in nature, and in procurement of services where the bid is evaluated on price alone, the ‘Class-I local supplier’ shall get purchase preference over ‘Class-II local supplier’ as well as ‘Non-local supplier’, as per following procedure:

- i. Among all qualified bids, the lowest bid will be termed as L1. If L1 is ‘Class-I local supplier’, the contract will be awarded to L1.
- ii. If L1 is not ‘Class-I local supplier’, the lowest bidder among the ‘Class-I local supplier’, will be invited to match the L1 price subject to Class-I local supplier’s quoted price falling within the margin of purchase preference, and the contract shall be awarded to such ‘Class-I local supplier’ subject to matching the L1 price.
- iii. In case such lowest eligible ‘Class-I local supplier’ fails to match the L1 price, the ‘Class-I local supplier’ with the next higher bid within the margin of purchase preference shall be invited to match the L1 price and so on and contract shall be awarded accordingly. In case none of the ‘Class-I local supplier’ within the margin of purchase preference matches the L1 price, the contract may be awarded to the L1 bidder.
- iv. “Class-II local supplier” will not get purchase preference in any procurement.

(d) Applicability in tenders where contract is to be awarded to multiple bidders - In tenders where contract is awarded to multiple bidders subject to matching of L1 rates or otherwise which are covered by para 5 (b), the ‘Class-I local supplier’ shall get purchase preference over ‘Class II- local supplier’ as well as ‘Non-local supplier’, as per following procedure:

- i) If ‘Class-I Local suppliers’ qualify for award of contract for at least 50% of the tendered quantity in any tender, the contract may be awarded to all the qualified bidders as per award criteria stipulated in the bid documents. However, in case ‘Class -I Local suppliers’ do not qualify for award of contract for at least 50% of the tendered quantity, purchase preference should be given to the ‘Class-I local supplier’ over ‘Class-II local suppliers’/ ‘Non local suppliers’ provided that their quoted rate falls within 20% margin of purchase preference of the highest quoted bidder considered for award of contract so as to ensure that the ‘Class-I Local suppliers’ taken in totality are considered for award of contract for at least 50% of the tendered quantity.
- ii) First purchase preference has to be given to the lowest quoting ‘Class-I local supplier’, whose quoted rates fall within 20% margin of purchase preference, subject to its meeting the prescribed criteria for award of contract as also the constraint of maximum



quantity that can be sourced from any single supplier. If the lowest quoting 'Class-I local supplier', does not qualify for purchase preference because of aforesaid constraints or does not accept the offered quantity, an opportunity may be given to next higher 'Class-I local supplier', falling within 20% margin of purchase preference, and so on.

- 7.0 In case a bidder (Class-I Local supplier) is eligible to seek benefit under Policy for Preference under Public Procurement (Preference to Make in India), Order 2017 as well as Public Procurement Policy for MSE 2012 (PPP for MSE 2012), then the bidder should categorically confirm its option to choose benefits against only one of the two policies i.e. either PPP-MII and MSE policy in Form-I. The option once exercised cannot be modified subsequently.

Purchase preference benefits shall be extended to the bidder based on the declared option subject to the bidder meeting the requirements contained in that purchase preference policy.

In case a MSEs bidder opts for purchase preference based on PPP-MII, such bidder shall not be entitled to claim purchase preference benefit available to MSE Bidders under PPP-2012. However, the exemptions from furnishing Bidding Document fee and Bid security/EMD shall continue to be available to such MSE Bidder.

While for evaluating a particular bid that bidder's option (to avail any one out of two applicable purchase preference policies, i.e., PPP-MII or PPP-2012) will be considered, for price matching opportunities and distribution of quantities among bidders, the precedence shall be in the following order:-

- (i) Public Procurement Policy for MSE 2012
- (ii) Public Procurement (Preference to Make in India), Order 2017

- 8.0 **Example to deal Various situations in case a bidder is eligible to seek benefit under Public Procurement (Preference to Make in India), Order 2017 as well as Public Procurement Policy for MSE 2012 (PPP for MSE 2012) :**

(I) Non divisible item

L1 bidder is non MSE, Non Local supplier/ Class-II local supplier as per PPP-MII

L2 bidder is Class-I Local supplier as per PPP-MII (prices within 20%)

L3 bidder is MSE bidder (prices within 15%)

MSE bidder shall be given preference to match the L1 price. If bidder matches the L1 price, order shall be placed on him, otherwise, option for matching the L1 price shall be given to L2 bidder (PPP-MII).

(II) Divisible item-Case 1

L1 bidder is non MSE, Non Local supplier/ Class-II local supplier as per PPP-MII

L2 bidder is Class-I Local supplier as per PPP-MII (within 20%)

L3 bidder is MSE bidder (within 15%)



MSE bidder shall be given preference to match the L1 price. If bidder matches the L1 price, order shall be placed on him for the quantity specified in the bidding document for MSEs (i.e. 25% of the tendered quantity). For 50% of tendered quantity option for matching the L1 price shall be given to L2 bidder (Class-I Local supplier as per PPP-MII). Balance quantity (i.e. 25% of the tendered quantity) shall be awarded to original L1 bidder.

(III) Divisible item-Case 2

L1 bidder is non MSE, Non Local supplier/ Class-II as per PPP-MII

L2 bidder is Class-I Local supplier as per PPP-MII (within 20%)

L3 bidder is MSE bidder (within 15%)

L4 bidder is MSE bidder (within 15%)

MSE bidders shall be given preference to match the L1 price. If bidders matched the L1 price, order shall be placed on each of them for 12.5% of the tendered quantity. In case L3 or L4 bidder refuses, the order shall be placed on remaining MSE bidder who matches the L1 prices for 25% of the quantity. For 50% of tendered quantity option for matching the L1 price shall be given to L2 bidder (Class-I Local supplier as per PPP-MII). Balance quantity (i.e. 25% of the tendered quantity) shall be awarded to original L1 bidder.

(IV) In case L1 bidder is MSE bidder, the entire work shall be awarded to him without resorting to purchase preference to Class-I Local supplier as per PPP-MII.

(V) In case L1 bidder is a Local supplier as per PPP-MII, purchase preference shall be resorted to MSE bidder as per PPP 2012 only.

8.0 VERIFICATION OF LOCAL CONTENT/ DOMESTIC VALUE ADDITION

- a. The ‘Class-I local supplier’/ ‘Class-II local supplier’ at the time of tender, bidding or solicitation shall require to indicate percentage of local content and provide **self-certification** (as per proforma at Form-2) that the item offered meets the minimum local content for ‘Class-I local supplier’/ ‘Class-II local supplier’ as the case may be and shall give details of the location(s) at which the local value addition is made.
- b. In cases of procurement for a value in excess of Rs. 10 crores, in addition to Form-2 ‘Class-I local supplier’/ ‘Class-II local supplier’ shall be required to provide a certificate from the statutory auditor or cost auditor of the company (in the case of companies) or from a practicing cost accountant or practicing chartered accountant (in respect of suppliers other than companies) giving the percentage of local content as per proforma at Form -3.
- c. In case a complaint is received by the procuring agency relating to implementation of this order including the claim of a bidder regarding local content/ domestic value addition, the same shall be referred to Competent Authority who is empowered to look into procurement related complaints.



- d. Nodal Ministry may constitute committees with internal and external experts for independent verification of self-declarations and auditor's/accountant's certificates on random basis and in the case of complaints. A complaint fee of Rs.2 Lakh or 1% of the value of the domestically manufactured products being procured (subject to a maximum of Rs. 5 Lakh), whichever is higher, shall be paid by Demand Draft to be deposited with GAIL. In case, the complaint is found to be incorrect, the complaint fee shall be forfeited. In case, the complaint is upheld and found to be substantially correct, deposited fee of the complainant would be refunded without any interest.
- e. In case of false declarations, GAIL shall initiate action for banning such manufacturer/supplier/service provider as per as per GAIL's extant "Procedure for action in case Corrupt/Fraudulent/Collusive/Coercive Practices"
- f. A supplier who has been debarred by any procuring entity for violation of this Order shall not be eligible for preference under this Order for procurement by any other procuring entity for the duration of the debarment. The debarment for such other procuring entities shall take effect prospectively from the date on which it comes to the notice of other procurement entities, in the manner prescribed under paragraph g below.
- g. The Department of Expenditure shall issue suitable instructions for the effective and smooth operation of this process, so that:
- i. The fact and duration of debarment for violation of this Order by any procuring entity are promptly brought to the notice of the Member-Convenor of the Standing Committee and the Department of Expenditure through the concerned Ministry /Department or in some other manner;
 - ii. on a periodical basis such cases are consolidated and a centralized list or decentralized lists of such suppliers with the period of debarment is maintained and displayed on website(s);
 - iii. in respect of procuring entities other than the one which has carried out the debarment, the debarment takes effect prospectively from the date of uploading on the website(s) in the such a manner that ongoing procurements are not disrupted.

9.0 RECIPROCITY CLAUSE

- i. When a Nodal Ministry/Department identifies that Indian suppliers of an item are not allowed to participate and/ or compete in procurement by any foreign government, due to restrictive tender conditions which have direct or indirect effect of barring Indian companies such as registration in the procuring country, execution of projects of specific value in the procuring country etc., it shall provide such details to all its procuring entities including CMDs/CEOs of PSEs/PSUs, State Governments and other procurement agencies under their administrative control and GeM for appropriate reciprocal action.



-
- ii. Entities of countries which have been identified by the nodal Ministry/Department as not allowing Indian companies to participate in their Government procurement for any item related to that nodal Ministry shall not be allowed to participate in Government procurement in India for all items related to that nodal Ministry/ Department, except for the list of items published by the Ministry/ Department permitting their participation.
- iii. The term 'entity' of a country shall have the same meaning as under the FDI Policy of DPIIT as amended from time to time.



FORM-1

UNDERTAKING FOR APPLICABILITY OF POLICY (APPLICABLE FOR MSEs and CLASS-I LOCAL SUPPLIER ONLY)

To,
M/s GAIL (INDIA) LIMITED
GANDHAR

SUB: PROCUREMENT OF MOLECULAR SIEVES FOR GAIL (INDIA) LIMITED, GAS PROCESSING UNIT, GANDHAR
TENDER NO: GAIL/GDR/LPG/C&P/OPSN/2K2421 (NIC Tender ID No. 2024_GAIL_199433_1)

Dear Sir

We, M/s _____ (*Name of Bidder*) hereby confirm that following purchase preference to be considered:-

Description	Preference
Purchase Preference under Public Procurement Policy for MSE	☐
Preference Under Public Procurement (Preference to Make in India), Order 2017 (PPP-MII)	☐

Note:

- (i) Please indicate your preference against only one policy.
- (ii) The above preference shall be extended only after submission of requisite documents (as mentioned in the tender documents).
- (iii) In case a bidder is eligible to seek benefit under PPP-MII order as well as PPP for MSE 2012, then the bidder should categorically seek benefits against only one of the two policies i.e. either PPP-MII and MSE policy.
- (iv) In case a MSEs bidder opts for purchase preference based on PPP-MII order, he shall not be entitled to claim purchase preference benefit available to MSE Bidders under PPP for MSE 2012. However, the exemptions from furnishing Bidding Document fee and Bid security/EMD shall continue to be available to MSE Bidders
- (v) The option once exercised cannot be modified subsequently.
- (vi) In case MSE bidder is opting the PPP-MII policy and emerges other than L1 bidder, then only Purchase Preference as per PPP-MSE policy is not applicable.

Place: _____ [Signature of Authorized Signatory of Bidder]
Date: _____ Name: _____
Designation: _____
Seal: _____



FORM-2

SELF CERTIFICATION BY BIDDER WHO CLASS-I LOCAL SUPPLIER/ CLASS-II LOCAL SUPPLIER TOWARDS MANDATORY MINIMUM LOCAL CONTENT/ DOMESTIC VALUE ADDITION
(APPLICABLE FOR CLASS-I / CLASS-II LOCAL SUPPLIERS)

To,

M/s GAIL (INDIA) LIMITED
GANDHAR

SUB: PROCUREMENT OF MOLECULAR SIEVES FOR GAIL (INDIA) LIMITED, GAS PROCESSING UNIT, GANDHAR
TENDER NO: GAIL/GDR/LPG/C&P/OPSN/2K2421 (NIC Tender ID No. 2024_GAIL_199433_1)

Dear Sir

We, M/s _____ (*Name of Bidder*) confirm that as per the definition of policy we are:

Class-I Local supplier []

Class-II Local Supplier []

(Bidder is to tick appropriate option (✓) above).

It is further confirm that M/s _____ (*Name of Bidder*) meet the mandatory minimum Local content/Domestic Value Addition requirement for Class-I Local supplier/ Class-II Local supplier (as the case may be) under Public Procurement (Preference to Make in India), Order 2017 (PPP-MII) and has value addition of%.

The details of the location (s) at which the local value addition is made is as under:

.....
.....
.....

We further confirm that in case we fail to meet the minimum local content/domestic value addition, the same shall be treated false information and GAIL will take action as per provision of tender document.

Place: [Signature of Authorized Signatory of Bidder]
Date: Name:
Designation:
Seal:



FORMS & FORMAT



LIST OF FORMS & FORMAT

Form No.	Description
F-1	BIDDER'S GENERAL INFORMATION
F-2A OR F-2B	DECLARATION FOR BID SECURITY OR PROFORMA OF "BANK GUARANTEE" FOR "EARNEST MONEY DEPOSIT / BID SECURITY"
F-3	LETTER OF AUTHORITY
F-4	PROFORMA OF "BANK GUARANTEE" FOR "CONTRACT PERFORMANCE SECURITY / SECURITY DEPOSIT" / PERFORMA OF FIXED DEPOSIT RECEIPT AS CPS
F-5A	AGREED TERMS & CONDITIONS FOR INDIAN BIDDER
F-5B	AGREED TERMS & CONDITIONS FOR FOREIGN BIDDER
F-6	ACKNOWLEDGEMENT CUM CONSENT LETTER
F-7	BIDDER'S EXPERIENCE
F-8 (A)	CHECK LIST
F-8 (B)	CHECKLIST FOR BID EVALUATION CRITERIA (BEC) QUALIFYING DOCUMENTS
F-9	FORMAT FOR CERTIFICATE FROM BANK IF BIDDER'S WORKING CAPITAL IS INADEQUATE
F-10	FORMAT FOR CHARTERED ACCOUNTANT/CPA CERTIFICATE FOR FINANCIAL CAPABILITY OF THE BIDDER
F-11	BIDDER'S QUERIES FOR PRE BID MEETING
F-12	E-BANKING MANDATE FORM
F-13	INTEGRITY PACT
F-14	PROFORMA OF DETAILS OF INDIAN AGENT
F-15	FREQUENTLY ASKED QUESTIONS (FAQs)
Annexure-1	UNDERTAKING FOR NO BUSINESS CONNECTION IN INDIA
Annexure-2	UNDERTAKING FOR NO PERMANENT ESTABLISHMENT
Annexure-3	DIGITALY SUBMITTED FORM 10 F
F-17	UNDERTAKING REGARDING SUBMISSION OF ELECTRONIC INVOICE (E-INVOICE AS PER GST LAWS)
F-18	FORMAT FOR NO CLAIM CERTIFICATE



F-1
BIDDER'S GENERAL INFORMATION

To,
M/s GAIL (INDIA) LIMITED
GANDHAR

SUB: PROCUREMENT OF FEED GAS DRYER MOLECULAR SIEVES FOR GAIL (INDIA) LIMITED, GAS PROCESSING UNIT, GANDHAR
TENDER NO: GAIL/GDR/LPG/C&P/OPSN/2K2374 (NIC Tender ID No. 2023_GAIL_179501_1)

1	Bidder Name:	M/s.....
2	Status of Firm (Indian Bidder only)	Proprietorship Firm/Partnership firm/ Limited Liability Partnership (LLP) firm / Public Limited/ Pvt. Limited/ Govt. Dept. / PSU/ Others If Others Specify: _____ [Enclose relevant certificates / partnership deed/certificate of Registration, as applicable]
3 (a)	Name of Proprietor/ Partners/ Directors of the firm/company including their Father's Name and residential address, Aadhar No., Pan Card Details & DIN Nos. [As per clause for 'One Bid Per Bidder' under Section-III of Tender Document] If required, a separate sheet may be enclosed for providing the above details.	1. 2. 3.....
3 (b)	Name of Power of Attorney holders of Bidder	
4	Number of years in operation	
5	Address of Registered Office	City: _____ District: _____ State: _____ PIN/ZIP : _____
6	Bidder's address where order is to be placed *	City: _____ District: _____



		State: _____ PIN/ZIP : _____
7	Address from where Goods/ Services are to be dispatched/ provided along with GST no. <i>(For Indian Bidder: In case supply of Goods/ Services are from multiple locations, addresses and GST no. of all such locations are to be provided).</i>	City: _____ District: _____ State: _____ PIN/ZIP: _____ GST No.: _____
8	Telephone Number & Contact Information of address where order is to be placed	_____ (Country Code) (Area Code) (Telephone Number) e-mail ID:
9	Website	_____
10	Mobile Number:	_____
11	ISO Certification, if any	{If yes, please furnish details}
12	PAN No.	[Enclose copy of PAN Card]
13	GST No. (refer sl. no. 7 above)	_____
14	Whether Micro or Small Enterprise	Yes / No <i>(If Yes, Bidder to submit requisite documents as specified in ITB: Clause No. 40)</i>
	Whether MSE is owned by SC/ST Entrepreneur(s)	Yes / No <i>(If Yes, Bidder to submit requisite documents as specified in ITB: Clause No. 40)</i>
	Whether MSE is owned by Women	Yes / No <i>(If Yes, Bidder to submit requisite documents as specified in ITB: Clause No. 40)</i>
	Whether payment is required through TReDS	Yes / No <i>If Yes, please provide the name of portal</i>
15	Whether Bidder is Startup or not	NOT APPLICABLE

*** For Indian Bidder:** GAIL intent to place the order directly on the address from where Goods are produced/dispatched. In case, bidder wants order at some other address or supply of Goods from multiple locations, bidder is required to provide in their bid address on which order is to be placed.

Place: _____ [Signature of Authorized Signatory of Bidder]
Date: _____ Name: _____
Designation: _____
Seal: _____



F-2A

DECLARATION FOR BID SECURITY

To,

M/s GAIL (INDIA) LIMITED
GANDHAR

SUB: PROCUREMENT OF MOLECULAR SIEVES FOR GAIL (INDIA) LIMITED, GAS
PROCESSING UNIT, GANDHAR
TENDER NO: GAIL/GDR/LPG/C&P/OPSN/2K2421 (NIC Tender ID No. 2024_GAIL_199433_1)

Dear Sir

After examining / reviewing provisions of above referred tender documents (including all corrigendum/
Addenda), we M/s_____ (***Name of Bidder***) have submitted our offer/ bid no.

We, M/s_____ (***Name of Bidder***) hereby understand that, according to your conditions, we are
submitting this Declaration for Bid Security.

We understand that we will be put on watch list/holiday/ banning list (as per policies of GAIL in this
regard), if we are in breach of our obligation(s) as per following:

- (a) have withdrawn/modified/amended, impairs or derogates from the tender, my/our Bid during the
period of bid validity specified in the form of Bid; or
- (b) having been notified of the acceptance of our Bid by the GAIL during the period of bid validity:
 - (i) fail or refuse to execute the Contract, if required, or
 - (ii) fail or refuse to furnish the Contract Performance Security, in accordance provisions of
tender document.
 - (iii) fail or refuse to accept ‘arithmetical corrections’ as per provision of tender
document.
- (c) having indulged in corrupt/fraudulent /collusive/coercive practice as per procedure.

Place: [Signature of Authorized Signatory of Bidder]
Date: Name:
Designation:
Seal:



E-3
LETTER OF AUTHORITY

[Pro forma for Letter of Authority for Attending 'Pre-Bid Meetings' / 'Un-priced Bid Opening' / 'Price Bid Opening']

Ref:

Date:

To,
M/s GAIL (INDIA) LIMITED
GANDHAR

SUB: PROCUREMENT OF MOLECULAR SIEVES FOR GAIL (INDIA) LIMITED, GAS PROCESSING UNIT, GANDHAR
TENDER NO: GAIL/GDR/LPG/C&P/OPSN/2K2421 (NIC Tender ID No. 2024_GAIL_199433_1)

Dear Sir,

I/We, _____ hereby authorize the following representative(s) for attending any Meetings [Pre-Bid Meeting]', 'Un-priced Bid Opening', 'Price Bid Opening' against the above Tender Document:

[1] Name & Designation _____ Signature _____
Phone/Cell: _____
Fax: _____
E-mail: @

[2] Name & Designation _____ Signature _____
Phone/Cell: _____
Fax: _____
E-mail: @

We confirm that we shall be bound by all commitments made by aforementioned authorised representative(s).

Place: [Signature of Authorized Signatory of Bidder]
Date: Name:
Designation:
Seal:

Note:

- (i) This "Letter of Authority" should be on the "**letterhead**" of the Bidder and should be signed by a person competent and having the 'Power of Attorney' to bind the Bidder. Not more than 'two [02] persons per Bidder' are permitted to attend " Pre-Bid Meetings' / 'Un-priced Bid Opening' / Price bid Opening.
- (ii) Bidder's authorized representative is required to carry a copy of this authority letter while attending the 'Pre-Bid Meetings' / 'Un-priced Bid Opening'.



F-4

PROFORMA OF "BANK GUARANTEE" FOR "CONTRACT PERFORMANCE SECURITY "
(ON NON-JUDICIAL STAMP PAPER OF APPROPRIATE VALUE)

To, M/s GAIL (India) Limited 	Bank Guarantee No.	
	Date of BG	
	BG Valid up to (Expiry date)	
	Claim period up to (indicate date of expiry of claim period which includes minimum three months from the expiry date)	
	Stamp Sl. No./e-Stamp Certificate No.	

Dear Sir(s),

M/s. _____ having registered office at _____ (herein after called the “supplier” which expression shall wherever the context so require include its successors and assignees) have been placed/ awarded the job/work of _____ vide PO/LOA /FOA No. _____ dated _____ for GAIL (India) Limited having registered office at 16, Bhikaiji Cama Place, R.K. Puram, New Delhi (herein after called the “GAIL” which expression shall wherever the context so require include its successors and assignees).

The Contract conditions provide that the SUPPLIER shall pay a sum of Rs. _____ (Rupees _____) as full Contract Performance Guarantee in the form therein mentioned. The form of payment of Contract Performance Guarantee includes guarantee executed by Nationalized Bank/Scheduled Commercial Bank, undertaking full responsibility to indemnify GAIL (INDIA) LIMITED, in case of default.

The said M/s. _____ has approached us and at their request and in consideration of the premises we having our office at _____ have agreed to give such guarantee as hereinafter mentioned.

1. We _____ hereby undertake to give the irrevocable & unconditional guarantee to you that if default shall be made by M/s. _____ in performing any of the terms and conditions of the tender/order or in payment of any money payable to GAIL (INDIA) LIMITED we shall on first demand pay without demur, contest, protest and/ or without any recourse to the supplier to GAIL in such manner as GAIL may direct the said amount of Rupees _____ only or such portion thereof not exceeding the said sum as you may require from time to time.
2. You will have the full liberty without reference to us and without affecting this guarantee, postpone for any time or from time to time the exercise of any of the powers and rights conferred on you under



- the order/contract with the said _____ M/s. _____ and to enforce or to forbear from endorsing any powers or rights or by reason of time being given to the said M/s. _____ and such postponement forbearance would not have the effect of releasing the bank from its obligation under this debt.
3. Your right to recover the said sum of Rs. _____ (Rupees _____) from us in manner aforesaid is absolute & unequivocal and will not be affected or suspended by reason of the fact that any dispute or disputes have been raised by the said M/s. _____ and/or that any dispute or disputes are pending before any officer, tribunal or court or arbitrator or any other authority/forum and any demand made by you in the bank shall be conclusive and binding. The bank shall not be released of its obligations under these presents by any exercise by you of its liberty with reference to matter aforesaid or any of their or by reason or any other act of omission or commission on your part or any other indulgence shown by you or by any other matter or changed what so ever which under law would, but for this provision, have the effect of releasing the bank.
4. The guarantee herein contained shall not be determined or affected by the liquidation or winding up dissolution or changes of constitution or insolvency of the said supplier but shall in all respects and for all purposes be binding and operative until payment of all money due to you in respect of such liabilities is paid.
5. The bank undertakes not to revoke this guarantee during its currency without your previous consent and further agrees that the guarantee shall continue to be enforceable until it is discharged by GAIL in writing. However, if for any reason, the supplier is unable to complete the supply within the period stipulated in the order and in case of extension of the date of delivery/completion resulting extension of guarantee period of the supplier fails to perform the supply fully, the bank hereby agrees to further extend this guarantee at the instance of the supplier till such time as may be determined by GAIL. If any further extension of this guarantee is required, the same shall be extended to such required period on receiving instruction from M/s. _____ (supplier) on whose behalf this guarantee is issued.
6. Bank also agrees that GAIL at its option shall be entitled to enforce this Guarantee against the bank (as principal debtor) in the first instant, without proceeding against the supplier and notwithstanding any security or other guarantee that GAIL may have in relation to the supplier's liabilities.
7. The amount under the Bank Guarantee is payable forthwith without any delay by Bank upon the written demand raised by GAIL. Any dispute arising out of or in relation to the said Bank Guarantee shall be subject to the exclusive jurisdiction of courts at New Delhi.
8. Therefore, we hereby affirm that we are guarantors and responsible to you on behalf of the Supplier up to a total amount of _____ (amount of guarantees in words and figures) and we undertake to pay you, upon your first written demand declaring the Supplier to be in default under the order and without caveat or argument, any sum or sums within the limits of (amounts of guarantee) as



aforesaid, without your needing to prove or show grounds or reasons for your demand or the sum specified therein.

9. We have power to issue this guarantee in your favor under Memorandum and Articles of Association and the undersigned has full power to do under the Power of Attorney, dated _____ granted to him by the Bank.

Notwithstanding anything contained herein:

- a) The Bank's liability under this Guarantee shall not exceed (currency in figures)
.. (currency in words only)
b) This Guarantee shall remain in force upto _____ (this date should be expiry date of guarantee / warranty of the order) and any extension(s) thereof; and
c) The Bank shall be released and discharged from all liability under this Guarantee unless a written claim or demand is issued to the Bank on or before the midnight of(indicate date of expiry of claim period which includes minimum three months from the expiry of this Bank Guarantee) and if extended, the date of expiry of the last extension of this Guarantee. If a claim has been received by us within the said date, all the rights of GAIL under this Guarantee shall be valid and shall not cease until we have satisfied that claim.

Details of next Higher Authority of the Officials who have issued the Bank Guarantee:

Name

Designation

Yours faithfully,

Bank by its Constituted Attorney

Signature of a person duly
Authorized to sign on behalf of the Bank

INSTRUCTIONS FOR FURNISHING
"CONTRACT PERFORMANCE SECURITY " BY "BANK GUARANTEE"

1. The Bank Guarantee by successful Bidder(s) will be given on non-judicial stamp paper as per 'stamp duty' applicable. The non-judicial stamp paper should be in name of the issuing bank.
2. The Bank Guarantee by Bidders will be given from bank as specified in cl.no. 38.2 of ITB [Section-III] of Tender Document.
3. A letter from the issuing bank of the requisite Bank Guarantee confirming that said Bank Guarantee and all future communication relating to the Bank Guarantee shall be forwarded to Purchaser.



4. If a Bank Guarantee is issued by a commercial bank, then a letter to Purchaser and copy to Consultant (if applicable) confirming its net worth is more than Rs. 100,00,00,000.00 [Rupees One Hundred Crores] or its equivalent in foreign currency alongwith documentary evidence or in the Bank Gaurantee itself.
5. Supplier shall submit attached cover letter (Annexure) while submitting Contract Performance Security.
6. In case BG is issued directly by a bank outside India (if allowed), it should be executed on Letter Head of the Bank and should be advised and made payable through their Indian Branch/Corresponding Bank in India.

MATTER TO BE MENTIONED IN COVERING LETTER TO BE SUBMITTED BY VENDOR ALONG WITH BANK GUARANTEE

1	BANK GUARANTEE NO	:				
2	VENDOR NAME / VENDOR CODE	:	NAME			
			VENDOR CODE			
3	BANK GUARANTEE AMOUNT	:				
4	PURCHASE ORDER/ LOA NO	:				
5	NATURE OF BANK GUARANTEE	:				
	(Please Tick (√) Whichever is Applicable		PERFORMANCE BANK GUARANTEE	SECURITY DEPOSIT	EMD	ADVANCE
6	BG ISSUED BANK DETAILS					
(A)		EMAIL ID	:			
(B)		ADDRESS	:			
(C)		PHONE NO	:			



PERFORMA OF FIXED DEPOSIT RECEIPT AS CPS

Third Party Deposit Confirmation Letter

Date: __/__/____

To,

GAIL (India) Limited,

.....
.....
.....

Dear Sir/ Madam

Sb: Issuance of Cumulative FDR..... amounting to ₹.....valid till.....

It is hereby certified that Cumulative Fixed Deposit Receipt (FDR) bearing number.....dated.....
amounting to ₹..... (Amount in figure and words) has been issued by (Name of the
Bank) branch address..... The maturity value is ₹..... on dated.....

This FDR has been issued on the request of M/s.....(Name of the contractor) under the PO no.
/ W.O. No/Tender no..... This FDR can be encashed/ redeemed
without any consent/ letter from the contractor M/s.....(Name of the contractor) on the demand by
M/s GAIL (India) Limited and the payment will be made to M/s GAIL (India) Limited excluding the interest
earned thereon. The Contractor cannot encash/ premature above FDR unless above original FDR is accompanied
by the discharge letter/NOC/approval of GAIL.

If the FDR is not withdrawn, till date of maturity, it may be renewed or treated as instructed by the Contractor
& GAIL for renewal.

This FDR has been issued by authorized signatory of the Bank.

For or on behalf of..... [Name of the Bank & Branch details (Including IFS Code)]

Signature.....

Name:.....

Designation:.....

Contact no.

Email Id.

Stamp of Bank.....

Note:

- (i) **This letter forms an integrated part of FDR**
- (ii) **In case confirmation is required, the communication can be send to the following:**
Details for confirmations (including Address, Email Id, IFS Code and contact no.)



F-5A

AGREED TERMS & CONDITIONS FOR INDIAN BIDDER

To,
M/s GAIL (INDIA) LIMITED
GANDHAR

SUB: PROCUREMENT OF MOLECULAR SIEVES FOR GAIL (INDIA) LIMITED, GAS PROCESSING UNIT, GANDHAR

TENDER NO: GAIL/GDR/LPG/C&P/OPSN/2K2421 (NIC Tender ID No. 2024_GAIL_199433_1)

This format duly filled in, signed & stamped must form part of Bidder's Bid and must be submitted in Part –I (Un-priced Bid). Clauses confirmed hereunder need not be repeated in the Bid.

Sl.	DESCRIPTION	BIDDER'S CONFIRMATION
1	Bidder's name, Vendor Code of GAIL (if any) and address (FOA/Order shall be released in this name)	Bidder's name : GAIL's Vendor Code: Address:
2.	Bidder furnishes Bid Security declaration OR EMD/Bid Security details as under : a) EMD/ Bid Security No. & date b) Value c) Validity d) Bank Address/e-mail ID/Mobile no. [in case of BG] OR Bidder furnishes bid security declaration [applicable for MSEs, Start-Ups and CPSEs (to whom exemption is allowed as per extant guidelines in vogue)]	NOT APPLICABLE
3.	Bidder confirms the currency of quoted prices.	
4.	Bidder confirms quoted prices will remain firm and fixed (except where price escalation/variation is allowed in the Tender) till complete execution of the order.	
5.	Bidder confirms quoted prices are strictly as per Price Schedule format of the Tender Document.	
6.	Bidder specify the Dispatch Point [Location, Dist. & State from where material will be dispatched]:	
7.	Bidder confirms acceptance of relevant Terms of Payment specified in the Bid Document.	
8.	Bidder confirms that Contract Performance Security/ Security Deposit (CPS) will be furnished as per Bid Document within 30 days of Notification of Award/ Fax of Acceptance (FOA) in case of successful bidder.	
9.	Bidder confirms that CPS shall be from any Indian scheduled bank (excluding Co-operative banks and Regional Rural bank) or a branch of	



Sl.	DESCRIPTION	BIDDER'S CONFIRMATION
	an International bank situated in India and registered with Reserve bank of India as scheduled foreign bank. However, in case of bank guarantees from banks other than the Nationalised Indian banks, the bank must be a commercial bank having net worth in excess of Rs 100 crores and a declaration to this effect shall be made by such commercial bank either in the Bank Guarantee itself or separately on its letterhead.	
10.	Bidder confirms acceptance to Delivery/ Completion Period as specified in Bid Document. Bidder Confirms Delivery/ Completion Period as per Bid Document and the same shall be reckoned from the date of Notification of Award/ Fax of Acceptance (FOA).	
11.	(i) Bidder confirms acceptance of Price Reduction Schedule (PRS) for delay in delivery as specified in Bid Document. (ii) In case of delay, the bills / invoices shall be submitted after reducing the price reduction due to delay (refer Clause no. 49 of Section-III).	
12.	a) Bidder confirms acceptance of all terms and conditions of Bid Document (all sections & enclosures). b) Bidder confirms that printed terms and conditions of Bidder are not applicable.	
13.	Bidder confirms that their offer is valid for period specified in BDS from the final 'Bid Due Date.	
14.	Bidder confirms that (i) none of Directors (in Board of Director) of bidder is a relative of any Director (in Board of Director) of GAIL or (ii) the bidder is not a firm in which any Director (in Board of Director) of GAIL or their relative is a partner.	
15.	Bidder confirms that all correspondence must be in ENGLISH language only.	
16.	Bidder confirms that all Bank charges associated with Bidder's Bank regarding release of payment etc. shall be borne by Bidder.	
17.	Bidder confirms that the quoted price is in compliance with the Section 171 of CGST Act/ SGST Act as mentioned as clause no. 13.1.8 of ITB (Anti-profiteering clause).	
18.	Bidder confirms that they have quoted GST (CGST & SGST/ UTGST or IGST) in Price Schedule of Price Bid.	
19.	Whether in the instant tender items are covered in reverse charge rule of GST (CGST & SGST/UTGST or IGST) If yes, Bidder confirms that they have quoted GST (CGST & SGST/ UTGST or IGST) in Price Schedule / Schedule of Rates of Price Bid	Yes/ No
20.	Bidder confirms that they have mentioned Harmonized System Nomenclature (HSN) of Supply items in Schedule of Rates of Price Bid:	



Sl.	DESCRIPTION	BIDDER'S CONFIRMATION
	Service Accounting Codes (SAC) of Incidental Services (if any, refer Price Schedule):	
21	Whether bidder is liable to raise E-Invoice as per GST Act.	Yes/No
	If yes, bidder will raise E-Invoice and confirm compliance to provision of tender in this regard	
22.	Part Order: (a) Bidder confirms acceptance to Part Order. (b) Bidder confirms any charges quoted extra as lumpsum shall be applicable prorata on value basis in the event of part order.	
23.	Testing and Inspection charges: Bidder confirms that goods and services are subject to stage-wise and final Inspection by Owner / Owner's Authorized representative. Travel, Living and Personnel expenses of Owner / Authorized representative shall be borne by Owner / authorized representative.	
24.	No Deviation Confirmation: It may be note that any 'deviation / exception' in any form may result in rejection of Bid. Therefore, Bidder confirms that they have not taken any 'exception / deviation' anywhere in the Bid. In case any 'deviation / exception' is mentioned or noticed, Bidder's Bid may be rejected.	
25.	If the Bidder becomes a successful Bidder pursuant to the provisions of the Tender Document, the following Confirmation shall be automatically become enforceable: "Bidder agrees and acknowledges that the Employer is entering into the Contract/Agreement solely on its own behalf and not on behalf of any other person or entity. In particular, it is expressly understood & agreed that the Government of India is not a party to the Contract/Agreement and has no liabilities, obligations or rights thereunder. It is expressly understood and agreed that the Purchaser is authorized to enter into Contract/Agreement, solely on its own behalf under the applicable laws of India. Bidder expressly agrees, acknowledges and understands that the Purchaser is not an agent, representative or delegate of the Government of India. It is further understood and agreed that the Government of India is not and shall not be liable for any acts, omissions, commissions, breaches or other wrongs arising out of the Agreement. Accordingly, Bidder hereby expressly waives, releases and foregoes any and all actions or claims, including cross claims, VIP claims or counter claims against the Government of India arising out of the Agreement and covenants not to sue to Government of India as to any manner, claim, cause of action or things whatsoever arising of or under the Agreement."	



Sl.	DESCRIPTION	BIDDER'S CONFIRMATION
26.	Bidder hereby confirms that they are not on ‘Holiday’ by GAIL or Public Sector Project Management Consultant (like EIL, Mecon only due to “poor performance” or “corrupt and fraudulent practices”) or banned by Government department/ Public Sector on due date of submission of bid. Further, Bidder confirms that neither they nor their allied agency/(ies) (as defined in the Procedure for Action in case of Corrupt/ Fraudulent/ Collusive/ Coercive Practices) are on banning list of GAIL or the Ministry of Petroleum and Natural Gas.	
27.	As per requirement of tender, bidder (having status as Pvt. Ltd. or Limited company) must upload bid duly digitally signed on e-portal through class-3B digital signature (DS). In case, class of DS or name of employee or name of employer is not visible in the digitally signed documents, the bid digitally signed as submitted by the person shall be binding on the bidder.	
28.	Bidder confirms the contents of this Tender Document have not been modified or altered by them. In case, it is found that the tender document has been modified / altered by the bidder, the bid submitted by them shall be liable for rejection.	
29.	Bidder confirms that they have read and understood the General Conditions of Contract – Goods [Rev.2] available on GAIL’s Tender website (http://gailtenders.in/Gailtenders/gccs.asp) & no 'exception / deviation' anywhere has been taken in the same and that they shall abide by provisions of relevant GCC-Goods.	
30.	Bidder certifies that they would adhere to the Fraud Prevention Policy of GAIL [available on GAIL’s website (www.gailonline.com)] and shall not indulge themselves or allow others (working in GAIL) to indulge in fraudulent activities and that they would immediately apprise GAIL of the fraud/suspected fraud as soon as it comes to their notice. Concealment of facts regarding their involvement in fraudulent activities in connection with the business transaction(s) of GAIL is liable to be treated as crime and dealt with by the procedures of GAIL as applicable from time to time.	
31.	Bidders confirm to submit signed copy of Integrity Pact (wherever included in tender). If Bidder is a partnership concern or a consortium, this agreement must be signed by all partners or consortium members.	
32.	Bidder confirms that there is no conflict of interest with other bidders, as per clause no.4.2 of Section-III (ITB) of Tender Document.	
33.	Confirm that, in case of contradiction between the confirmations provided in this format to the mentioned elsewhere in the offer, the confirmations given in this format shall prevail.	

Place: [Signature of Authorized Signatory of Bidder]
Date: Name:
Designation:
Seal:



F-5B

AGREED TERMS & CONDITIONS FOR FOREIGN BIDDER

To,
M/s GAIL (INDIA) LIMITED
GANDHAR

SUB: PROCUREMENT OF MOLECULAR SIEVES FOR GAIL (INDIA) LIMITED, GAS PROCESSING UNIT, GANDHAR

TENDER NO: GAIL/GDR/LPG/C&P/OPSN/2K2421 (NIC Tender ID No. 2024_GAIL_199433_1)

This Format duly filled in, signed & stamped must form part of Bidder's Bid and must be submitted in Part –I (Un-priced Bid). Clauses confirmed hereunder need not be repeated in the Bid.

Sl.	DESCRIPTION	BIDDER'S CONFIRMATION
1.	Bidder's name, Vendor Code of GAIL (if any) and address (FOA/Order shall be released in this name)	Bidder's name : GAIL's Vendor Code: Address:
2.	The address of the Fixed Place Permanent Establishment (PE) or name & address of the Dependent Agency PE of Foreign Bidder as per clause no.51 of ITB of Tender Document.	
3.	Bidder furnishes declaration for Bid Security OR EMD/Bid Security details as under : e) EMD/ Bid Security No. & date f) Value g) Validity Bank Address/e-mail ID/Mobile no. [in case of BG] OR Bidder furnishes bid security declaration [applicable for MSEs, Start-Ups and CPSEs (to whom exemption is allowed as per extant guidelines in vogue)]	NOT APPLICABLE
4.	Bidder confirms the currency of quoted prices.	
5.	Bidder confirms that quoted prices will remain firm and fixed (except where price escalation/variation is allowed in the Tender) till complete execution of the order.	
6.	Bidder confirms that they have quoted prices are strictly as per Price Schedule format of the Tender Document on FOB and CFR Port of Entry in India.	
7.	Bidder Indicate international Seaport of Exit as [Location, Country from where material will be dispatched]:-----	
8.	i) Bidder confirms acceptance of relevant Terms of Payment specified in the Bid Document.	



Sl.	DESCRIPTION	BIDDER'S CONFIRMATION
	ii) Bidder confirms that that Letter of Credit shall be opened after receipt of unconditional order acknowledgement along with Contract Performance Security. iii) Bidder confirms that Letter of Credit shall be opened through a Govt. of India Nationalised/ Scheduled Bank and hence need not be confirmed. OR However, if bidder still insist for confirmed L/C, confirmation charges shall be borne bidder, confirm.	
9.	Bidder Confirms that Contract Performance Security (CPS) will be furnished as per Bid Document within 30 days of Notification of Award/ Fax of Acceptance (FOA) in case of successful bidder.	
10.	Bidder Confirms that CPS shall be from any Indian scheduled bank (excluding Co-operative banks and Regional Rural bank) or a branch of an International bank situated in India and registered with Reserve bank of India as scheduled foreign bank. However, in case of bank guarantees from banks other than the Nationalised Indian banks, the bank must be a commercial bank having net worth in excess of Rs 100 crores/Equivalent USD and a declaration to this effect shall be made by such commercial bank either in the Bank Guarantee itself or separately on its letterhead.	
11.	Bidder confirms acceptance to Delivery/ Completion Period as per Bid Document and same shall be reckoned from the date of Notification of Award/ Fax of Acceptance (FOA).	
12.	a) Bidder Confirms acceptance of Price Reduction Schedule (PRS) for delay in delivery as specified in Bid Document. b) In case of delay, the bills shall be submitted after reducing the price reduction due to delay (refer PRS Clause).	
13.	a) Bidder Confirms acceptance of all terms and conditions of Bid Document (all sections & enclosures). b) Bidder Confirms that printed terms and conditions of Bidder are not applicable.	
14.	Bidder Confirms that their offer is valid for period specified in BDS from the final 'Bid Due Date'.	
15.	Bidder confirms that (i) none of Directors (in Board of Director) of bidder is a relative of any Director (in Board of Director) of GAIL or (ii) the bidder is not a firm in which any Director (in Board of Director) of GAIL or their relative is a partner.	



“हिन्दी में पत्राचार करके देश का गौरव बढ़ाएं”

Sl.	DESCRIPTION	BIDDER'S CONFIRMATION
16.	Bidder confirms that all correspondence must be in ENGLISH language only.	
17.	Bidder confirms that all Bank charges and stamp duties payable outside India in connection with payments to be made under this Purchase Order, if placed, shall be borne by bidder. All bank charges and stamp duties payable in India shall be borne by the Purchaser.	
18.	Bidder confirms that Export permit/License if required shall be bidder's responsibility and any expenditure towards the same shall be borne by the bidder.	
19.	Bidder confirms that Prices quoted must exclude marine insurance from FOB international port of exit. However, all transit insurance charges upto FOB International port of exit must be included by vendor in quoted prices.	
20.	Bidder Indicates Country of origin of offered goods as:-----.	
21.	Part Order: (a) Bidder confirms acceptance to Part Order. (b) Bidder confirms that any charges quoted extra as lumpsum shall be applicable prorata on value basis in the event of part order.	
22.	Testing and Inspection charges: Bidder confirms that goods and services are subject to stage-wise & final Inspection by Owner / Owner's Authorized representative and prices quoted are considering the above. Travel, Living and Personnel expenses of Owner / Authorized representative shall be borne by Owner / authorized representative.	
23.	Bidder confirms that they have submitted a Direct offer without intermediary of an Indian Agent.	
24.	a) In case bidder envisages that participation of Indian Agent is must, no correspondence with Indian Agent will be entertained. However, if Indian Agent are involved, the bidder shall provide reason/justification. The payments to overseas suppliers (i.e. the principals) shall be released through L/C after deducting the Indian agent's commission, if any, from the quoted prices. b) Indicate the name of the Indian Agent, with his full address and percentage of commission included in your offer. c) Indian Agent Commission will be paid directly by Owner to Indian Agent in equivalent Indian Rupees (on conversion rate as applicable on the date of payment to Vendor) after satisfactory completion of the order. A valid registration certificate should also exist at the time of agency commission being paid directly by GAIL. Confirm acceptance.	



Sl.	DESCRIPTION	BIDDER'S CONFIRMATION
25.	<u>No Deviation Confirmation:</u> It may be note that any 'deviation / exception' in any form may result in rejection of Bid. Therefore, Bidder confirms that they have not taken any 'exception / deviation' anywhere in the Bid. In case any 'deviation / exception' is mentioned or noticed, Bidder's Bid may be rejected.	
26.	If the Bidder becomes a successful Bidder pursuant to the provisions of the Tender Document, the following Confirmation shall be automatically become enforceable: "Bidder agrees and acknowledges that the Employer is entering into the Contract/Agreement solely on its own behalf and not on behalf of any other person or entity. In particular, it is expressly understood & agreed that the Government of India is not a party to the Contract/Agreement and has no liabilities, obligations or rights thereunder. It is expressly understood and agreed that the Purchaser is authorized to enter into Contract/Agreement, solely on its own behalf under the applicable laws of India. Bidder expressly agrees, acknowledges and understands that the Purchaser is not an agent, representative or delegate of the Government of India. It is further understood and agreed that the Government of India is not and shall not be liable for any acts, omissions, commissions, breaches or other wrongs arising out of the Agreement. Accordingly, Bidder hereby expressly waives, releases and foregoes any and all actions or claims, including cross claims, VIP claims or counter claims against the Government of India arising out of the Agreement and covenants not to sue to Government of India as to any manner, claim, cause of action or things whatsoever arising of or under the Agreement."	
27.	Bidder hereby confirms that they are not on 'Holiday' by GAIL or Public Sector Project Management Consultant (like EIL, Mecon only due to "poor performance" or "corrupt and fraudulent practices") or banned by Government department/ Public Sector on due date of submission of bid. Further, Bidder confirms that neither they nor their allied agency/(ies) (as defined in the Procedure for Action in case of Corrupt/ Fraudulent/ Collusive/ Coercive Practices) are on banning list of GAIL or the Ministry of Petroleum and Natural Gas.	
28.	As per requirement of tender, bidder (having status as Pvt. Ltd. or Limited company) must upload bid duly digitally signed on e-portal through class-3B digital signature (DS). In case, class of DS or name of employee or name of employer is not visible in the digitally signed documents, the bid digitally signed as submitted by the person shall be binding on the bidder.	



Sl.	DESCRIPTION	BIDDER'S CONFIRMATION
29.	Bidder confirms that the contents of this Tender Document have not been modified or altered by them. In case, it is found that the tender document has been modified / altered by the bidder, the bid submitted by them shall be liable for rejection.	
30.	Bidder Confirms to bear the Withholding Tax (WHT) as per the provision of Income Tax Act 1961 (please refer clause no.51 of ITB).	
31.	Bidder confirms that they have quoted rate of applicable GST (CGST & SGST/ UTGST or IGST) on services in case bidder is having the permanent establishment/ tax residency in India as per the provision of Income Tax Act 1961.	
32.	Bidder confirms that they have mentioned Harmonized System Nomenclature (HSN) of Supply items in Schedule of Rates of Price Bid: Service Accounting Codes (SAC) of Incidental Services (if any, refer Price Schedule):	
33.	Bidder confirms that they have read and understood the General Conditions of Contract – Goods [Rev.2] available on GAIL's Tender website (http://gailtenders.in/Gailtenders/gccs.asp) & no 'exception / deviation' anywhere has been taken in the same and that they shall abide by provisions of relevant GCC-Goods.	
34.	Bidder certifies that they would adhere to the Fraud Prevention Policy of GAIL [available on GAIL's website (www.gailonline.com)] and shall not indulge themselves or allow others (working in GAIL) to indulge in fraudulent activities and that they would immediately apprise GAIL of the fraud/suspected fraud as soon as it comes to their notice. Concealment of facts regarding their involvement in fraudulent activities in connection with the business transaction(s) of GAIL is liable to be treated as crime and dealt with by the procedures of GAIL as applicable from time to time.	
35.	Bidders confirm to submit signed copy of Integrity Pact (wherever included in tender). If Bidder is a partnership concern or a consortium, this agreement must be signed by all partners or consortium members.	
36.	Bidder confirms that there is no conflict of interest with other bidders, as per clause no.4.2 of Section-III (ITB) of Tender Document.	
37.	Confirm that, in case of contradiction between the confirmations provided in this format and to the terms & conditions mentioned elsewhere in the offer, the confirmations given in this format shall prevail.	

Place:

[Signature of Authorized Signatory of Bidder]

Date:

Name:

Designation:

Seal:



E-6
ACKNOWLEDGEMENT CUM CONSENT LETTER

(On receipt of Tender Document/information regarding the tender, Bidder shall acknowledge the receipt and confirm his intention to bid or reason for non-participation against the enquiry /tender through e-mail/fax to Purchase Officer in GAIL who issued the Tender Document, by filling up the Format)

To,
M/s GAIL (INDIA) LIMITED
GANDHAR

SUB: PROCUREMENT OF MOLECULAR SIEVES FOR GAIL (INDIA) LIMITED, GAS PROCESSING UNIT, GANDHAR
TENDER NO: GAIL/GDR/LPG/C&P/OPSN/2K2421 (NIC Tender ID No. 2024_GAIL_199433_1)

Dear Sir,

We hereby acknowledge receipt of a complete set of Tender Document along with enclosures for subject item/job and/or the information regarding the subject tender.

- We intend to bid as requested for the subject item/job and furnish following details with respect to our quoting office:

Postal Address with Pin Code:
Telephone Number :
Fax Number :
Contact Person :
E-mail Address :
Mobile No. :
Date :
Seal/Stamp :

- We are unable to bid for the reason given below:

Reasons for non-submission of bid:

Agency's Name :
Signature :
Name :
Designation :
Date :
Seal/Stamp :



E-7

BIDDER'S EXPERIENCE

To,
M/s GAIL (INDIA) LIMITED
GANDHAR

SUB: PROCUREMENT OF MOLECULAR SIEVES FOR GAIL (INDIA) LIMITED, GAS PROCESSING UNIT, GANDHAR
TENDER NO: GAIL/GDR/LPG/C&P/OPSN/2K2421 (NIC Tender ID No. 2024_GAIL_199433_1)

Sl. No	Description of the Supply/ Services	PO/ Contr-act No. and date	Full Address & phone nos. of Client.	Postal & nos. of	Value of Contract /Order (Specify Currency Amount)	Date of Commencement	Scheduled Completion /Delivery Period (Months)	Date of Actual Completion	Reasons for delay in execution, if any
(1)	(2)	(3)	(5)		(6)	(7)	(8)	(9)	(10)

Place: [Signature of Authorized Signatory of Bidder]
Date: Name:
Designation:
Seal:

Note: As per cl.no. D of Section-II, only documents (Work Order, Completion certificate, Execution Certificate etc.) which have been referred/ specified in the bid shall be considered in reply to queries during evaluation of Bids.



F-8A

CHECK LIST

Bidders are requested to duly fill in the checklist. This checklist gives only certain important items to facilitate the Bidder to make sure that the necessary data/information as called for in the Tender Document has been submitted by them along with their offer/Bid. This, however, does not relieve the Bidder of his responsibilities to make sure that his Bid is otherwise complete in all respects.

Please ensure compliance and tick (✓) against following points:

S. No.	DESCRIPTION	CHECK BOX	REFERENCE PAGE NO. OF THE BID SUBMITTED
1.0	Confirm that the following details have been submitted in the Un-priced part of the Bid		
I	Covering Letter, Letter of Submission		
ii	EMD/Bid Security / Declaration for Bid Security [as applicable] as per provisions of Tender		
iii	Digitally signed (in case of e-tendering) or ‘signed & stamped(in case of Manual tender) tender document along with drawings and addendum (if any)		
Iv	Power of Attorney in the name of person signing the bid.		
V	Confirm submission of documents alongwith unpriced bid as per tender requirement.		
2.0	Confirm that all forms duly filled in are enclosed with the bid duly ☐ signed by authorised person(s)		
3.0	Confirm that the price part as per Price Schedule format submitted with Tender Document/ uploaded in case of e-bid.		
4.0	Confirm that Undertaking as per <i>Form 1 of Annexure-VI to Section-III</i> has been submitted (applicable for MSE and Class I Local supplier).		
5.0	Confirm that Undertaking as per <i>Form-2 to Annexure-III to Section-III</i> and Certification from the statutory auditor or cost auditor of the company (in the case of companies) or from a practicing cost accountant or practicing chartered accountant (in respect of other than companies) as per <i>Form-3 to Annexure-III to Section-III</i> are submitted (Applicable for Class-I / Class-II Local Suppliers).		
6.0	Confirm that Undertaking as per Form-1 to Section-II have been submitted by the bidder (Guidelines from Procurement from a Country sharing a Land Border with India)		



7.0	Confirm submission of Checklist against Bid Evaluation Criteria as per format F-8(B)		X
-----	--	--	---

Place: [Signature of Authorized Signatory of Bidder]
 Date: Name: & Designation:
 Seal:



F-8(B)

CHECKLIST FOR BID EVALUATION CRITERIA (BEC) QUALIFYING DOCUMENTS (Refer clause no. A, B, D & F of Section-II for further details)

BEC Clause No.	Description	Documents required for qualification	Documents Submitted by Bidder	Documents attested as per Section-II of Tender	Reference page no. of the bid submitted
Technical BEC					
1.	Experience	Bidder to submit any one of the following documents in support of BEC(Technical) the same: a. Letter evidencing the approval of M/s EIL for the use of Bidder's molecular sieves in Natural Gas drying applications b. Technical data sheet evidencing the approval of M/s EIL or other GAIL GPU Plants for the Bidder's molecular sieves use in natural gas drying applications		Yes/No	
2.	Experience of bidder acquired as a subcontractor	Certificate from END USER /PMC		Yes/No	
3.	Job executed for Subsidiary / Fellow subsidiary/ Holding company.	Tax paid invoice(s) duly certified by statutory auditor of the bidder towards payment of statutory tax in support of the job executed for Subsidiary / Fellow subsidiary/ Holding company.		Yes/No	
4.	Any other technical criteria in BEC	AS PER TENDER DOCUMENT		Yes/No	

Place: [Signature of Authorized Signatory of Bidder]
Date: Name:
Designation:
Seal:



F-11
BIDDER'S QUERIES FOR PRE BID MEETING

To,
M/s GAIL (INDIA) LIMITED
GANDHAR

SUB: PROCUREMENT OF MOLECULAR SIEVES FOR GAIL (INDIA) LIMITED, GAS
PROCESSING UNIT, GANDHAR
TENDER NO: GAIL/GDR/LPG/C&P/OPSN/2K2421 (NIC Tender ID No. 2024_GAIL_199433_1)

SL. NO.	REFERENCE OF TENDER DOCUMENT				BIDDER'S QUERY	GAIL'S REPLY
	SEC. NO.	Page No.	Claus e No.	Subje ct		

NOTE: The Pre-Bid Queries may be sent by fax / e-mail before due date for receipt of Bidder's queries in terms of Clause No. 8.1 of ITB.

SIGNATURE OF AUTHORISED REPRESENTATIVE OF BIDDER: _____
NAME OF BIDDER : _____



F-12

E-Banking Mandate Form

(To be issued on vendors letter head)
(Applicable for Indian Bidder only)

1. Vendor/customer Name :
2. Vendor/customer Code:
3. Vendor /customer Address:
4. Vendor/customer e-mail id:
5. Particulars of bank account
 - a) Name of Bank
 - b) Name of branch
 - c) Branch code:
 - d) Address:
 - e) Telephone number:
 - f) Type of account (current/saving etc.)
 - g) Account Number:
 - h) RTGS IFSC code of the bank branch
 - i) NEFT IFSC code of the bank branch
 - j) 9 digit MICR code

I/We hereby authorize GAIL(India) Limited to release any amount due to me/us in the bank account as mentioned above. I/We hereby declare that the particulars given above are correct and complete. If the transaction is delayed or lost because of incomplete or incorrect information, we would not hold the GAIL (India) Limited responsible.

(Signature of vendor/customer)

BANK CERTIFICATE

We certify that ----- has an Account no. ----- with us and we confirm that the details given above are correct as per our records.
Bank stamp

Date

(Signature of authorized officer of bank)

Note: Bidder is required to submit above E-Banking Mandate Form along with cancelled cheque for the purpose of mapping of bank account in GAIL.

Ref.	GAIL/GDR/LPG/C&P/OPSN/2K2421 (NIC Tender ID 2024_GAIL_199433_1)	Page 144 of 186
Subject	Procurement of Molecular Sieves for GAIL (India) Limited, Gas Processing Unit, Gandhar	



F-13

INTEGRITY PACT

INTRODUCTION:

GAIL as one of its endeavour to maintain and foster most ethical and corruption free business environment, have decided to adopt the Integrity Pact, a tool developed by the Transparency International, to ensure that all activities and transactions between the Company (GAIL) and its Counterparties (Bidders, Contractors, Vendors, Suppliers, Service Providers/Consultants etc.) are handled in a fair and transparent manner, completely free of corruption. Accordingly, an MOU on Integrity Pact has been signed on 23.07.2007 by GAIL with Transparency International India.

Considering the above, the details mentioned at attached Annexure-1 are applicable as stated in Instruction to Bidders of Bid Document in addition to the existing stipulation regarding Corrupt and Fraudulent Practices.

The attached copy of the Integrity Pact at Annexure- 2 shall be included in the Bid submitted by the bidder (to be executed by the bidder). In case a bidder does not sign the Integrity Pact, his bid shall be liable for rejection.



ANNEXURE-1

Bidder is required to sign the Integrity Pact with GAIL as per format & terms and conditions enclosed with tender. In case a bidder does not sign the Integrity Pact, his bid shall be liable for rejection.

I COMMITMENTS AND OBLIGATIONS OF THE “COUNTERPARTY”

- a) The Counterparty, directly or indirectly (through agent, consultant, advisor, etc.), shall not pay any bribe/ influence or give undue/ unlawful benefit to anyone to gain undue advantage in dealing with GAIL.
- b) The Counterparty will not engage in collusion of any kind including price fixation etc. with other Counterparts.
- c) The counterparty will not pass GAIL’s confidential information to any third party unless specifically authorized by GAIL in writing.
- d) The Counterparties shall promote and observe best ethical practices within their respective organizations.
- e) The Counterparty shall inform the Independent External Monitor.
 - i) If it received any demand, directly or indirectly, for a bribe/ favour or any illegal gratification/ payment / benefit;
 - ii) If it comes to know of any unethical or illegal payment / benefit;
 - iii) If it makes any payment to any GAIL associate.
- f) The Counterparty shall not make any false or misleading allegations against GAIL or its associates.

II VIOLATIONS & CONSEQUENCES:

- a) If a Counterparty commits a violation of its Commitments and Obligations under the Integrity Pact Programme during bidding process, their entire Earnest Money Deposit/ Bid Security, would be forfeited and in addition, action shall be taken as per **“Procedure for action in case Corrupt /Fraudulent/ Collusive/Coercive Practices”**
- b) In case of violation of the Integrity pact by Counterparty after award of the Contract, GAIL shall be entitled to terminate the Contract. Further, GAIL would forfeit the security deposits/ Contract Performance Bank Guarantee and in addition, action shall be taken as per **“Procedure for action in case Corrupt /Fraudulent/ Collusive/Coercive Practices”**



INDEPENDENT EXTERNAL MONITORS (IEMS)

Presently the panel consisting of the following Independent External Monitors (IEMs) has been appointed by GAIL, in terms of Integrity Pact(IP) which forms part of GAIL Tenders / Contracts.

- i) Shri Deepak Kashyap, (email id: deepakkashyapnd02@gmail.com)
- ii) Shri Yogendra Tripathi (email id: yogendratripathi@yahoo.com)
- iii) Shri Amrit Lugun (email id: asha74lugun@gmail.com)

This panel is authorised to examine / consider all references made to it under this tender/ contract. “The bidder(s), in case of any dispute(s) / complaint(s) pertaining to this tender falling under provisions of Integrity Pact may raise the same either directly with the IEMs on the panel viz Shri Deepak Kashyap, Email : deepakkashyapnd02@gmail.com , Shri Yogendra Tripathi , Email id : yogendratripathi@yahoo.com & Shri Amrit Lugun , Email id : asha74lugun@gmail.com or with CC to them through their Nodal Officer- Sh. T Xalxo, GM (C&P)- Email txalxo@gail.co.in, GAIL (India) Limited, GAIL Bhawan, 16, Bhikaiji Cama Place, R.K. Puram, New Delhi – 110066. On receipt of such complaints/representations, Nodal Officer shall coordinate with IEM Panel and GAIL authorities concerned for their disposal as per extant guidelines.”



INTEGRITY PACT

(To be executed on plain paper)

Between GAIL (India) Limited, a Government of India Public Sector, (here-in-after referred to as “Principal”).

AND

_____ **(here-in-after referred to as “The Bidder/ Contractor”).**

(Principal and the Bidder / Contractor are here-in-after are referred to individually as “Party” or collectively as “Parties”).

PREAMBLE

The Principal intends to award under laid down organizational procedures, contract/s for **PROCUREMENT OF MOLECULAR SIEVES FOR GAIL (INDIA) LIMITED, GAS PROCESSING UNIT, GANDHAR, TENDER NO. GAIL/GDR/LPG/C&P/OPSN/2K2421 (NIC TENDER ID 2024_GAIL_199433_1)**. The Principal values full compliance with all relevant laws of land rules, regulations, and economic use of resources and of fairness /transparency in its relations with its Bidder (s) and/or Contractor (s).

In order to achieve these goals, the Principal will appoint Independent External Monitors (IEMs) who will monitor the tender process and the execution of the contract for compliance with the principles mentioned above.

Section 1 – Commitments of the Principal

1. The Principal commits itself to take all measures necessary to prevent corruption and to observe the following Principles:-
 - i) No employee of the Principal, personally or through family members, will in connection with the tender for, or the execution of a contract, demand, take a promise for or accept, for self or for a third person, any material or immaterial benefit which the person is not legally entitled to.
 - ii) The Principal will, during the tender process treat all Bidder(s) with equity and reasons. The Principal will in particular, before and during the tender process , provide to all Bidder (s) the same information and will not provide to any Bidder (s) confidential / additional information through which the Bidder (s) could obtain an advantage in relation to the tender process or the contract execution.
 - iii) The Principal will exclude from the process all known prejudiced persons.
2. If the Principal obtains information on the conduct of any of its employees which is a criminal offence under the Indian Penal Code (IPC)/ Prevention of Corruption Act (PC Act), or if there be a substantive suspicion in this regard, the Principal will inform the Chief Vigilance Officers and in addition can initiate disciplinary actions.

Section 2 – Commitments of the Bidder (s)/Contractor (s)



1. The Bidder (s) / Contractor (s) commits themselves to take all measures necessary to prevent corruption. The Bidder (s)/ Contractor (s) commits themselves to observe the following principles during participation in the tender process and during the contract execution:
 - i) The Bidder (s) / Contractor (s) will not, directly or through any other person or firm, offer, promise or give to any of the Principal's employees involved in the tender process or the execution of the contract or to any third person any material or other benefit which he / she is not legally entitled to, in order to obtain in exchange any advantage of any kind whatsoever during the tender process or during the execution of the contract.
 - ii) The Bidder (s) / Contractor (s) will not enter with other Bidders into any undisclosed agreement or understanding, whether formal or informal. This applies in particular to prices, specifications, certifications, subsidiary contracts, submission or non-submission of bids or any other action to restrict competitiveness or to introduce cartelisation in the bidding process.
 - iii) The Bidder (s) / Contractor (s) will not commit any offence under the relevant IPC/PC Act; further, the Bidder (s) / Contractor (s) will not use improperly, for purposes of competition or personal gain, or pass on to others, any information or document provided by the Principal as part of the business relationship, regarding plans, technical proposals and business details, including information contained or transmitted electronically.
 - iv) The Bidder (s)/ Contractor (s) of foreign origin shall disclose the name and address of the Agents/ representatives in India, if any. Similarly, the Bidder (s)/ Contractor (s) of Indian Nationality shall furnish the name and address of the foreign principals, if any. Further, all the payments made to the Indian agent/ representative have to be in India Rupees only.
 - v) The Bidder (s) / Contractor (s) will, when presenting their bid, disclose any and all payments made, is committed to or intends to make to agents, brokers or any other intermediaries in connection with the award of the contract.
 - vi) Bidder(s) / Contractor(s) who have signed the Integrity Pact shall not approach the Courts while representing the matter to IEMs and shall wait for their decision in the matter.
2. The Bidder(s)/ Contractor(s) shall not instigate third person to commit offences outlined above or be an accessory to such offences.

Section 3 – Disqualification from tender process and exclusion from future contracts

If the Bidder (s) / Contractor (s), before award or during execution has committed a transgression through a violation of Section 2, above or in any other form such as to put their reliability or credibility in question, the Principal is entitled to disqualify the Bidder (s) / Contractor (s) from the tender process or take action as per provisions of **“Procedure for action in case Corrupt /Fraudulent/ Collusive/Coercive Practices”**.

Section 4 – Compensation for Damages



1. If the Principal has disqualified the Bidder (s) from the tender process prior to the award according to Section 3, the Principal is entitled to demand and recover the damages equivalent to Earnest Money Deposit / Bid Security .
2. If the Principal has terminated the contract according to Section 3, or if the Principal is entitled to terminate the contract according to Section 3, the Principal shall be entitled to demand and recover from the Contractor liquidated damages equal to the Contract Value or the amount equivalent to Performance Bank Guarantee.

Section 5 – Previous transgression

1. The Bidder declares that no previous transgression occurred in the last three years, with any other Company in any country conforming to the anti-corruption approach or with any Public Sector Enterprise in India that could justify his exclusion from the tender process.
2. If the Bidder makes incorrect statement on this subject, he can be disqualified from the tender process or actions can be taken as per provisions of **“Procedure for action in case Corrupt /Fraudulent/ Collusive/Coercive Practices”**

Section 6 – Equal treatment to all Bidders / Contractors / Subcontractors

1. In case of sub-contracting, the Principal contractor shall take the responsibility of the adoption of IP by the sub-contractor. It is to be ensured by him that all sub-contractors also sign the IP.
2. The Principal will enter into agreements with identical conditions as this one with all Bidders and Contractors.
3. The Principal will disqualify from the tender process all bidders who do not sign this Pact or violate its provisions.

Section 7 – Criminal charges against violating Bidder (s) / Contractor (s) / Sub-contractor (s)

If the Principal obtains knowledge of conduct of a Bidder, Contractor or Subcontractor, or of an employee or a representative or an associate of a Bidder, Contractor or Subcontractor which constitutes corruption, or if the Principal has substantive suspicion in this regard, the Principal will inform the same to the Chief Vigilance Officer.

Section 8 –Independent External Monitor / Monitors

1. The Principal appoints competent and credible Independent External Monitor for this Pact after approval by Central Vigilance Commission. The task of the Monitor is to review independently and objectively, whether and to what extent the parties comply with the obligations under this agreement.
2. The Monitor is not subject to instructions by the representatives of the parties and performs his/her functions neutrally and independently. The Monitor would have access to all documents/records pertaining to the contract for which a complaint or issue is raised before them, as and when warranted. However, the documents/records/information having National Security implications and those documents which have been classified as Secret/Top Secret are not to be disclosed. It will be obligatory for him/ her to treat the



information and documents of the Bidders/ Contractors as confidential. He/she reports to the C&MD, GAIL.

3. The Bidder (s)/ Contractor (s) accepts that the Monitor has the right to access without restriction to all Project documentation of the Principal including that provided by the Contractor. The Contractor will also grant the Monitor, upon his/her request and demonstration of a valid interest, unrestricted and unconditional access to their project documentation. The same is applicable to Sub-contractors.
5. The Principal will provide to the Monitor sufficient information about all meetings among the parties related to the Project provided such meetings could have an impact on the contractual relations between the Principal and the Contractor. The parties offer to the Monitor the option to participate in such meetings.
6. As soon as the Monitor notices, or believes to notice, a violation of this agreement, he/she will so inform the Management of the Principal and request the Management to discontinue or to take corrective action, or to take other relevant action. The monitor can in this regard submit non-binding recommendations. Beyond this, the Monitor has no right to demand from the parties that they act in a specific manner, refrain from action or tolerate action.
7. The Monitor will submit a written report to the C&MD, GAIL within 30 days from the date of reference or intimation to him by the ‘Principal’ and, should the occasion arise, submit proposals for correcting problematic situations.
8. If the Monitor has reported to the C&MD, GAIL, a substantiated suspicion of an offence under relevant IPC/PC Act, and the C&MD, GAIL has not, within reasonable time, taken visible action to proceed against such offence or reported it to the Chief Vigilance Officer, then only in case of very serious issue having a specific, verifiable Vigilance angle, the matter should be reported directly to the Central Vigilance Commission.
9. The word ‘Monitor’ would include both singular and plural.
10. In case of any complaints referred under IP Program, the role of IEMs is advisory and would not be legally binding and it is restricted to resolving the issues raised by an intending bidder regarding any aspect of the tender which allegedly restricts competition or bias towards some bidder.
11. After award of contract, the IEMs shall look into any issue relating to execution of contract, if specifically raised before them. As an illustrative example, if a contractor who has been awarded the contract, during the execution of contract, raises issue of delayed payment etc. before the IEMs, the same shall be examined by the panel of IEMs.

Section 9 – Pact Duration

This Pact begins when both parties have legally signed it. It expires for the Contractor 12 months after the last payment under the respective contract, and for all other Bidders 6 months after the contract has been awarded. Any violation to the same would entail disqualification of the bidders and exclusion from future business dealing.

If any claim is made / lodged during this time, the same shall be binding and continue to be valid despite the lapse of this pact as specified above, unless it is discharged/determined by the C&MD, GAIL.

Section 10 – Miscellaneous provisions

Ref.	GAIL/GDR/LPG/C&P/OPSN/2K2421 (NIC Tender ID 2024_GAIL_199433_1)	Page 151 of 186
Subject	Procurement of Molecular Sieves for GAIL (India) Limited, Gas Processing Unit, Gandhar	



1. This agreement is subject to Indian Law. Place of performance and exclusive jurisdiction is the Registered Office of the Principal, i.e. New Delhi.
2. Changes and supplements as well as termination notices, if any, need to be made in writing. Side agreements have not been made.
3. If the Contractor / Bidder is a Joint Venture or a partnership concern or a consortium, this agreement must be signed by all partners or consortium members.
4. Should one or several of the provisions of this agreement turn out to be invalid, the remainder of this agreement shall remain valid. In this case, the parties will strive to come to an agreement to their original intentions in such a case.
5. Issues like warranty / guarantee, etc. shall be outside the purview of IEMs.
6. In the event of any contradiction between the Integrity Pact and its Annexure, the Clause in Integrity Pact will prevail.

(For & on Behalf of Principal)
(Office Seal)

(For & on Behalf of Bidder/Contractor)
(Office Seal)

Place -----
Date -----

Witness 1:
(Name & Address)

.....
.....
.....

Witness 2:
(Name & Address)

.....
.....
.....



F-14

PROFORMA FOR DETAILS OF INDIAN AGENT

To,
M/s GAIL (INDIA) LIMITED
GANDHAR

SUB: PROCUREMENT OF MOLECULAR SIEVES FOR GAIL (INDIA) LIMITED, GAS PROCESSING UNIT, GANDHAR
TENDER NO: GAIL/GDR/LPG/C&P/OPSN/2K2421 (NIC Tender ID No. 2024_GAIL_199433_1)

Dear Sir,

Following are the details of Indian agent/representative:

S. No	Description	Bidder's response
1.	Name & address of agent / representative in India.	
2.	The precise relationship between the bidder and their agent/representative in India.	
3.	The mutual interest which the bidder and Agent / Representative in India have in the Business of each other.	
4.	Any payment which the Agent /Representative in India or abroad receives from the bidder whether as a commission for the contract or as a general retainer fee.	
5.	Permanent Income Tax Account number of Agent / Representative in India.	
6.	Permanent Income Tax account of bidder in his country and also in India, if applicable	
7.	All services to be rendered by the Agent /Representative.	
8.	Bidder to confirm copy of agreement with their Indian Agent is enclosed in unpriced bid.	

SEAL AND SIGNATURE OF BIDDER

Note: Aforementioned information's need to be supported with necessary documents.



F-15

FREQUENTLY ASKED QUESTIONS (FAQs)

SL.NO.	QUESTION	ANSWER
1.0	Can any Bidder quote for subject Tender?	Yes. A Bidder has to meet Bid Evaluation Criteria given under Section II of Tender Document in addition to other requirements.
2.0	Should the Bid Evaluation Criteria documents be attested?	Yes. Please refer Section II of Tender Document
3.0	Is attending Pre Bid Meeting mandatory.	No. Refer Clause No. 17 of Instruction to Bidders of Tender Document. However attending Pre Bid Meeting is recommended to sort out any issue before submission of bid by a Bidder.
4.0	Can a bidder submit more than 1 offer?	No. Please refer Clause No. 4 of Instruction to Bidders of Tender Document.
5.0	Is there any Help document available for e-Tender?	Yes. Refer Annexure-III to Section-III Instructions to Bidders of Tender Document and FAQs as available on Govt. e-Procurement System of National Informatics Center (NIC) https://etenders.gov.in/eprocure/app
6.0	Are there are any MSE (Micro & Small Enterprises) benefits available?	Yes. Refer Clause No. 40 of Instructions to Bidders of Tender Document.
7.0	Are there are any benefits available to Start-Ups?	Refer Clause No. 48 of Instructions to Bidders of Tender Document.

All the terms and conditions of Tender remain unaltered.



Annexure -1: Undertaking for No Business Connection in India

Format of declaration by the seller that the seller does not have a business connection in India

This is to certify that.....(Name of the entity) a company /LLP/Partnership Firm etc. in(Country) having its registered office at (Address of company)

We,<Contracting Party> hereby confirm as follows:

1. Till 31 March_____, we did not derive any income through or from a 'business connection' in India within the meaning of section 9(1) (i) of the Indian Income tax Act, 1961.
2. We declare that no agent, which may be considered as an agent of dependent status or other agent who works mainly or wholly on our behalf or on behalf of any of our affiliates as described under Explanation 2 to section 9(1)(i) of the Act, has been appointed by us.
3. Transactions undertaken by us with any person in India do not lead to constitution of 'significant economic presence' in India within the meaning of Explanation 2A to section 9(1)(i) of the Act. Therefore, we do not have any business connection in India. In any event, which results in constitution of 'significant economic presence' for us in India, we acknowledge our obligation to inform you forthwith with necessary details.

We undertake, to intimate you immediately, if there are any changes in the above at any time during the year. We further agree to indemnify GAIL for any demand raised and! Or penal consequences initiated against GAIL under the provisions of the Income Tax Act, 1961 by income tax authorities upon any act of commission or omission initiated by GAIL by relying on our above declaration.

For

(Authorized Signatory)

Name:

Address:-

Local Contact No.(with ISD Code) :-

Email ID:-



Annexure -2: Undertaking for No PE in India

Format of declaration by the seller that the seller does not have a Permanent Establishment (PE) in India

We, _____ <Contracting Party> hereby confirm as follows:

1. We are a _____ <Form of presence> registered under the laws of _____ <Contracting state> and we are tax residents of _____ <Contracting state> (having tax identification number _____) in accordance with the provisions of Article 4 of the Convention between the Government of _____ <Contracting state> and the Government of the Republic of India for the avoidance of double taxation and prevention of fiscal evasion with respect to taxes on income ("Treaty") read with the provisions of Multilateral Instruments (MLI), wherever applicable. We do not qualify as a 'resident' of India under section 6 of the Income Tax Act, 1961. (In case the contracting party is not a resident of tax treaty jurisdiction, non-qualification as 'resident' under the Income Tax Act is suffice)
2. We confirm that we are eligible to be governed by the provisions of the said Treaty in respect of any income derived in pursuance of any contract! agreement! Invoice from India and are also eligible to claim relief under the said Treaty in terms of Section 90(2) read with section 90(4) of the Income tax Act, 1961. (Not applicable for residents of country not having a valid Treaty with India)
3. We confirm that we are legal and beneficial owners of income arising from aforesaid contract! agreement! invoice <Insert reference number> from India and in compliance with all applicable anti-abuse requirements under the Treaty read with Income Tax Act, 1961 and minimum substance regulations, if any within..... <Contracting state>.
4. It is further declared that obtaining of tax benefit under the Treaty entered between India and _____ <Contracting state> is not one of the principal purposes with respect any agreement or contract entered in India. Accordingly, we declare that the "Principal Purpose Test" to implement tax treaty related measures to prevent base erosion and profit shifting signed by India and _____ <Contracting state> as well as other relevant provisions of the MLI, wherever applicable are fulfilled.
5. Till 31 March _____ we did not have a fixed base or permanent establishment for carrying out any business activity in India as contemplated under any relevant Article of the said Treaty. All amounts paid! payable to us in terms of any aforesaid contract! agreement! invoice, are not attributable to permanent establishment, if any, which may have gotten constituted otherwise. Further, up to 31 March _____, we have no intention to have a fixed base or permanent establishment for carrying out any business activity in India within the meaning of the said Treaty.



In any event which results in establishment of permanent establishment or fixed base in India, we acknowledge our obligation to inform you forthwith with necessary details.

6. None of our directors, employees or other personnel were present in India or are intended to be present in India for a period or periods amounting to or exceeding applicable statutory thresholds under the Treaty read with Income Tax Act, 1961 leading to constitution of permanent establishment in India.

We undertake, to intimate you immediately, if there are any changes in the above at any time during the year. We further agree to indemnify GAIL for any demand raised and/ or penal consequences initiated against GAIL under the provisions of the Income Tax Act, 1961 by income tax authorities as a result of denial of treaty benefit or any act of commission or omission initiated by GAIL by relying on our above declaration.

Authorized Signatory

(Name & designation of the person & seal)



Annexure-3

Digitally Submitted Form 10 F

Information to be provided under sub-section (5) of section 90 or sub-section (5) of section 90A of the Indian Income-tax Act, 1961

I. *son/daughter of Mr. in the capacity of
..... (designation) do provide the following information, relevant to the previous year.
..... *in my case/in the case of. for the purposes of sub-section (5) of * section 90/section 90A:—

Sl. No.	Nature of information	: Details#
(i)	Status (individual; company, firm etc.) of the assessee	:
(ii)	Permanent Account Number (PAN) of the assessee if allotted	:
(iii)	Nationality (in the case of an individual) or Country or specified territory of incorporation or registration (in the case of others)	:
(iv)	Assessee's tax identification number in the country or specified territory of residence and if there is no such number, then, a unique number on the basis of which the person is identified by the Government of the country or the specified territory of which the assessee claims to be a resident	:
(v)	Period for which the residential status as mentioned in the certificate referred to in sub-section (4) of section 90 or sub-section (4) of section 90A is applicable	:
(vi)	Address of the assessee in the country or territory outside India during the period for which the certificate, mentioned in (v) above, is applicable	:

2. I have obtained a certificate to in sub-section (4) of section 90 of sub-section (4) of section 90A from the Government of (name of country or specified territory outside India)

Signature:

Name:

Address:

Permanent Account Number (If allotted):



Verification

I. do hereby declare that to the best of my knowledge and belief what is stated above is correct complete and is truly stated.

Verified today the day of.

.....
Signature of the person providing the information

Place:

Notes :

1. Copy of supporting documents to be provided for the details mentioned.
- 2.*Delete whichever is not applicable.
3. #Write N.A. if the relevant information forms part of the certificate referred to in sub-section (4) of section 90 or sub-section (4) of section 90A.



F-17

**UNDERTAKING REGARDING SUBMISSION OF ELECTRONIC INVOICE (E-INVOICE AS
PER GST LAWS)**

(to be submitted on letter head along with documents for release of payment)

To,
M/s GAIL (INDIA) LIMITED
GANDHAR

SUB: PROCUREMENT OF MOLECULAR SIEVES FOR GAIL (INDIA) LIMITED, GAS
PROCESSING UNIT, GANDHAR
P.O NO:

Dear Sir,

We _____ (Name of the Supplier) hereby confirm that E-Invoice provision as per the
GST Law is

- (i) Applicable to us []
- (ii) Not Applicable to us []

(Supplier is to tick appropriate option (✓ or X) above).

In case, same is applicable to us, we confirm that we will submit E-Invoice after complying with all the requirements of GST Laws. If the invoice issued without following this process, such invoice can-not be processed for payment by GAIL as no ITC is allowed on such invoices. We also confirm that If input tax credit is not available to GAIL for any reason attributable to Supplier (both for E-invoicing cases and non-E-invoicing cases), then GAIL shall not be obligated or liable to pay or reimburse GST (CGST & SGST/UTGST or IGST) claimed in the invoice(s) and shall be entitled to deduct / setoff / recover such GST amount (CGST & SGST/UTGST or IGST) or Input Tax Credit amount together with penalties and interest, if any, by adjusting against any amounts paid or becomes payable in future to the Supplier under this contract or under any other contract.

Place: [Signature of Authorized Signatory of Bidder]
Date: Name:
Designation:
Seal:



F-18

**NO CLAIM CERTIFICATE
(TO BE SUBMITTED BEFORE RELEASE OF CPS/SECURITY DEPOSIT)**

[On the Letter-head of Supplier/Vendor]

We, _____, a company incorporated under the laws of India/ a Consortium between *____ and *____ (*name of Consortium partners to be inserted*)/ a Partnership Firm consisting of *____ and *____ (*name of Partners to be inserted*)/ a Sole Proprietorship (as the case may be), having its registered office at _____ and carrying on business under the name and style M/s. _____ were awarded the contract by GAIL (India) Ltd. in reference to Tender No. _____ dated _____ (“Order/Contract”).

After completion of the above-said items/job under the Order/Contract, we have scrutinized all our claims, contentions, disputes, issues and we hereby confirm that after adjusting all payments received by us against our R.A. Bills and final bill, we have no claims, dues, issues and contentions from GAIL (India) Ltd.

We further absolve GAIL (India) Ltd. from all liabilities present or future arising directly or indirectly out of the Contract.

There is no economic duress or any other compulsion on us for submission of this no claim certificate.

Signature with Seal of Supplier/Vendor

Dated:



SECTION-IV GENERAL CONDITION OF CONTRACT FOR PROCUREMENT OF GOODS

The screenshot displays the GAIL Tenders website interface. At the top, there are navigation links: ACTIVE TENDERS, TENDERS SEARCH, CORRIGENDUM, and TENDER AWARDED. Below this is a banner with the GAIL logo and the text "GAIL Tenders" and "The GAIL Tenders Information System". A date bar shows "Wednesday, June 26, 2024" and a "Tender Search" button. Below the banner is a table listing various General Conditions of Contract (GCCs) for Goods, Services, and Works, with links to their respective pages. At the bottom, there are links to "General Conditions of Contracts (GCCs)", "Corporate Website", "Corporate Intranet", "Corporate Email", and "Archived PTC".

I	General Conditions of Contract-Goods (GCC-Goods)[Rev.2] - English version [for tenders/contracts with bid due date of submission bids from 24.12.2022 onwards]
II	General Purchase Conditions (Indigenous)[Rev.2] for all Indigenous procurement of materials upto Rs. 25 lakhs
III	General Conditions of Contract-Goods (GCC-Goods)[Rev.1] - English version [for tenders/contracts with bid due date of submission bids from 08.04.2022 to 23.12.2022]
IV	General Conditions of Contract-Goods (GCC-Goods)[Rev.1] - Hindi version [for tenders/contracts with bid due date of submission bids from 08.04.2022 to 23.12.2022]
V	General Conditions of Contract-Services (GCC-Services)- English version[Rev.0]
VI	General Conditions of Contract-Services (GCC-Services)- Hindi version[Rev.0]
VII	General Conditions of Contract-Consultancy (GCC-Consultancy)- English version[Rev.0]
VIII	General Conditions of Contract-Consultancy (GCC-Consultancy)- Hindi version[Rev.0]
IX	General Conditions of Contract-Works (GCC-Works)- English version[Rev.0]
X	General Conditions of Contract-Works (GCC-Works)- Hindi version[Rev.0]

General Conditions of Contracts (GCCs) | Corporate Website | Corporate Intranet | Corporate Email | Archived PTC

Reverse Auction Training Videos | Vendor Invoice Management System

GAIL (India) Limited

To read and understood the General Condition of Contract –**GOODS** available on GAIL’s tenders website <http://gailtenders.in/Gailtenders/qccs.asp> & no exception deviation anywhere has been taken in the same and that they shall abide by provisions of relevant GCC



SECTION –V & VII

SPECIAL CONDITIONS OF CONTRACT (SCC) AND SCOPE OF WORK, DRAWINGS & TECHNICAL SPECIFICATION



SPECIAL CONDITIONS OF CONTRACT

Where any portion of the SCC is at variance with the terms mentioned elsewhere in the tender document including GCC, the terms of SCC shall supersede the terms and conditions mentioned elsewhere in the tender document. All the clauses mentioned in the SCC, even if specified only for molecular sieves, should also be applicable to related ancillaries, such as silica gel etc., wherever the context so requires and as far as it may be practicable to do so.

1.0 Scope of Supply:

1.1 Offer submitted by the bidder shall strictly meet the technical requirement in accordance with the data given for feed gas, regeneration gas as specified in **Annexure-I**. Typical drawings of dryer are attached in Process Datasheet No: 4516-02-16-46-3-016 in **Annexure-II**.

At present 87 MT of molecular sieve and 13 MT of ancillaries is filled in both the dryer for main and guard bed put together. However, vendor is required to supply **molecular sieves and its ancillaries (Silica Gel, Ceramic Balls, etc.) sufficient to fill the total volume of main and guard beds** (volume is as per dryer data sheet in **Annexure II** of Dryer Specification) in each of two numbers of feed gas dryers considering bulk density. Bidder has to **specify shape/size(s)/quantity and other properties of molecular sieves and related ancillaries etc.** offered by them in the specification sheet attached in **Annexure III** of SCC.

1.2 Bidder shall provide detailed arrangement & procedure for loading of molecular sieves duly explained through schematic drawings. Bidder shall also provide detailed procedure for regeneration of the molecular sieves. The detail of the regeneration gas is given in **Annexure-I**.

1.3 Technical assistance shall be provided at site by the bidder **free of cost during charging of the molecular sieves & its ancillaries in two (02) Dryers as well as during the initial regeneration of the molecular sieves after charging**. Moreover, the bidder is obligated to offer technical assistance at no additional cost if needed, addressing any operational issues that may arise during the guaranteed service life of the molecular sieve. However, if the problem is due to the non-performance of the molecular sieves, bidder shall also provide the technical assistance free of cost for rectification of the same.

1.4 **Scope of Supply:** The specification covers the supply of Molecular sieves and its ancillaries required for the given Dryers in the Gas Processing Unit at GAIL Gandhar. Required quantity of Molecular Sieves is given in the table below.

Requirement of Molecular Sieve is given below:



S. No.	Vessel	Description	Molecular Sieve / Ancillaries Type	Volume (m3)	Minimum Guaranteed Life of Molecular Sieve, (Yrs.)
1	02-VV-00-003 A/B	Molecular Sieves for Feed gas dryer.	4A	135	3
2.	02-VV-00-003 A/B	Ceramic Balls	½”, ¼”, 1/8”, 3/4”	9.0	3
3	02-VV-00-003 A/B	Silica Gel	As per design of vendor	-	3

- i. The molecular sieves & its ancillaries supplied shall be suitable for a Plant throughput corresponding to Feed Gas flow (Saturated with water) of **208333 SCM/Hr i.e. 5 Million Standard Cubic Meter per Day (MMSCMD)**.
- ii. Offer submitted shall be strictly in accordance with the specification given herewith in basis of design and SCC. **Deviation taken if any may please be indicated clearly.**
- iii. Vendor shall furnish detailed specification of molecular sieves and ancillaries as per **Annexure - III** of Technical Specifications. However, the vendor to specify the various charges (like Molecular sieves/Buffer Molecular Sieves like Silica gel, inert ceramic Balls etc.), **herein after called molecular sieves**, exact type of molecular sieves and quantity of the molecular sieves required of different sizes. Bidder shall ensure that the related ancillaries such as Silica gel, inert ceramic balls etc. are compatible to Molecular sieve & the same shall be guaranteed for satisfactory performance for the same guaranteed service life as molecular sieves. There are two dryers each having a Bed Volume of 64.3 M³ for molecular sieves & buffer molecular sieves and 4.28M³ for ceramic balls. Bidder to ensure that bed volume of each dryer should be completely filled with the molecular sieves and its ancillaries as specified by the vendor. **However, payment shall be based on the weight of molecular sieves and its ancillaries supplied as per the schedule of rates (SOR).** The vendor to ensure that the quantity of molecular sieves supplies can be accommodated in the existing Feed Gas dryer design without making any internal modification. **Any shortfall in the molecular sieve noticed during filling of dryer vessels is to be compensated by Vendor.**
- iv. As per SCHEDULE OF RATES, total volume of molecular sieves required is given including 5% spillage and handling losses. However Vendor is required to supply molecular sieves in quantity, KG, sufficient to fill the required volume of two numbers of molecular sieve dryers considering bulk density. Bidder to specify shape/size(s)/quantity of molecular sieves offered by them. Evaluation shall be done based on the total quantity offered by the bidder i.e. if bidder offers say 1/2/3 types of molecular sieves of different size and quantity thereof, then the evaluation shall be based on the “Unit rate X Quantity” combined for all the types of molecular sieves offered.
- v. Tentative Feed gas dryer inlet composition and regeneration gas composition shall be as per **Annexure-I (Table-1)** and **Annexure-I (Table-2)** of Technical specification respectively.
- vi. Satisfactory performance shall be as defined in **Annexure – A** of this section.



- vii. Technical assistance shall be provided by the vendor during charging of the molecular sieves in Feed gas Dryers and during the service life of molecular sieves without any additional cost implication to M/s GAIL. Vendor shall depute their technical representative at site during the total period of molecular sieves charging (**Minimum period of 5 to 6 days**). During service life of molecular sieves, technical assistance over e-mail, fax and telephone shall also be acceptable.
- viii. **Vendor shall provide a suitable regeneration procedure considering the available regeneration gas conditions (Flow, Pressure & Temperature) and its composition as given in Clause 3.0 and table-2 of Annexure –I under the Technical Specification.** Time required for regeneration (include depressurization, Heating, Cooling and re-pressurization) shall be given by the vendor but it should not exceed 12 hrs.
- ix. **Procedure of loading & unloading /start up to be provided by Vendor.**

2.0 INSPECTION & TESTING:

- 2.1 Material supplied shall be accompanied by a Test Certificate for each lot of production. Submission of test results/inspection report shall be in vendor's scope.
- 2.2 In case of any requirement, GAIL reserves the right to inspect / test the material after receipt at plant through NABL accredited third party and such results shall be final. After testing, if any abnormally deviation is found in the test report, then vendor is liable to replace the molecular Sieves.

This testing may be done on any occasion by the user during guaranteed service life of the molecular sieves.

3.0 QUALITY ASSURANCE & CONTROL:

- 3.1 Quality Assurance (QA) shall mean the organizational set up, procedures as well as test methods and facilities developed by Vendor in order to assure that Molecular Sieves, leaving contractor's shop is of highest possible quality, i.e. either equal to or better than the requirement specified.
- 3.2 Quality Control (QC), shall mean all the tests, measurements, checks and calibrations which are to be carried out in vendor shop in order to compare the actual characteristics of the Molecular Sieves with the specified ones, along with furnishing of the relevant documentation (certificates / records) containing the data or result of these activities.
- 3.3 QA / QC systems to be adopted for this specification may be based on systems already developed and implemented by Vendor for similar plants elsewhere.

4.0 GUARANTEE & LIABILITIES:

- 4.1 Satisfactory performance means each Dryer should be able to meet the Dryer regeneration time, De-hydrated gas dew point and Pressure drop at full design load, as specified in Annexure-I at Dryer Performance Requirements of SCC.



4.2 Guarantee:

a) Guarantee life:

The Molecular Sieves charge supplied shall be guaranteed for satisfactory performance for a period of minimum 36 months from the date of charging the material in Feed gas dryers OR 48 months from the date of receipt of material at site for Domestic Vendor and date of delivery on FOB (port of delivery) basis for foreign vendor, whichever is earlier. In case vendor offers guarantee of more than 36 months let's say X months, then Molecular Sieves shall be guaranteed for satisfactory performance for a period of X months from the date of charging the material in Feed gas dryers or X + 12 months from the date of receipt of material at site for Domestic Vendor and date of delivery on FOB (port of delivery) basis for foreign vendor, whichever is earlier. Criteria for satisfactory performance shall be as described in Annexure - A of this section.

Performance of the molecular sieves charge during the guarantee period shall be measured based on the moisture analyzer already provided at Feed gas Dryer main bed outlet at Gas Processing Unit, GAIL, Gandhar. Readings of this analyzer shall be considered for measuring the performance of molecular sieves. Following is the analyzer details:

- Moisture analyzer type: Thin film Aluminum Oxide sensor
- Range: (-)110°C to 20°C dew point
- Lowest detection limit: (-)110°C
- Accuracy: +/- 2°C

b) Liabilities:

The material supplied (molecular sieves and related ancillaries) shall be guaranteed for satisfactory performance for a period of minimum 36 months from the date of charging of the material in feed gas Dryers. The material shall also be guaranteed for a shelf life of minimum 48 months from the date of receipt of material at site for Domestic Vendor and date of delivery on FOB (port of delivery) basis for foreign vendor. The same guaranteed service period shall also be applicable for supporting ancillaries supplied by vendor.

In case of non-performance of the supplied Molecular Sieves and ancillaries during the initial period of 12 months from the date of charging, Bidder must replace all the molecular sieves & its ancillaries. In the event, molecular sieves & its ancillaries fail to perform even after one-time replacement during the period of 12 months from the date of charging, then bidder shall repay to GAIL the whole amount of Order Value. However, if the Molecular Sieves and ancillaries charged fails to perform after a period of 12 months from the date of charging but within the guaranteed period specified above, then the bidder shall repay amount to GAIL as calculated below (within 90 days from date of claim raised by M/s. GAIL and in case of failure to repay within 90 days, an interest of 18% per annum on the repayable amount shall also be charged for the period of delay on the repayable amount): The currency for repayment will be currency of contract.

Amount to be repaid to GAIL = [period from date of failure (as intimated by mail/e-mail/fax by GAIL) to end of total guaranteed service period / total guaranteed service period] * Total Bid Value.



This clause is exclusive and is independent of CPBG.

5.0 PRICE ADVANTAGE FOR HIGHER GUARANTEED SERVICE PERIOD

- 5.1 Vendor shall guarantee for satisfactory performance of the offered material for a period of minimum 36 months from the date of charging of molecular sieves and ancillaries. Offers with guaranteed service period less than 36 months will be rejected.
- 5.2 However, if any vendor offers guaranteed service period higher than the minimum required as above, then for the evaluation of bid, his bid value shall be calculated as per the following:

Value to be used for bid evaluation = Total Bid value less 1% of Total Bid value for every additional months of guaranteed service period over & above 36 months.

However, the price advantage would be limited to maximum 36%.

6.0 DELIVERY SCHEDULE:

- 6.1 The entire material (molecular sieves and silica gel, ancillaries) shall be dispatched in a single lot within **16 weeks** from the date of intimation / issue of order. Date of Bill of Lading (B/L) or Lorry Receipt (L/R) as applicable shall be deemed as date of delivery. In case the ordered quantity is delivered in more than one consignment, the Cost and freight (CFR) date of delivery of the last consignment will be considered as date of delivery of material for all purposes (PRS, warranty/guarantee, payment etc).

7.0 FIRM & FIXED PRICE:

The price quoted by the bidder shall remain FIRM & FIXED till completion of supplies.

8.0 PACKING & MARKING

- 8.1 All Molecular Sieves shall be supplied in LDPE bags lined drums (new MS or HDPE) hermetically fully sealed and each drum marked with:
- Material code No.
 - Manufacturer's name.
 - Manufacturer batch no.
 - Date of manufacture.
 - Drum no. (for identification)
 - Name of Molecular sieves for material identification.
 - Net quantity (M³/MT/Litres/Kg/lbs) of Molecular sieves for each drum.
 - Hazard warning, If Any.



- 8.2 Each container shall be adequate in strength and certified by the Molecular sieves manufacturer to be of proper material to protect the Molecular sieves from moisture, dirt and deterioration for a period of at least four year.
- 8.3 If any conditions of storage or handling could result in loss of activity of the Molecular sieves, such limitations shall be marked on each container or notified as a separate storage instruction.
- 8.4 In case of any short supply or short supply arising out of damage of packing during transit up to GAIL's site, vendor should unconditionally replace the same quantity and quality of material without any extra cost to GAIL, within delivery period from the date of intimation of loss of material.

9.0 APPROVAL AND ACCEPTANCE

- 9.1 Vendor shall dispatch the material only after getting approval from GAIL or GAIL's representative. The basis for acceptance shall be the inspection report & test results of vendor. In case the same is not found in conformity with the specified value, the whole lot is liable to be rejected.

10.0 DOCUMENTS REQUIRED WITH UN-PRICED BID:

- 10.1 Vendor shall provide 2 set of all the documents of technical un-priced bid along with following documents.

A	Technical datasheet of supplied molecular sieves /ancillaries.
B	Storage instruction and safe handling procedure & Material safety data sheet (MSDS).
C	Instruction manual for personnel safety precautions during loading and unloading of Molecular sieves.

11.0 PRICE REDUCTION SCHEDULE

- 11.1 As per General Condition of Contract (GCC)

12.0 DISPATCH DOCUMENTS: The dispatch documents shall comprise the following:

1. Invoice (Original)
2. Bill of Lading
3. Packing list
4. Certificate of Origin (issued/endorsed by relevant Chamber of Commerce)
5. Certificate of Analysis
6. Guarantee Certificate



13.0 PAYING AUTHORITY:

HOD (F&A)
GAIL (INDIA) LIMITED,
Gas Processing Unit -Gandhar,
Vill. Rozatankaria, Tal. Amod, Dist. Bharuch, GUJARAT.
Ph (Off)(Board): - +912641 231-017/023/110 ext. 360

14.0 ULTIMATE CONSIGNEE:

HOD (C&P)
GAIL (INDIA) LIMITED,
Gas Processing Unit -Gandhar,
Vill. Rozatankaria, Tal. Amod, Dist. Bharuch, GUJARAT.
Ph (Off)(Board): - +912641 231-017/023/110 ext. 380

15.0 EVALUATION OF OFFERS:

15.1 Evaluation of bids: In line with clause no. 1.4 (ii) above, SCHEDULE OF RATES (SECTION VI), total volume of molecular sieves & its ancillaries required is given including 5% spillage and handling losses. However Vendor is required to supply molecular sieves & its ancillaries in quantity, KG, sufficient to fill the required volume of two numbers of molecular sieve dryers considering bulk density. Bidder to specify shape/size(s)/quantity of molecular sieves & its ancillaries offered by them. Evaluation shall be done based on the total quantity offered by the bidder i.e. if bidder offers say 1/2/3 types of molecular sieves of different size and quantity thereof, then the evaluation shall be based on the “Unit rate X Quantity” combined for all the types of molecular sieves offered. Therefore, the evaluation of bids shall be done in the following manner
on L-1 bidder based on OVERALL BASIS

16.0 Purchase Preference and Price Preference: As per Government of India guidelines



ANNEXURE-A

(SATISFACTORY PERFORMANCE OF MOLECULAR SIEVES)

S. No.	Parameters	Required	Measurement Method
1	Water Content at the outlet of Dryer	Less than 0.1 ppmv (Water Dew point is -85 Deg. C at 20 kg/cm ² g) at the end of adsorption cycle.	As per GAIL's Online Moisture Analyzer at GPU, Gandhar and supported by Laboratory analysis.
2	Adsorption Cycle Time	Minimum 18 Hrs. (throughout guaranteed life)	As per GAIL's measurement.
3	Guaranteed life of Molecular Sieves	To be specified by Vendor as per SCC (Special conditions of contract) clause no.4.2.a	As per process measurements in the plant.
4	Feed Gas Flow through Dryer	2,08,333 SCM/Hr (Standard Cubic Meter per Hour) i.e. 5.0 MMSCMD (Million Standard Cubic Meter per day) throughout the guaranteed life.	As per gas throughput meter.
5	Maximum pressure drop across the bed at the end of service life.	Less than 0.8 kg/cm ² throughout the guaranteed period.	As per Differential Pressure measurement (Tag no.2 PDI 1201 for Dryer A & 2 PDI 1202 for Dryer B) installed across the dryer bed.



TECHNICAL SPECIFICATION FOR MOLECULAR SIEVES, GAS PROCESSING UNIT, GAIL GANDHAR

LIST OF ANNEXURES

Annexures	Description
Annexure-I	Introduction, Process Description of NG drying system, Basis of Design.
Annexure-II	Dimensional drawing of Molecular sieves Dryer.
Annexure-III	Specifications for Molecular Sieves
Annexure-IV	To be filled by the vendor and shall be submitted along with offer



ANNEXURE-I

1.0 INTRODUCTION:

M/s GAIL Gandhar intends to replace the existing Molecular Sieves used for dehydration of Natural Gas in the Molecular sieves dryer. The dryers are located in the downstream of Feed Gas Knockout Drum. The Feed gas at the dryer inlet is saturated with water at operating pressure & temperature. The molecular sieves must be suitable to remove moisture content from saturated Natural Gas up to specified conditions. The water dew point at end of the Adsorption Cycle should be less than -85 DegC at 20 kg/cm²g (less than 0.1 ppmv/v of water). The required specification of the molecular sieves along with Dimensional Drawing of molecular sieves dryer is attached with this NIT.

2.0 PROCESS DESCRIPTION:

Gas Receipt:

Feed gas is supplied from the sources namely

- A) High pressure Rich gas mixed with GNAQ rich gas at a pressure of 25-30 Kg/cm²g (HP gas) from CPF, ONGCL,
- B) Medium pressure Rich gas at a pressure of 17 to 21 Kg/cm²g, from CPF, ONGCL,
- C) Rich Gas from HVJ Pipeline at a pressure of 29 Kg/cm²g and

MP rich gas, after knocking down the entrained liquid if any in the suction drum, is compressed to 25-30 Kg/cm²g with the help of Booster compressors and mixed with HVJ, and HP Rich Gases.

Gas Compression:

The Mixed feed gas at 25-30 kg/cm²g is received into the feed gas suction K.O. drum (01-VV-00-001) where entrapped liquid is removed. The gas is then compressed to 54 - 59 kg/cm²a in feed gas compressor (01-KA-CF-001). The compressed gas is cooled down to 65°C by feed gas compressor after cooler (01-EA-00-001) and further down to 40°C using cooling water in feed gas trim cooler (01-EE-00-001). The gas from the feed gas trim cooler is routed to discharge K.O. Drum of compressor.

The gas from the discharge KOD is cooled to a temperature of 35°C in the feed gas pre-chiller (02-EE-00-002). Natural gas at 33°C is taken to the Feed gas moisture separator (02-VV-00-002) where condensed water, if any, is separated.

Feed Gas Drying: -

The feed gas which is saturated with moisture is fed to the Feed gas dryers, (02-VV-00-003 A/B),, initially the feed gas is dried to a dew point less than -100°C at 20 kg/cm²g using molecular sieve beds. The flow direction is from top to the bottom of the dryer. There are two dryers, of which at a time one is in feed gas drying mode and the other is in the regeneration mode. Equally spaced temperature indications are provided at various locations on each dryer bed with indication in the



control room. Differential pressure indicator (2PDI-1201/1202) is also provided across each dryer bed. 2” tapings from two locations on each of the dryers and one from dryer downstream are routed to the moisture analyzer to determine moisture content of the feed gas downstream of the dryers. The moisture analyzer is provided at the outlet of the dryer to indicate saturation of dryer bed.

The dryer operation is controlled by two sets of eight Motor operated valves (MOV's). For dryer A MOV-1201, 1202, 1205, 1206 are for controlling the drying operation of feed gas and MOV-1209, 1210, 1213 & 1214 are for dryer regeneration. For dryer B MOV-1203, 1204, 1207 & 1208 are for controlling the dryer operation of feed gas and MOV-1211, 1212, 1215, 1216 are for dryer regeneration.

At a time one dryer shall be in drying mode and the other is regeneration mode. After about 18 hours of drying the bed will be taken for regeneration. The changeover operation is accomplished by operating the motor operated valves from the field.

The feed gas after drying is taken into cartridge type Feed gas filter (02-GN-00-001 A/B) to prevent the molecular sieves particles, if any, from being carried over along with it. Out of two filters provided, one is in operation while the other is standby.

Dryer Regeneration: -

For dryer regeneration, a part of the Semi Rich Gas (SRG) from the discharge of compressor side of expander– compressor (02-EK-00-001) is heated to about 320°C (Max) in direct fired heater (02-FF-00-001). The gas is taken on flow control through 02 FV-1402. Downstream of the FV one 10” tapping for heater bypass is taken from the regeneration gas line. Two hand controls valves, one on the main regeneration gas line, HV-1601 A, downstream of the heater and the other on the heater bypass line, HV-1601 B, are provided. The two HVs operate in a split range mode. The regeneration gas which is heated to about 320°C (Max) in the heater is taken to the dryer bed under regeneration and the flow direction is from bottom to top of the dryer. The regeneration gas at the dryer exit is cooled, first in Regeneration Gas Cooler (02-EA-00-001) and then in trim cooler (02-EE-00-001), down to about 40°C. After cooling, the gas is taken to the regeneration gas moisture Separator (02-VV-004) and the gas flows into the suction of expander-compressor and compressed along with SRG from other process vessels.

The specification covers the supply of Molecular sieves required for the given Dryers in the Gas Processing Unit at GAIL Gandhar. Requirement of Molecular sieves is given below:

S. No.	Vessel	Description	Molecular Sieve / Ancillaries Type	Volume (m3)	Minimum Guaranteed Life of Molecular Sieve, (Yrs.)
1.	02-VV-00-003 A/B	Molecular Sieves for Feed gas dryer.	4A	135	3
2.	02-VV-00-003 A/B	Ceramic Balls	½”, ¼”, 1/8”, 3/4”	9	3



3.	02-VV-00-003 A/B	Silica Gel	As per design of vendor	-	3
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NOTE:

1. The above quantity of molecular sieves & its ancillaries are for both the dryers **including 5% extra supply to cover breakage and spillage.**
2. Offer submitted shall be strictly in accordance with the specifications given herewith in basis of design and SCC. Deviation taken, if any, may please be indicated clearly.
3. Vendor is required to supply molecular sieves & its ancillaries in quantity (KG) sufficient to fill the required volume of two numbers of molecular sieves dryers considering bulk density. Any shortfall in the molecular sieves noticed during filling of dryer vessels is to be compensated by Vendor.
4. Vendor shall furnish detailed specifications of the Molecular sieves along with the offer as per Clause-3.0 (Table-3) and Annexure -IV of the Technical Specification.
5. Procedure of loading & unloading /start up to be provided by Vendor.

3.0 BASIS OF DESIGN:

Vendor shall adhere to the following ITB requirements for the supply of Molecular Sieves. Feed gas at the dryer inlet is saturated with water at operating pressure & temperature.

Feed gas/Regeneration gas Inlet Conditions:

Inlet Gas Flow to dryer	:	208,333 Sm ³ /Hr
Pressure	:	54.0-59.2 Kg/cm ² g
Temperature	:	35 Deg C
<u>Available Regeneration Gas Flow to dryer:</u>		30000-40000 Kg/Hr
Pressure	:	16.5-19.4 Kg/cm ² g
Temperature	:	260 Deg C (To be confirmed by vendor subject to Max. up to 320 Deg. C (Max.))

Refer Table-1 and Table-2 for composition.

Dryer Performance Requirements

(All performance requirements to be guaranteed by vendor)

Total Regeneration Cycle (Maximum)	12 Hrs.
Heating + Cooling Time	9 Hrs.
Depressurization + Re-pressurization + Valve switch over	3 Hrs.

Water content (Dew point) at the outlet of dryer	Less than 0.1 ppmv (Water Dew point is -85 Deg. C at 20 kg/cm ² g) at the end of adsorption cycle
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Maximum dryer bed pressure drop of gas during drying, at the end of the guaranteed service life	0.8 kg/cm ² max.
Adsorption cycle time	Minimum 18 hrs (Throughout guaranteed life period) at 208,333 sm ³ /hr
Attrition loss	Vendor to specify & guarantee
Molecular sieve guaranteed service life	Minimum 36 months in service

Feed Gas Composition:

The composition of feed gas at dryer inlet is given below.

TABLE-1

Component	Case-I	Case-II
Nitrogen	0.22	0.29
Carbon di Oxide	3.25	2.57
Methane	79.99	84.53
Ethane	6.74	7.27
propane	6.03	3.11
T - Butane	2.83	1.38
T - Pentane	0.68	0.42
Hexane +	0.26	0.43
H ₂ O	Saturated with Moisture	Saturated with Moisture
H ₂ S, PPMv	5.00	5.00
COS,PPB	150.00	150.00
MW (Estimated)	21.37	19.7
Specific Gravity (Estimated)	0.74	0.685
Note: Vendor to submit the molecular sieve design based on Case-I gas composition. The Gas Composition may vary between Case I and Case II and the Supplied molecular sieves should be capable of handling both the above compositions.		

Regeneration Gas Composition:

SRG / Lean Gas coming out from GPU is used for regeneration of Molecular Sieves. Also, during start up Feed gas or RLNG may be used for regeneration.

TABLE-2

COMPONENT	(Mol %)
N ₂	0.20
CO ₂	2.73



C1	90.11
C2	5.72
C3	1.16
T C4	0.06
T C5, PPM (Max.)	500
C6+, PPM (Max.)	500

Specifications for Molecular Sieves:

TABLE-3

S. No.	Particulars	Unit	ITB Requirement	Vendor to indicate
1	Type	-	4A	
2	Size & Shape	-	Beads/Pellets	
3	Bulk Density	kg/m ³	650-780	
4	Crushing Strength	Kg		
	For Molecular sieves of 1.5 to 2.5 mm Size		2 - 5	
	For Molecular sieves of 2.5 to 5.0 mm Size		4 - 16	
5*	Eq. Water Adsorption Capacity (WAC) at 30 Deg C	%wt/wt		
	At 15% RH		21-24	
	At 75% RH		24-27	
6	Loss on Ignition	% wt/wt	Vendor to specify	
7	Maximum DP Across the bed at the beginning of service life.	Kg/cm ²	Vendor to specify	
8	Maximum DP Across the bed at the end of service life.	Kg/cm ²	< 0.8	
9	Regeneration Cycle Time (Hours).	Hours	12 (Max., including Pressurization & Depressurization)	
	Heating time(Hrs.)	Hours		
	Cooling time(Hrs.)	Hours		
10	Regeneration Gas Flow required,	Kg /Hr	40000 (Max.)	
11	Regeneration Gas Temperature required	°C	320 (Max.)	
12	Water Content at the outlet of Dryer at the end of adsorption cycle.	PPMV	< 0.1	
13	Adsorption Cycle Time	Hrs.	18 (Min.)	at 208,333 m ³ /hr
14	Quantity molecular sieves required	MT	Vendor to specify	



15	Guaranteed life of Molecular Sieves,	Years	Min 3 years	
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SPECIFICATIONS FOR APPLICABLE CERAMIC BALLS

S. No.	Property	Unit	Requirement	Specification
1	Nominal Diameter Size-1 Size-2 Size-3	Inch/mm	Vendor to Specify	Vendor to Specify
2	Shape		Round Balls / Spheres	Vendor to specify
3	Size Range	Inch/mm		Vendor to Specify
4	Bulk Density	Kg/m ³	1200 to 1450	Vendor to Specify
5	Crushing Strength	Kg/N	Minimum 20	Vendor to Specify
6	Hardness	Mohs scale	>6.5	Vendor to Specify
7	Maximum operating temperature	°C	1000	Vendor to Specify
8	Apparent Porosity	wt% (Max.)	9.0	Vendor to Specify
9	Water Adsorption	wt % (max)	3.0	Vendor to Specify
10	Chemical Composition	-	-	Vendor to Specify
11	Quantity Size-1 Size-2 Size-3	Kg		Vendor to Specify
12	Other			

**If bidder specifies equilibrium WAC at a different temperature and at different RH then he should indicate that the specified equilibrium WAC is equivalent to the requirement given above.*

Note:

- Technical specifications and details of other ancillaries compatible with molecular sieves for bed support to be provided by vendor.
- If different type/size of molecular sieves/ceramic balls/related ancillaries is proposed by the
- vendor, specification of all types shall be provided separately.
- The above quantity of molecular sieves is for both the dryers including 5% extra supply to cover breakage and spillage.
- Offer submitted shall be strictly in accordance with the specifications
- Vendor is required to supply molecular sieves in quantity (KG) sufficient to fill the required volume of two numbers of molecular sieves dryers considering bulk density.



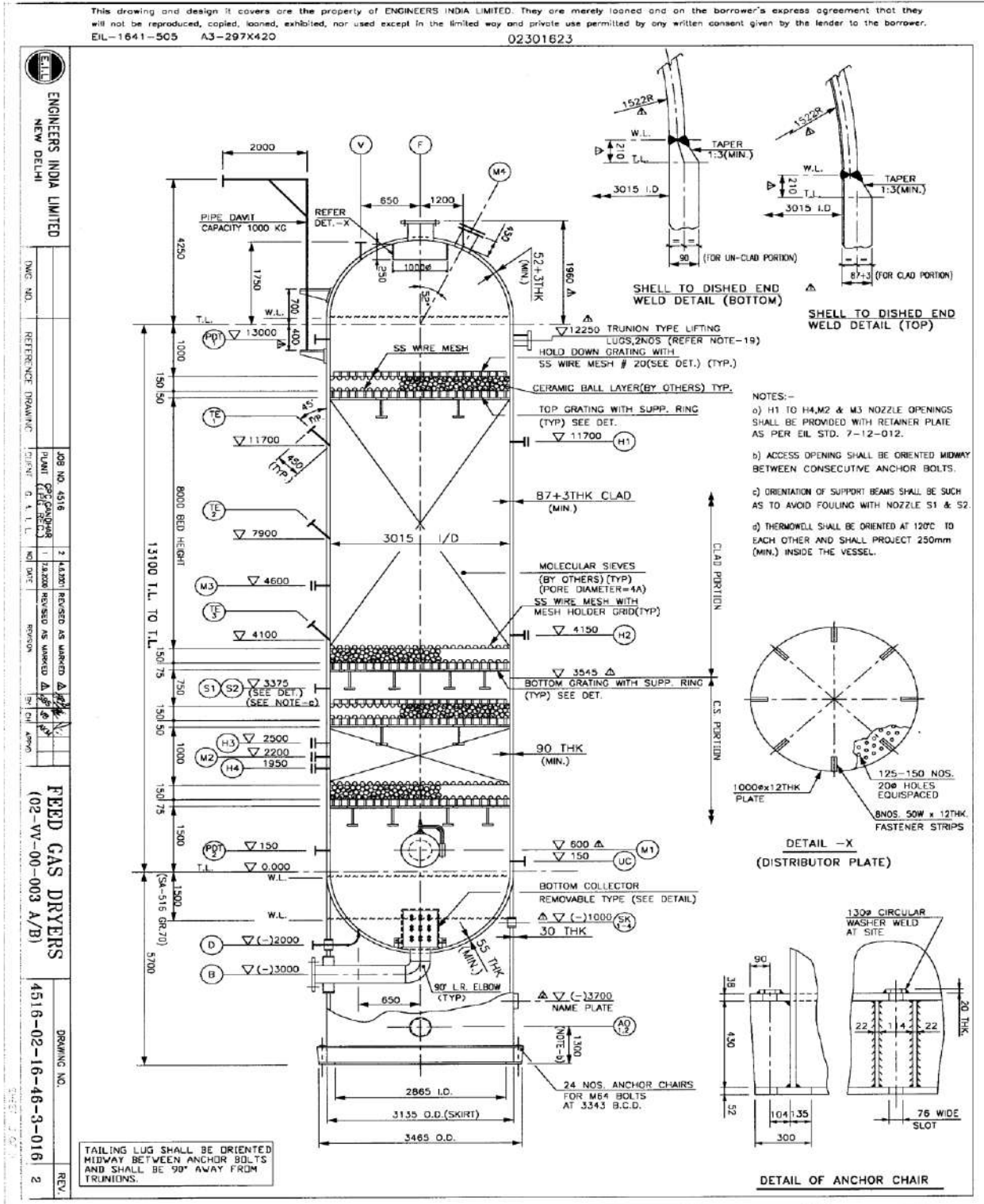
Dryer Specifications *(Drawing of Dryer is attached in Annexure II)*

1. No. of Dryers: - Two (02) (One in Adsorption and one in Regeneration/Standby)
2. Direction of gas flow through dryer bed during adsorption: Downward (from Top to Bottom)
3. Direction of gas flow through dryer bed during regeneration: Upward (from Bottom to Top)
4. No. of beds per dryer: - Two (Main bed on the top + Guard bed at the bottom of dryer)

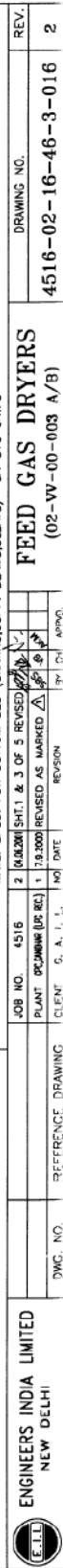


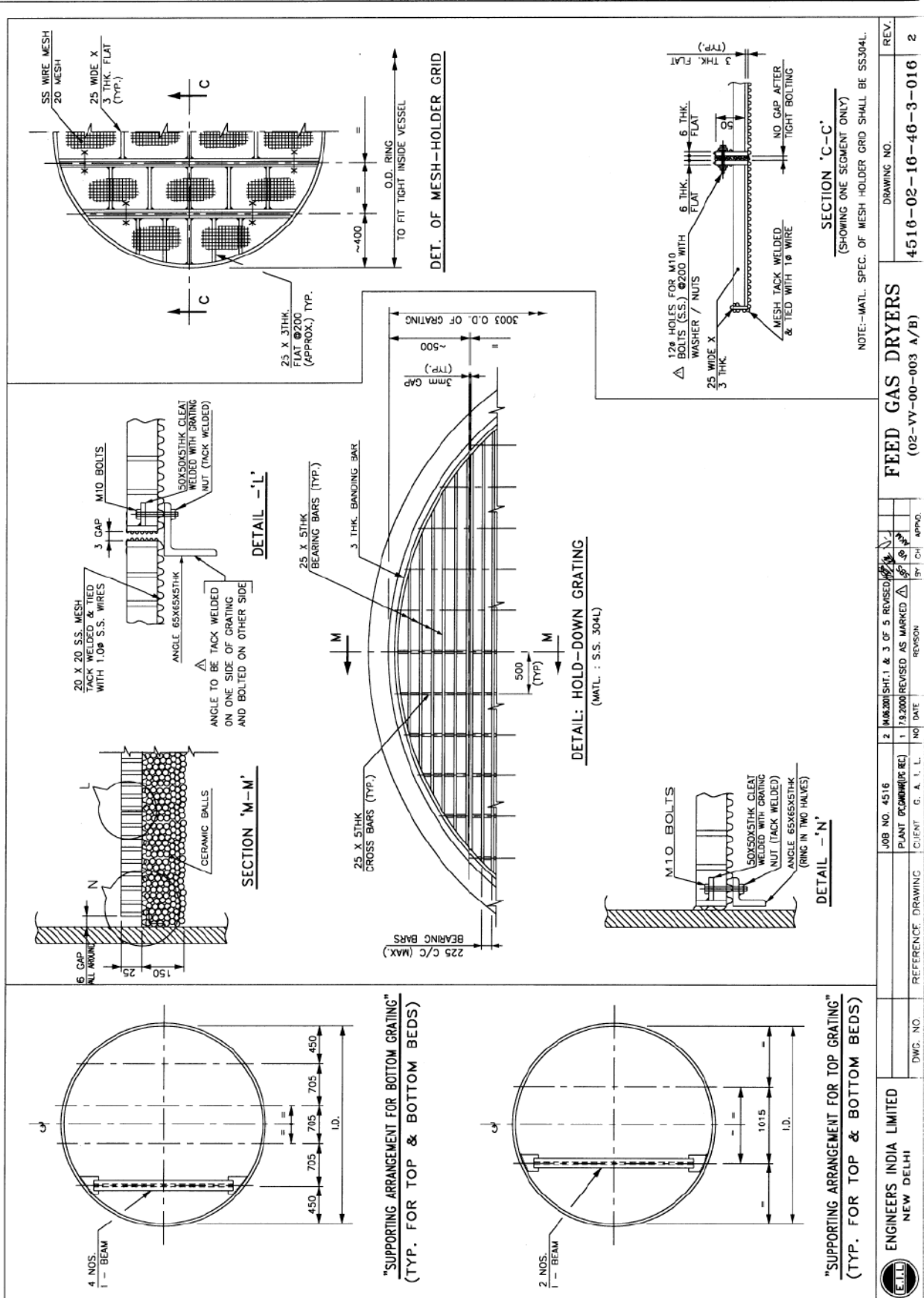
Annexure-II

"DIMENSIONAL DRAWING OF MOLECULAR SIEVES DRYER & DATA SHEET"



02301624





ENGINEERS INDIA LIMITED NEW DELHI		DWG. NO.	REFERENCE	DRAWING	CLIENT	G. A. L.	PLANT	DESIGNER	NO. DATE	REVISION	BY	CHK	APPD.	DRAWING NO.	REV.
														4516-02-16-46-3-016	2

SHEET 1 OF 3



Annexure III

SPECIFICATIONS FOR MOLECULAR SIEVES - 4A

S. No.	Particulars	Unit	ITB Requirement	Vendor to indicate
1	Type (Nominal Pore Diameter)	-	4A	
2	Size & Shape	-	Beads/Pellets	
3	Bulk Density	kg/m ³	650-780	
4	Crushing Strength	Kg/N		
4.1	For Molecular sieves of 1.5 to 2.5 mm Size	Kg/N	2 - 5	
4.2	For Molecular sieves of 2.5 to 5.0 mm Size	Kg/N	4 - 16	
5*	Eq. Water Adsorption Capacity (WAC) at 30 Deg C	%wt/wt		
	At 15% RH		21-24	
	At 75% RH		24-27	
6	Loss on Ignition	% wt/wt	Vendor to specify	
7	Maximum DP Across the bed at the beginning of service life.	kg/cm ²	Vendor to specify	
8	Maximum DP Across the bed at the end of service life.	kg/cm ²	<0.8	
9	Regeneration Cycle Time (Hours).	Hours	12 (Max., including Pressurization & Depressurization)	
	Heating time (Hrs.)	Hours		
	Cooling time (Hrs.)	Hours		
10	Regeneration Gas Flow required,	Kg /Hr	40000 (Max.)	
11	Regeneration Gas Temperature required	°C	320 (Max.)	
12	Water Content at the outlet of Dryer at the end of adsorption cycle.	PPMV	<0.1	
13	Adsorption Cycle Time	Hrs.	18 (Min.)	
14	Quantity molecular sieves required	MT	Vendor to specify	
15	Guaranteed life of Molecular Sieves,	Yrs	3	



SPECIFICATIONS FOR APPLICABLE CERAMIC BALLS

S. No.	Property	Unit	Requirement	Specification
1	Nominal Diameter Size-1 Size-2 Size-3	Inch/mm	Vendor to Specify	Vendor to Specify
2	Shape		Round Balls / Spheres	Vendor to specify
3	Size Range	Inch/mm		Vendor to Specify
4	Bulk Density	Kg/m ³	1200 to 1450	Vendor to Specify
5	Crushing Strength	Kg/N	Minimum 20	Vendor to Specify
6	Hardness	Mohs scale	>6.5	Vendor to Specify
7	Maximum operating temperature	°C	1000	Vendor to Specify
8	Apparent Porosity	wt% (Max.)	9.0	Vendor to Specify
9	Water Adsorption	wt % (max)	3.0	Vendor to Specify
10	Chemical Composition	-	-	Vendor to Specify
11	Quantity Size-1 Size-2 Size-3	Kg		Vendor to Specify
12	Other			

**if bidder specifies equilibrium WAC at a different temperature and at a different RH then he should indicate that the specified equilibrium WAC is equivalent to the requirement given above.*

Note:

1. Technical specifications and details of other ancillaries compatible with molecular sieves for bed support to be provided by vendor.
2. If different type/size of molecular sieves/ceramic balls/related ancillaries is proposed by the vendor, specification of all types shall be provided separately.
3. The above quantity of molecular sieves is for both the dryers including 5% extra supply to cover breakage and spillage.
4. Offer submitted shall be strictly in accordance with the specifications
5. Vendor is required to supply molecular sieves in quantity (KG) sufficient to fill the required volume of two numbers of molecular sieves dryers considering bulk density.



ANNEXURE-IV

(To be filled by the vendor and shall be submitted along with offer)

NAME OF BIDDER:

S. No.	Item Description as per enquiry/RFQ	Shape/ Size	Quantity Offered in M ³	Quantity Offered in Kgs.
1	2	3	4	5
1	Molecular Sieves Type-4A, Required Total Volume 135 M ³ (For Both the dryers)	Bidder to indicate	--	Bidder to indicate
a.	Molecular Sieves,	Bidder to indicate	Bidder to indicate	Bidder to indicate
b.	Molecular Sieves	Bidder to indicate	Bidder to indicate	Bidder to indicate
c.	Buffer Molecular Sieve (Silica gel)*	Bidder to indicate	Bidder to indicate	Bidder to indicate
d.	Buffer Molecular Sieve (Inert Ceramic Balls etc.)* Total Volume (both Dryers) 9.0M ³	Bidder to indicate	Bidder to indicate	Bidder to indicate
e.				

*Fill up different rows for different Buffer Molecular Sieves & different ceramic balls.



SECTION-VII

SCHEDULE OF RATES (SOR) / BOQ

PREAMBLE

- (1) **BIDDER MUST FILL THEIR QUOTED QUANTITY AND RATES IN BOQ (S) (i.e. BOQ1) AND VALIDATE THE BOQ.**
- (2) **BIDDER MUST SUBMIT A COPY OF BLANK OUT BOQ (WITHOUT FILLING QUOTED QUANTITY / RATES MENTIONED AS “QUOTED”) SHOULD SUBMIT WITH TECHNICAL/UN-PRICE BID**

INTEGRITY PACT

Between GAIL (India) Limited, a Government of India Public Sector, (here-in-after referred to as "Principal ").

AND

_____ (here in after referred to as "The Bidder/ Contractor").

(Principal and the Bidder / Contractor are here-in-after are referred to individually as "Party" or collectively as "Parties").

PREAMBLE

The Principal intends to award under laid down organizational procedures, contract/s for _____

The Principal values full compliance with all relevant laws of land rules, regulations, and economic use of resources and of fairness /transparency in its relations with its Bidder (s) and/or Contractor (s).

In order to achieve these goals, the Principal will appoint Independent External Monitors (IEMs) who will monitor the tender process and the execution of the contract for compliance with the principles mentioned above.

Section 1 – Commitments of the Principal

1. The Principal commits itself to take all measures necessary to prevent corruption and to observe the following Principles: -
 - i) No employee of the Principal, personally or through family members, will in connection with the tender for, or the execution of a contract, demand, take a promise for or accept, for self or for a third person, any material or immaterial benefit which the person is not legally entitled to.
 - ii) The Principal will, during the tender process treat all Bidder(s) with equity and reasons. The Principal will in particular, before and during the tender process, provide to all Bidder (s) the same information and will not provide to any Bidder (s) confidential / additional information through which the Bidder (s) could obtain an advantage in relation to the tender process or the contract execution.
 - iii) The Principal will exclude from the process all known prejudiced persons.
2. If the Principal obtains information on the conduct of any of its employees which is a criminal offence under the Indian Penal Code (IPC)/ Prevention of Corruption Act (PC Act), or if there be a substantive suspicion in this regard, the Principal will inform the Chief Vigilance Officers and in addition can initiate disciplinary actions.



Section 2 – Commitments of the Bidder (s)/Contractor (s)

1. The Bidder (s) / Contractor (s) commits themselves to take all measures necessary to prevent corruption. The Bidder (s)/ Contractor (s) commits themselves to observe the following principles during participation in the tender process and during the contract execution:
 - i) The Bidder (s) / Contractor (s) will not, directly or through any other person or firm, offer, promise or give to any of the Principal's employees involved in the tender process or the execution of the contract or to any third person any material or other benefit which he / she is not legally entitled to, in order to obtain in exchange any advantage of any kind whatsoever during the tender process or during the execution of the contract.
 - ii) The Bidder (s) / Contractor (s) will not enter with other Bidders into any undisclosed agreement or understanding, whether formal or informal. This applies in particular to prices, specifications, certifications, subsidiary contracts, submission or non-submission of bids or any other action to restrict competitiveness or to introduce cartelisation in the bidding process.
 - iii) The Bidder (s) / Contractor (s) will not commit any offence under the relevant IPC/PC Act; further, the Bidder (s) / Contractor (s) will not use improperly, for purposes of competition or personal gain, or pass on to others, any information or document provided by the Principal as part of the business relationship, regarding plans, technical proposals and business details, including information contained or transmitted electronically.
 - iv) The Bidder (s)/ Contractor (s) of foreign origin shall disclose the name and address of the Agents/ representatives in India, if any. Similarly, the Bidder (s)/ Contractor (s) of Indian Nationality shall furnish the name and address of the foreign principals, if any. Further, all the payments made to the Indian agent/ representative have to be in India Rupees only.
 - v) The Bidder (s) / Contractor (s) will, when presenting their bid, disclose any and all payments made, is committed to or intends to make to agents, brokers or any other intermediaries in connection with the award of the contract.
 - vi) Bidder(s) / Contractor(s) who have signed the Integrity Pact shall not approach the Courts while representing the matter to IEMs and shall wait for their decision in the matter.
2. The Bidder(s)/ Contractor(s) shall not instigate third person to commit offences outlined above or be an accessory to such offences.

Section 3 – Disqualification from tender process and exclusion from future contracts

If the Bidder (s) / Contractor (s), before award or during execution has committed a transgression through a violation of Section 2, above or in any other form such as to put their reliability or credibility in question, the Principal is entitled to disqualify the Bidder (s) / Contractor (s) from the tender process or take action as per provisions of “**Procedure for action in case Corrupt /Fraudulent/ Collusive/Coercive Practices**”



Section 4 – Compensation for Damages

1. If the Principal has disqualified the Bidder (s) from the tender process prior to the award according to Section 3, the Principal is entitled to demand and recover the damages equivalent to Earnest Money Deposit / Bid Security .
2. If the Principal has terminated the contract according to Section 3, or if the Principal is entitled to terminate the contract according to Section 3, the Principal shall be entitled to demand and recover from the Contractor liquidated damages equal to the Contract Value or the amount equivalent to Performance Bank Guarantee.

Section 5 – Previous transgression

1. The Bidder declares that no previous transgression occurred in the last three years, with any other Company in any country conforming to the anti-corruption approach or with any Public Sector Enterprise in India that could justify his exclusion from the tender process.
2. If the Bidder makes incorrect statement on this subject, he can be disqualified from the tender process or actions can be taken as per provisions of **“Procedure for action in case Corrupt / Fraudulent / Collusive / Coercive Practices”**

Section 6 – Equal treatment to all Bidders / Contractors / Subcontractors

1. In case of sub-contracting, the Principal contractor shall take the responsibility of the adoption of IP by the sub-contractor. It is to be ensured by him that all sub-contractors also sign the IP.
2. The Principal will enter into agreements with identical conditions as this one with all Bidders and Contractors.
3. The Principal will disqualify from the tender process all bidders who do not sign this Pact or violate its provisions.

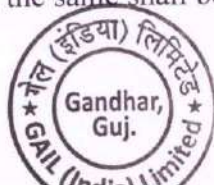
Section 7 – Criminal charges against violating Bidder (s) / Contractor (s) / Sub-contractor (s)

If the Principal obtains knowledge of conduct of a Bidder, Contractor or Subcontractor, or of an employee or a representative or an associate of a Bidder, Contractor or Subcontractor which constitutes corruption, or if the Principal has substantive suspicion in this regard, the Principal will inform the same to the Chief Vigilance Officer.



Section 8 –Independent External Monitor / Monitors

1. The Principal appoints competent and credible Independent External Monitor for this Pact after approval by Central Vigilance Commission. The task of the Monitor is to review independently and objectively, whether and to what extent the parties comply with the obligations under this agreement.
2. The Monitor is not subject to instructions by the representatives of the parties and performs his/her functions neutrally and independently. The Monitor would have access to all documents/records pertaining to the contract for which a complaint or issue is raised before them, as and when warranted. However, the documents/records/information having National Security implications and those documents which have been classified as Secret/Top Secret are not to be disclosed. It will be obligatory for him/ her to treat the information and documents of the Bidders/ Contractors as confidential. He/she reports to the C&MD, GAIL.
3. The Bidder (s)/ Contractor (s) accepts that the Monitor has the right to access without restriction to all Project documentation of the Principal including that provided by the Contractor. The Contractor will also grant the Monitor, upon his/her request and demonstration of a valid interest, unrestricted and unconditional access to their project documentation. The same is applicable to Sub-contractors.
4. The Principal will provide to the Monitor sufficient information about all meetings among the parties related to the Project provided such meetings could have an impact on the contractual relations between the Principal and the Contractor. The parties offer to the Monitor the option to participate in such meetings.
5. As soon as the Monitor notices, or believes to notice, a violation of this agreement, he/she will so inform the Management of the Principal and request the Management to discontinue or to take corrective action, or to take other relevant action. The monitor can in this regard submit non-binding recommendations. Beyond this, the Monitor has no right to demand from the parties that they act in a specific manner, refrain from action or tolerate action.
6. The Monitor will submit a written report to the C&MD, GAIL within 30 days from the date of reference or intimation to him by the 'Principal' and, should the occasion arise, submit proposals for correcting problematic situations.
7. If the Monitor has reported to the C&MD, GAIL, a substantiated suspicion of an offence under relevant IPC/PC Act, and the C&MD, GAIL has not, within reasonable time, taken visible action to proceed against such offence or reported it to the Chief Vigilance Officer, then only in case of very serious issue having a specific, verifiable Vigilance angle, the matter should be reported directly to the Central Vigilance Commission
8. The word 'Monitor' would include both singular and plural.
9. In case of any complaints referred under IP Program, the role of IEMs is advisory and would not be legally binding and it is restricted to resolving the issues raised by an intending bidder regarding any aspect of the tender which allegedly restricts competition or bias towards some bidder.
10. After award of contract, the IEMs shall look into any issue relating to execution of contract, if specifically raised before them. As an illustrative example, if a contractor who has been awarded the contract, during the execution of contract, raises issue of delayed payment etc. before the IEMs, the same shall be examined by the panel of IEMs.



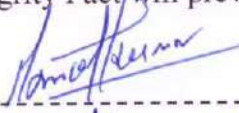
Section 9 – Pact Duration

This Pact begins when both parties have legally signed it. It expires for the Contractor 12 months after the last payment under the respective contract, and for all other Bidders 6 months after the contract has been awarded. Any violation to the same would entail disqualification of the bidders and exclusion from future business dealing.

If any claim is made / lodged during this time, the same shall be binding and continue to be valid despite the lapse of this pact as specified above, unless it is discharged/determined by the C&MD, GAIL.

Section 10 – Miscellaneous provisions

1. This agreement is subject to Indian Law. Place of performance and exclusive jurisdiction is the Registered Office of the Principal, i.e. New Delhi.
2. Changes and supplements as well as termination notices, if any, need to be made in writing. Side agreements have not been made.
3. If the Contractor / Bidder is a Joint Venture or a partnership concern or a consortium, this agreement must be signed by all partners or consortium members.
4. Should one or several of the provisions of this agreement turn out to be invalid, the remainder of this agreement shall remain valid. In this case, the parties will strive to come to an agreement to their original intentions in such a case.
5. Issues like warranty / guarantee, etc. shall be outside the purview of IEMs.
6. In the event of any contradiction between the Integrity Pact and its Annexure, the Clause in Integrity Pact will prevail.


Manoj Kumar, CM(C&P)

(For & on Behalf of Principal)

(Office Seal)



Place

(For & on Behalf of Bidder/Contractor)

(Office Seal)

Date

Witness 1

(Name & Address)

Witness 2:

(Name & Address)

.....

.....

.....

.....



**GENERAL CONDITIONS OF CONTRACT
[Rev.2]**

FOR

PROCUREMENT OF GOODS

GAIL (India) Limited

GENERAL CONDITIONS OF CONTRACT-GOODS [Rev.2]

INDEX

Clause Title

1. Definitions, Interpretations & Priority of Contract Documents
2. Supplier to inform
3. Application
4. Country of Origin
5. Scope of Contract
6. Standards
7. Instructions, Direction & Correspondence
8. Contract Obligations
9. Modification in Contract
10. Use of Contract Documents & Information
11. Patent Rights, Liability & Compliance of Regulations
12. Contract Performance Security
13. Inspection, Testing & Expediting
14. Time Schedule & Progress Reporting
15. Delivery & Documents and Dispatch Schedule
16. Transit Risk Insurance
17. Packing & Shipping Instructions and Transportation
18. Incidental Services
19. Spare Parts, Maintenance Tools etc.
20. Guarantee
21. Terms of Payment
22. Prices
23. Subletting & Assignment
24. Time as Essence of Contract
25. Delays in the Supplier's Performance
26. Price Reduction Schedule (PRS) for Delayed Delivery
27. Rejections, Removal of Rejected Equipment & Replacement
28. Termination of Contract
29. Force Majeure
30. Dispute Resolution Mechanism
31. Governing Language
32. Notices
33. Taxes & Duties
34. Books & Records
35. Permits & Certificates
36. General
37. Import License
38. Fall Clause
39. Publicity & Advertising
40. Repeat Order

-
- 41 Limitation of Liability
 - 42 Completion Certificate & Execution Certificate
 - 43 Provisions for Buy-back Items
 - 44 Confidentiality
 - 45 Intellectual Property Right
 - 46 Action in Case of Corrupt/ Fraudulent/ Collusive/ Coercive Practices and Poor Performance
 - 47 Vendor Performance Evaluation

Appendix-I: Procedure for Action in Case of Corrupt/Fraudulent/Collusive/Coercive Practices

Appendix-II: Procedure for Evaluation of Performance of Vendor/ Supplier/ Contractor/ Consultant

Appendix-III: Proforma of "Bank Guarantee" for "Contract Performance Security / Security Deposit"

1.0 DEFINITIONS, INTERPRETATIONS & PRIORITY OF CONTRACT DOCUMENTS

1.1 Definitions

In this document, General Conditions of Contract (GCC-Goods), the following terms shall have the following respective meanings:

- 1.1.1 "Approved" means prior approval in writing.
- 1.1.2 The "Bid" or "Tender" "Offer" means the proposal along with supporting documents submitted before Notification of Award by the Bidder for consideration / acceptance by the Purchaser.
- 1.1.3 "Bidder" Designates the person(s) or legal entity / Firm / Company /Corporation /Organisation, and it's legal representatives, successors and permitted assigns which has made a proposal or submitted Bid/Tender/Offer with the aim of concluding a Contract with the Purchaser.
- 1.1.4 "Consultant" or "PMC" [if engaged] shall mean M/s.having its registered office at..... who are the consultant to the Purchaser for this Contract. The term Consultant includes successors, assigns of M/s.
- 1.1.5 "Contract" shall mean all obligations, commitments, promises agreed upon between Purchaser and Supplier for supply of Goods including execution of the Services(if any) as per Purchase Order(PO) and its subsequent amendment(s), if any in writing thereto.
- 1.1.6 "Contract Price" or "Purchase Order Value" shall mean the total sum accepted or the total sum calculated in accordance with the prices accepted in the Contract as payable to the Supplier under the Contract for the full and proper performance of its contractual obligations. The Contract Price /Purchase Order Value is subject to Price Reduction Schedule clause.
- 1.1.7 "Completion Date" shall mean the date on which the supplied Goods are successfully commissioned by the Supplier and handed over to the Purchaser.
- "Delivery Date" shall be the date on which Goods are supplied by Supplier as per delivery terms of the Contract.
- 1.1.8 "Commercial Operation" shall mean the condition of the operation in which the complete Goods / equipment covered under the Contract is officially declared by the Purchaser to be available for continuous operation at different loads upto and including rated capacity.
- 1.1.9 "Day" shall mean a day of 24 hours from midnight to midnight irrespective of the number of hours worked in that day.

1.1.10 “Delivery” shall mean the transfer of the Goods from the Supplier to the Purchaser in accordance with the terms and conditions set forth in the Contract.

Delivery terms shall be interpreted as per current edition of INCOTERMS, published by the International Chamber of Commerce before the due date of submission of Bid

1.1.11 “Drawings” shall mean and include Engineering drawings, sketches showing plans, sections and elevations in relation to the Contract together with modifications and/or revisions thereto.

1.1.12 “Engineer” or “Engineer-in-Charge” shall mean the person designated from time to time by Purchaser/Consultant and shall include those who are expressly authorized to act for and on behalf of Purchaser/Consultant for operation of this Contract.

1.1.13 “Fax of Acceptance” shall mean intimation regarding notification of award by the Purchaser/Consultant to the successful Bidder/Supplier through a fax/ letter/ email conveying that the Tender/Bid/Offer has been accepted in accordance with the provisions contained therein.

1.1.14 “Final Acceptance” shall mean the Purchaser’s written acceptance of the Goods supplied and works/Services performed under the Contract after successful completion of performance and guarantee test, at/after the Completion Date.

1.1.15 “Goods” shall mean articles, materials, equipment, machinery, instruments, stores, design and drawings, data and other property to be supplied by Supplier including Services (if any), to complete the Contract and Amendment(s) thereto.

1.1.16 “Inspector” shall mean any person or third party Agency nominated by Purchaser/Consultant to inspect Goods, stage wise as well as final, before dispatch, at Supplier’s works and/or on receipt at Site as per terms of the Contract.

1.1.17 “Initial Operation” shall mean the first integral operation of the complete Goods covered under the Contract with sub-systems and supporting equipment(s) in service or available for service.

1.1.18 “Purchase Order” means the Contract Document/Order collectively the Tender Documents, Designs, Drawings, Specification, Bill of Quantities, Schedule of Rates alongwith its break-up (if any), Fax of Acceptance (if any), agreed variations and amendments (if any) and such other documents constituting the Tender and acceptance thereof.

1.1.19 “Purchaser” shall mean GAIL (INDIA) LIMITED (GAIL) having its registered office at 16, BHIKAJI CAMA PLACE, R.K.PURAM, NEW DELHI-110066 (INDIA). The term Purchaser includes successors, assigns of GAIL

- 1.1.20 “Performance and Guarantee Tests” shall mean all operational checks and tests required to determine and demonstrate capacity, efficiency and operating characteristics as specified in the Purchase Order.
- 1.1.21 “Project” designates the aggregate of the Goods and/or Services to be provided by one or more Suppliers/Contractors.
- 1.1.22 “Quantities / Bills of Quantities” designate the quantity calculations to be taken into account when these calculations are made from detailed or construction drawings or from work actually performed, and presented according to a jointly agreed breakdown of the Goods and/or Services.
- 1.1.23 “Supplier” shall mean the successful Bidder whose Bid has been accepted by the Purchaser for supply of Goods and incidental Services (if any). The term Supplier is a synonym of Seller and Vendor/Contractor and also includes its successor(s) and permitted assign(s).
- 1.1.24 “Service” shall mean those services ancillary to the supply of Goods, such as transportation and insurance and any other incidental services such as erection, installation, testing, commissioning, provision of technical assistance, training and other such obligations of the Supplier covered under the Contract.
- 1.1.25 “Site” means the land(s) and other place(s) on, under, in or across/through which the Goods and/or Services have to be supplied, erected, assembled, adjusted, tested, arranged and/or commissioned.
- 1.1.26 “Specifications” shall mean and include schedules, details, description, statement of technical data, performance characteristics, standards (Indian and/or International) and standard specifications including all addenda/corrigenda published before entering into the Contract, as applicable and specified in the Contract.
- 1.1.27 “Sub-Contract” shall mean order placed by the Supplier, for any portion of the Contract, after necessary consent and prior written approval of Purchaser unless otherwise explicitly mentioned in the Contract.
- 1.1.28 “Sub-Contractor” shall mean the person(s) / firm / Organisation / company (other than the Supplier) and its legal representatives, successors and permitted assigns named in the Contract for supply of any part of the Goods or Service(s) or to whom any part of the Contract has been sub-let by the Supplier with the prior consent in writing of the Consultant/Purchaser unless otherwise explicitly mentioned in the Contract.
- 1.1.29 “Start-Up” shall mean the time period required to bring the Goods covered under the Contract from an inactive condition, when construction is essentially complete to the state of readiness for trial operation. The start-up period shall include preliminary inspection and

check out of Goods and supporting subsystems, initial operation of the complete Goods covered under the Contract to obtain necessary pre-trial operation data, perform calibration and corrective action, shutdown inspection and adjustment prior to the trial operation period.

1.1.30 “Tests” shall mean such process or processes to be carried out by the Supplier as are prescribed in the Contract or considered necessary by Purchaser or his representative in order to ascertain quality, workmanship, performance and efficiency of Goods or part thereof.

1.1.31 “Tests on Completion” shall mean such tests as prescribed in the Contract to be performed by the Supplier before the complete Goods and Services are taken over by the Purchaser.

1.1.32 "Week" shall mean a period of any consecutive seven Days.

1.2 Interpretations & Priority of Contract Documents

1.2.1 The documents forming the Contract are to be read together and interpreted as mutually explanatory of one another. If there is a direct inconsistency in specific obligation(s), then for the purposes of interpretation, and unless otherwise provided in the Contract, the priority of the Contract Documents shall be in accordance with following sequence:

- (i) Purchase Order
- (ii) Fax of Acceptance
- (iii) Specific Technical Specification/Job Specifications (pertaining to Scope of Supply)
- (iv) Drawings
- (v) Special Purchase Conditions(SPC) / Special Conditions of Contract (SCC)
- (vi) General Technical Specifications (if applicable)
- (vii) Instructions to Bidders (ITB)
- (viii) General Conditions of Contract (GCC)
- (ix) Any other document forming part of the Contract

A Amendment issued to Purchase Order after signing of formal Contract shall take precedence over respective clauses of the formal Contract and its annexures.

The higher priority interpretation shall be adopted only to the extent required to deal with an inconsistency. Specific term(s) agreed take priority over general statement(s) and terms in Contract Document created at a later date govern over terms in earlier Contract Document. Subject to foregoing, the terms of the groups of documents set out above have equal importance within their group.

1.2.2 Headings and Marginal Notes: All headings and marginal notes to the clauses of these General Conditions of Contract or to the Specifications or to any other Tender Document are solely for the purpose of giving a concise indication and not a summary of the contents

thereof, and they shall never be deemed to be part thereof or be used in the interpretation thereof the Contract.

1.2.3 Singular and Plural: In Contract Documents unless otherwise stated specifically, the singular shall include the plural and vice versa wherever the context so requires.

1.2.4 Interpretation: Words implying 'Person(s)/Party(ies)' shall include relevant Corporate Companies / Registered Associations/ Body of Individuals/ Firm of Partnership' and any firm/organization having legal capacity, as the case may be.

1.2.5 Gender: Where the context so requires, words imparting the masculine gender shall also include the feminine gender and the neuter gender and vice versa.

1.2.6 Severability: Should any provision of this Contract be found to be invalid, illegal or otherwise not enforceable by any court of law, such finding shall not affect the remaining provisions hereto and they shall remain binding on the parties hereto.

1.2.7 Incoterms:

(i) The meaning of any trade term and the rights and obligations of Parties thereunder shall be as prescribed by Incoterms® 2020 or its latest version.

(ii) EXW, FOB, FCA, CIF, CIP & CPT and other similar terms, shall be governed by the rules prescribed in the Incoterms® 2020 or its latest version, published by the International Chamber of Commerce, applicable as on due date of submission of Bid.

2.0 SUPPLIER TO INFORM

2.1 The Supplier shall be deemed to have carefully examined all Contract documents to his entire satisfaction. Any lack of information shall not in any way relieve the Supplier of his responsibility to fulfill his obligation under the Contract.

3.0 APPLICATION

3.1 These General Conditions of Contract (GCC-Goods) shall apply to the extent that they are not superseded by provisions of other parts of the Contract.

4.0 COUNTRY OF ORIGIN

4.1 All goods and services supplied under the contract shall have their Origin as quoted by the Bidder and accepted by Purchaser.

4.2 For purposes of this Clause "Origin" means the place where the Goods were mined, grown or produced, or from which the Services are supplied. Goods are produced when, through

manufacturing, processing or substantial and major assembling of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.

- 4.3 In case of Contract with foreign Suppliers, a certificate issued by relevant Chamber of Commerce specifying Country of Origin shall form part of shipping/dispatch documents.
- 4.4 The Origin of goods and services is distinct from the nationality of the Supplier.
- 4.5 In case of any export/re-export control restrictions imposed by parent country of Bidder / country of origin on the Goods offered/supplied regarding Goods' end use or end user, then Bidder shall intimate the same upfront in their offer. In such case, right to accept or reject the Bid of such Bidder shall be decided by Purchaser on its sole discretion.

5.0 SCOPE OF CONTRACT

- 5.1 Scope of the Contract shall be as defined in the Purchase Order/Contract Document(s) and Annexure thereto.
- 5.2 Completeness of the Goods and Services shall be the responsibility of the Supplier. Any equipment, fittings and accessories which may not be specifically mentioned in the Scope, Specifications or drawings, but which are usual or necessary for the satisfactory functioning of the Goods (i.e. successful operation and functioning of the Equipment being Supplier's responsibility) shall be provided by Supplier without any extra cost.
- 5.3 The Supplier shall follow the good engineering practices in the manufacture of Goods/Equipment(s) notwithstanding any omission in the Specifications. The true intent and meaning of these documents is that Supplier shall in all respects, design, engineer, manufacture and supply the Goods, equipment in a thorough workmanlike manner and supply the same in prescribed time to the entire satisfaction of Purchaser.
- 5.4 The Supplier shall furnish three (3) copies in English language of Technical documents, final drawings, preservation instructions, operation and maintenance manuals, test certificates, spare parts catalogues for all equipments to the Purchaser. The Supplier shall also furnish the above in computer readable soft copies in PDF format or equivalent by electronic mode.
- 5.5 The documents once submitted by the Supplier shall be firm and final and not subject to subsequent changes unless otherwise explicitly agreed by the Purchaser in writing. The Supplier shall be responsible for any loss to the Purchaser/Consultant consequent to furnishing of incorrect data/drawings.
- 5.6 All dimensions and weight should be in metric system.

- 5.7 All equipment to be supplied and work to be carried out under the Contract shall conform to and comply with the provisions of relevant regulations/Acts(State Government or Central Government) as may be applicable to the type of equipment/work carried out and necessary certificates shall be furnished.
- 5.8 The Supplier shall provide cross sectional drawings, wherever applicable, to identify the spare part numbers and their location
- 5.9 Specifications, design and drawings issued to the Supplier alongwith Tender Document/RFQ and Contract are not sold or given but loaned. These remain property of Purchaser/Consultant or its assigns and are subject to recall by Purchaser/Consultant. The Supplier and his employees shall not make use of the drawings, specifications and technical information for any purpose at any time except for manufacture against the Contract and shall not disclose the same to any person, firm or corporate body, without prior written permission of Purchaser/Consultant. All such details shall be kept confidential.
- 5.10 Supplier shall pack, protect, mark and arrange for dispatch of Equipment as per instructions given in the Contract.
- 5.11 The Supplier on his own behalf and on behalf of Sub-Contractor(s) hereby represents that both have full legal right, power and authority to transfer the ownership of the equipment/material to Purchaser.

6.0 STANDARDS

- 6.1 The Goods supplied under the Contract shall conform to the standards mentioned in the Technical Specifications, or such other standards which ensure equal or higher quality, and when no applicable standard is mentioned, to the authoritative standard appropriate to the Goods' country of origin and such standards shall be the latest issued by the concerned institution(s).

7.0 INSTRUCTIONS, DIRECTION & CORRESPONDENCE

- 7.1 The Goods described in the Contract are to be supplied according to the standards, data sheets, tables, specifications and drawings attached thereto and/or enclosed with the Contract, itself and according to all conditions, both general and specific enclosed with the contract, unless any or all of them have been modified or cancelled in writing as a whole or in part.
- 7.2 All instructions and orders to Supplier shall, excepting what is herein provided, be given by Purchaser/Consultant.
- 7.3 All provision of Goods and supply of Services shall be carried out under the direction of and to the satisfaction of Purchaser/Consultant.

- 7.4 All communications including technical/commercial clarifications and/or comments shall be addressed to Purchaser/ Consultant and shall always bear reference to the Purchase Order number.
- 7.5 Invoices for payment against Contract shall be addressed to Purchaser.
- 7.6 The Purchase Order number shall be shown on all invoices, communications, packing lists, containers and bills of lading, etc.

8.0 CONTRACT OBLIGATIONS

- 8.1 Purchaser will be the sole judge in the matter of award of Contract and the decision of Purchaser shall be final and binding on the Supplier.

The Acceptance of Tender/Bid will be intimated to the successful Bidder by the Purchaser through notification of award of Contract either by fax / e - mail /letter or like means defined as Fax of Acceptance (FOA). The Contract shall enter into force on the date of Notification of Award and the same shall be binding on Purchaser and Supplier.

- 8.2 If after award of the Contract, the Supplier does not acknowledge the receipt of FOA/PO or fails to furnish the Contract Performance Security within the prescribed time limit, the Purchaser reserves the right to cancel the Contract and apply all remedies available to him under the terms and conditions of this Contract.
- 8.3 Once a Contract enters into force, the terms and conditions contained therein shall take precedence over the Supplier's bid and all previous correspondence.

8.4 Supplier's Responsibilities

- 8.4.1 The Supplier shall supply all the Goods and incidental Services as per terms and conditions of Purchase Order within the Delivery and Completion schedule mentioned therein.

8.5 Purchaser's Responsibilities

- 8.5.1 Whenever the supply of Goods and incidental Services requires that the Supplier obtain permits, approvals, and import and other licenses from local public authorities, the Purchaser shall, if so required by the Supplier, make its best effort to assist the Supplier in complying with such requirements in a timely and expeditious manner.

8.6 Joint and Several Responsibility:

- 8.6.1 Where Supplier's Goods/Equipment(s) or any part thereof are to be used jointly with other equipment(s) supplied by another manufacturer(s), the name of the such manufacturer(s) will be communicated separately to Supplier, the Purchaser/Consultant will hold Supplier and the manufacturer(s) jointly and severally responsible for the perfect operation of the

entire group or section of equipment as regard the technical and mechanical characteristics stipulated in the specification. Such responsibility shall also include the mechanical coupling as well as dynamic and starting moment.

- 8.6.2 Consequently, Supplier shall establish and maintain all necessary contact with the manufacturer to be indicated by Purchaser/Consultant with a view to ensuring the exchange of all relevant data and information.

9.0 MODIFICATION IN CONTRACT

- 9.1 All modifications leading to changes in the Contract with respect to technical and/or commercial aspects including terms of delivery, shall be considered valid only when accepted in writing by Purchaser/Consultant by issuing amendment to the Contract. Issuance of acceptance or otherwise in such cases shall not be any ground for extension of agreed delivery date and also shall not affect the performance of contract in any manner except to the extent mutually agreed through a modification of Contract.
- 9.2 Based on the requirement, the Purchaser/Consultant in writing shall have the right to change the quantities, specifications, drawings etc. without changing the indented purpose of the Contract. If such changes cause an increase or decrease in the price or time required for the supply, the Supplier shall submit the proposal indicating the implications along with documentary evidence/ back-up documents/ calculations within 7 days, for review and processing of change order/amendment to the Contract by Purchaser/Consultant. On receipt of the amendment to the Contract, Supplier shall execute the change order.
- 9.3 Purchaser/Consultant shall not be bound by any printed conditions or provisions in the Supplier's Bid Forms or acknowledgment of Contract, invoices, packing list and other documents which purport to impose any conditions at variance with or supplemental to Contract.

10.0 USE OF CONTRACT DOCUMENTS & INFORMATION

- 10.1 The Supplier shall not, without the Purchaser's/Consultant's prior written consent, disclose the Contract or any provision thereof, or any specification, plan, drawing, pattern, sample or information furnished by or on behalf of the Purchaser in connection therewith, to any person other than a person employed by the Supplier in the performance of the Contract. Disclosure to any such employed person shall be made in confidence and shall extend only so far as may be necessary for purpose of such performance.
- 10.2 The Supplier shall not, without the Purchaser's prior written consent, make use of any document or information enumerated in clause no. 10.1. except for purpose of performing the Contract.

11.0 PATENT RIGHTS, LIABILITY & COMPLIANCE OF REGULATIONS

- 11.1 Supplier hereby warrants that the use or sale of the materials delivered hereunder will not infringe claims of any patent covering such material and Supplier agrees to be responsible for and to defend at his sole expense all suits and proceedings against Purchaser based on any such alleged patent infringement and to pay all costs, expenses and damages which Purchaser and/or Consultant may have to pay or incur by reason of any such suit or proceedings.
- 11.2 The Supplier shall, indemnify and hold harmless the Purchaser/Consultant and its employees and officers from and against any and all suits, actions or administrative proceedings, claims, demands, losses, damages, costs, and expenses of any nature, including attorney's fees and expenses, which the Purchaser/Consultant may suffer as a result of any infringement or alleged infringement of any patent, utility model, registered design, trademark, copyright, industrial design rights or other intellectual property right registered or otherwise by reason of
- (a) the installation or the use of the Goods or any part thereof in the country where the Site is located; and
 - (b) the sale of the products (which is produced by use of the Goods) in any country.
- 11.3 Supplier shall also protect and fully indemnify the Purchaser from any claims from Supplier's workmen/employees or their heirs, dependents, representatives, etc. or from any other person(s) or company(ies) etc. for any acts of commissions or omission while executing the Contract.
- 11.4 Supplier shall be responsible for compliance with all requirements under the laws and shall protect and indemnify completely the Purchaser from any claims/penalties arising out of any infringements.

12.0 CONTRACT PERFORMANCE SECURITY (CPS):

- 12.1 Within 30 days after the Supplier's receipt of FOA, the Supplier shall furnish Contract Performance Security (CPS) in the form of Demand Draft/online direct transfer/Bank Guarantee in the format attached as Appendix-III, for an amount equivalent to defined percentage (mentioned in tender/ FOA) of the total Purchase Order Value excluding GST on finished goods or for the amount mentioned in the Tender Document/FOA.
- 12.2 The proceeds of CPS shall be appropriated by the Purchaser as compensation for any loss resulting from the Supplier's failure to complete his obligations under the Contract without prejudice to any of the rights or remedies the Purchaser may be entitled to as per terms and conditions of Contract. The proceeds of this CPS shall also govern the successful performance of Goods and Services during the entire period of Contractual Warrantee/Guarantee.

In case of forfeiture of Contract Performance Security/ Security Deposit, the forfeited amount will be considered inclusive of tax and tax invoice will be issued by GAIL. The

forfeiture amount will be subject to final decision of GAIL based on other terms and conditions of order/ contract.

- 12.3 The CPS shall be denominated in the currency of the Contract.
- 12.4 The CPS shall be valid for the duration upto expiry of Warrantee/Guarantee period with claim period as per the format attached as Appendix-III. The Bank Guarantee will be discharged by Purchaser within 3 months from the date of expiration of the Supplier's entire obligations, including any warrantee/guarantee obligations, under the Contract.
- 12.5 All compensation, claim or other sums of money payable by the Supplier to the Purchaser/Consultant under terms of this Contract may be deducted from or paid by the encashment or sale of a sufficient part of his Contract Performance Security or from any sums which may be due or may become due to the Supplier by the Purchaser/Consultant of any account whatsoever and in the event of his CPS being reduced by reasons of any such deductions or sale of aforesaid, the Supplier shall within ten days thereafter make good in bank drafts/Bank Guarantee as aforesaid any sum or sums which may have been deducted from or realized by sale of his CPS, or any part thereof. The Supplier shall pay to the Purchaser/Consultant on demand any balance remaining due. No interest shall be payable by the Purchaser/Consultant for sum deposited as CPS and no claim whatsoever in this regard shall be entertained by Purchaser.

13.0 INSPECTION, TESTING & EXPEDITING

- 13.1 The Purchaser or its representative shall have the right to inspect and/or to test the Goods to confirm their conformity to the Contract specifications. The special conditions of Contract and/or the Technical Specifications shall specify what inspections and tests the Purchaser requires and where they are to be conducted. The Purchaser shall notify the Supplier in writing the identity of any representative(s) retained for these purposes.
- 13.2 The inspections and tests may be conducted on the premises of the Supplier or his sub-contractor(s), at point of Delivery and/or at the Goods' final destination. When conducted on the premises of the Supplier or his sub-contractor (s), all reasonable facilities and assistance including access to the drawings and production data shall be furnished to the inspectors at no charge to the Purchaser.
- 13.3 Should any inspected or tested Goods fail to conform to the Specifications, the Purchaser may reject them and the Supplier shall either replace the rejected Goods or make all alterations necessary to meet Specifications' requirements, free of cost to the Purchaser.
- 13.4 The Purchaser's right to inspect, test and where necessary reject the Goods after the Goods' arrival in the Purchaser's country shall in no way be limited or waived by reason of the Goods having previously been inspected, tested and passed by the Purchaser, or their representative prior to the Goods shipment from the country of Origin.

- 13.5 The Inspector may follow the progress of the manufacture of the Goods under the Contract to ensure that the requirements outlined in the Contract are not being deviated with respect to schedule and quality. Supplier shall allow the Inspector to visit, during working hours, the workshops relevant for execution of the Contract during the entire period of Contract validity.
- 13.6 Any materials/goods covered under scope of Contract, which during the process of inspection by Inspector, at any stage of manufacture/fabrication and subsequent stages, prior to dispatch is found not conforming to the requirements/specifications of the Purchase Order, shall be liable for immediate rejection. Supplier shall be responsible and liable for immediate replacement of such material with acceptable material at no extra cost or impact on the delivery schedule to Purchaser.
- 13.7 In order to enable Purchaser's representatives to obtain entry visas in time, Supplier shall notify Purchaser two months before assembly, testing and packing of main Equipment. If requested, Supplier shall assist Purchaser's representatives in getting visas in the shortest possible time (applicable only in case of foreign order).
- 13.8 Supplier shall place at the disposal of the Inspector, free of charge, all tools, instruments, and other apparatus necessary for the inspection and/or testing of the Goods. The Inspector is entitled to prohibit the use and dispatch of Goods and/or materials which have failed to comply with the characteristics required for the Goods during tests and inspections.
- 13.9 Supplier shall advise in writing of any delay in the inspection program at the earliest, describing in detail the reasons for delay and the proposed corrective action.
- 13.10 All Tests and trials in general, including those to be carried out for materials not manufactured by Supplier shall be witnessed by the Inspector. Therefore, Supplier shall confirm to Purchaser by fax or e-mail about the exact date of inspection with at least 30 days notice. Supplier shall specify the Goods and quantities ready for testing and indicate whether a preliminary or final test is to be carried out.
- 13.11 If on receipt of this notice, Purchaser should waive the right to witness the test, timely information will be given accordingly.
- 13.12 Any and all expenses incurred in connection with tests, preparation of reports and analysis made by qualified laboratories, necessary technical documents, testing documents and drawings shall be at Supplier's cost. The technical documents shall include the reference and numbers of the standards used in the construction and, wherever deemed practical by the Inspector, copy of such standards.
- 13.13 Nothing in Clause-13 shall in any way release the Supplier from any warrantee/guarantee or other obligations under this Contract.

13.14 Arrangements for all inspections required by Indian Statutory Authorities and as specified in technical specifications shall be made by Supplier.

13.15 INSPECTION & REJECTION OF MATERIALS BY CONSIGNEES

When materials are rejected by the consignee, the Supplier shall be intimated with the details of such rejected materials, as well as the reasons for their rejection, also giving location where such materials are lying at the risk & cost of the Supplier. The Supplier will be called upon either to remove the materials or to give instructions as to their disposal within 14 days and in the case of dangerous, infected and perishable materials within 48 hours from the date of such written Notice, failing which the consignee/Purchaser will either return the materials to the Supplier on freight to pay or otherwise dispose them off at the Supplier's risk and cost. The Purchaser shall also be entitled to recover handling & storage charges, as per Clause No. 27.4

14. TIME SCHEDULE & PROGRESS REPORTING

14.1 Time Schedule Network/Bar Chart

14.1.1 Together with the Contract confirmation, Supplier shall submit to Purchaser, his time schedule regarding the documentation, manufacture, testing, supply, erection and commissioning of the Goods.

14.1.2 The time schedule will be in the form of a network or a bar chart clearly indicating all main or key events regarding documentation, supply of raw materials, manufacturing, testing, delivery, erection and commissioning.

14.1.3 The original issue and subsequent revisions of Supplier's time schedule shall be sent to Purchaser.

14.1.4 The time schedule network/bar chart shall be updated at least every second month or as agreed with Purchaser.

14.2 Progress Trend Chart/Monthly Report

14.2.1 Supplier shall report monthly to Purchaser, on the progress of the execution of Contract and achievement of targets set out in time bar chart.

14.2.2 The progress will be expressed in percentages as shown in the progress trend chart attached to the Time Schedule specification.

14.2.3 The first issue of the Progress Trend Chart will be forwarded together with the time bar chart alongwith Contract confirmation.

- 14.2.4 Purchaser's/Consultant's representatives shall have the right to inspect Supplier's premises with a view to evaluating the actual progress of Contract execution on the basis of Supplier's time schedule documentation.
- 14.2.5 Irrespective of such inspection, Supplier shall advise Consultant, with copy to Purchaser, at the earliest possible date of any anticipated delay in the progress.
- 14.3 Notwithstanding the above, in case progress on the execution of contract at various stages is not as per time schedule and is not satisfactory in the opinion of the Purchaser/Consultant which shall be conclusive or Supplier shall neglect to execute the Contract with due diligence and expeditiousness or contravenes the provisions of the Contract, Purchaser/Consultant may give notice of the same in writing to the Supplier calling upon him to make good the failure, neglect or contravention complained of. Should Supplier fail to comply with such notice within the period considered reasonable by Purchaser/Consultant, the Purchaser/Consultant shall have the option and be at liberty to cancel the Contract wholly or in part out and make alternative arrangements to obtain the requirements and completion of Contract at the Supplier's risk and cost and recover from the Supplier, all extra cost incurred by the Purchaser on this account. In such event Purchaser/Consultant shall not be responsible for any loss that the Supplier may incur and Supplier shall not be entitled to any gain. Purchaser/Consultant shall, in addition, have the right to encash Contract Performance Security in full or part.

15. DELIVERY & DOCUMENTS AND DISPATCH SCHEDULE

- 15.1 Delivery of the Goods shall be made by the Supplier in accordance with terms specified in the Contract, and the goods shall remain at the risk of the Supplier until delivery has been completed.
- 15.2 Delivery shall be deemed to have been made:
- (i) In the case of FOB/FCA, CFR/CPT& CIF/CIP Contracts, when the Goods have been put on board the ship/flight, at the specified port of loading and a clean Bill of Lading/Airway Bill is obtained. The date of Bill of Lading/Airway Bill shall be considered as the delivery date.
 - (ii) In case of FOT despatch point Contract (For Indian bidder), on evidence that the goods have been loaded on the carrier and a negotiable copy of the Goods receipt obtained. The date of LR/GR shall be considered as the date of delivery.
 - (iii) In case of FOT site (for Indian bidders) Contract, date of receipt of Goods by Purchaser/Consultant at the designated site(s) shall be considered as the date of delivery.
 - (iv) For Contracts involving Services, the delivery/completion period for such Services mentioned in Contract shall commence from zero date as intimated by the Purchaser/Consultant in writing or as mentioned in SCC or elsewhere.

- 15.3 The delivery terms are binding and essential and consequently, no delay is allowed without the written approval of Purchaser/Consultant. Any request concerning delay will be void unless accepted by Purchaser/Consultant through a modification to the Contract.
- 15.4 Delivery time shall include time for submission of drawings for approval, incorporation of comments, if any, and final approval of drawings by Purchaser/Consultant.
- 15.5 In the event of delay in delivery, Price Reduction Schedule as stipulated in Clause– 26 shall apply. The Contract shall be continued to be in force till the delivery of Goods or written Notice from Purchaser to Supplier for termination of Contract.
- 15.6 It should be noted that if a Contract is placed on a higher bidder as a result of this tender, in preference to the lowest acceptable offer, in consideration of an earlier delivery, the Supplier will be liable to pay to GAIL the difference between the contract rate and the rate quoted by the lowest acceptable bidder in case of failure to complete the supply in terms of such Contract within the date of delivery specified in the Tender Document and incorporated in the Contract. This is without prejudice to other rights and remedies available to GAIL, under terms of Contract.
- 15.7 The documentation, in English Language, shall be delivered in due time, in proper form and in the required number of copies as specified in the contract.
- 15.8 The additional copies of final drawings and instructions will be included in the package of goods, properly enveloped and protected.
- 15.9 The Supplier should comply with the Packing, Marking and Shipping Documentation Specifications.

15.10 Dispatch Schedule

15.10.1 Indian Bidder:

If Purchase Order issued based on FOT (Free on Truck) / FOR (Free on Rail) project site basis, materials shall be delivered at the destination on freight prepaid & door delivery basis and for the cases where order(s) are finalized on Ex-works basis the transportation will be arranged by supplier(s) / GAIL on 'freight to pay' basis and the freight will be paid at the destination.

Supplier shall submit the following details of goods/cargo within 15 days from Notification of Award to the designated authority as per Purchase Order:

- (i) Shipments Schedule
- (ii) Dimension details of packages
- (iii) Detailed technical write-up along with Catalogue (if applicable)
- (iv) Any other document/details, if mentioned in Purchase Order

The consignment should be handed over to transporter with E-way bill, wherever required as per law/act. In case such e-way bill is required to be issued by GAIL, the concerned designated order issuing authority may be contacted in this regard. It will be the responsibility of the supplier to ensure the compliance of the provisions relating to E-Way bill before dispatch of the consignment and any financial implication arising due to non-compliance in this regard will be to the account of the supplier.

It shall be responsibility of the Supplier to send intimation immediately on dispatch of the material so that necessary arrangements can be made at site. Delays on account of the same shall solely be attributable to the Supplier.

15.10.2 Foreign Bidder:

Where the Supplier is required under the Contract to deliver the Goods on CFR or CIF, transportation of the Goods to the port of discharge or such other point in the country of destination as shall be specified in the Contract shall be arranged and paid for by the Supplier and the for the cases where order(s) are finalized on FOB or FCA basis the transportation will be arranged by GAIL.

Supplier shall submit the following details of goods/cargo within 15 days from Notification of Award to the designated authority as per Purchase Order:

- (i) Shipments Schedule
- (ii) Dimension details of packages
- (iii) Detailed technical write-up along with Catalogue (if applicable)
- (iv) Any other document/details, if mentioned in Purchase Order

It shall be responsibility of the Supplier to send intimation and Original Shipping Documents immediately on dispatch of the material so that necessary arrangements can be made at Destination Port. Delays on account of the same shall solely be attributable to the Supplier.

All equipments / materials are to be insured by GAIL for transit/marine risks unless specified otherwise in the purchase order, to cover the damages during the transportation etc.

Any such damage during the transportation shall be immediately notified to under-writers as well as the transporter, for further necessary action for recovery of transit damages.

For the purpose of arranging transit/marine insurance of the goods despatched / shipped, vendors are required to furnish the despatch / shipping particulars to the Insurance Company giving complete details of despatches along with Policy No. etc.

16 TRANSIT RISK INSURANCE

16.1 All Goods supplied under the contract shall be fully insured in a freely convertible currency against loss or damage incidental to manufacture or acquisition, transportation, storage and delivery.

16.2 The Purchaser shall arrange transit risks Insurance for the Goods supplied by indigenous Supplier unless specified otherwise in the Purchase Order, to cover the risk & damages during the inland transportation. Further, where delivery is on FOB/FCA or CFR/CPT basis, marine insurance shall be the responsibility of the Purchaser.

Any such damage during the transportation shall be immediately notified to under-writers as well as the transporter under intimation to consignee, for further necessary action for recovery of transit damages.

16.3 Insurance Requirements:

Indigenous Supplier: Transit risk insurance from F.O.T. despatch point onwards shall be arranged and borne by GAIL unless specified otherwise in the Purchase Order.

Immediately after shipment, the Supplier shall inform the Purchaser's insurance agent and Purchaser/Consultant giving the details of shipment regarding LR number and date, invoice no. & date with value, number of packages/cases, gross/net weight, value of goods and Purchase Order number along with Insurance policy no., for arranging insurance of the consignment against transit risk from the despatch point to the Site/warehouse of the consignee.

Foreign Supplier : Marine insurance as well as transit insurance in Purchaser's country shall be arranged and borne by GAIL, in case of EXW, FOB/FCA, CFR/C&F orders as per INCOTERMS.

Immediately after shipment, the Supplier shall inform the Purchaser's insurance agent and Purchaser/Consultant giving the details of shipment regarding name of vessel, B/L or AWB number and date, invoice no. & date with value, packing details including number of packages/cases&gross/net weight, value of goods and Purchase Order number & date, ETD & ETA of vessel at ports along with Insurance policy no., for arranging necessary insurance.

The Supplier shall ensure that in effecting despatch of Goods, the primary responsibility of the carriers for safe movement is always retained so that the Purchaser's interests are fully safeguarded and are in no way jeopardised. The Supplier shall furnish the cost of materials against each equipment.

Purchaser's Insurance Agent& Insurance policy no.:

[The name and address of Insurance Agent and Insurance policy no. shall be mentioned in Tender Document/Purchase Order]

17. PACKING & SHIPPING INSTRUCTIONS AND TRANSPORTATION

17.1 Packing & Marking:

The Supplier shall dispatch the materials in worthy/Sea worthy/Air worthy packing conforming to the international norms of packing/ prescribed standards in force to withstand air/ocean/land journey and ensuring the safety of cargo en-route and also arrival of materials at ultimate destination in good condition. Hazardous/dangerous cargo ordered alongwith other material, against a particular supply order, the hazardous/dangerous cargo should be packed in a separate identifiable box to avoid payment of excess freight and delay in clearance. The consignment shall be comprehensively insured against all risks by the Supplier in case of contracts with transit insurance in Supplier's scope from Supplier's ware-house to ultimate consignee's ware-house basis and each case/packing shall have on its outer side the following marking in English in indelible ink:

- (i) Purchase Order No. and date
- (ii) Country of origin (Applicable for Foreign Suppliers)
- (iii) Name of Supplier
- (iv) Case number (running number upon total number of boxes).
- (v) Gross and net weight in Kilogram on each box.
- (vi) Dimension of packages
- (vii) Port of destination (Applicable for Foreign Suppliers)
- (viii) Consignee
- (ix) TOP/DON'T TURNOVER/HANDLE WITH CARE (as applicable)
- (x) The equipment which cannot be packed shall bear metal tags with above marking indicated thereon. Each box shall contain one copy of packing list and Material Safety Data Sheet (if applicable) in English.

In case of hazardous chemicals / materials the bidder will provide Material Safety Data Sheets along with quotation and also while dispatching the materials. The bidder will also provide special hazard identification symbols / markings on each packing of hazardous chemicals.

The Supplier shall be held liable for all damages or breakages to the goods due to the defective or insufficient packing as well as for corrosion due to insufficient protection. Packaged equipment or material showing damage, defects or shortages resulting from improper packaging material or packing procedures or having concealed damage or shortages, at the time of unpacking shall be to the Supplier's account.

Wherever the items make a full truck load, the suppliers to dispatch such items in a full truck direct to the consignee on a door delivery basis to the site. In such cases, the

supplier to send a consignee copy of the lorry receipt to the consignee along with the consignment and the consignment shall be booked to GAIL and not "self". The supplier should dispatch the consignments to the designated consignee. All dispatch documents, that is, railway/lorry receipt, goods consignment note, airway bill, invoices, packing list, freight memos, test certificate, and so on, shall be sent to the concerned authority which will arrange to make the payment. If the payment is to be made through the bank, all original documents are to be sent through the designated bank.

Where critical equipment is involved, suitable special instructions will be provided in SCC to the supplier about the mode of transport, loading, avoidance of transshipment and, if necessary, provision of escorts. In case of chemicals, powdery materials, liquid materials, and so on, supplier is to ensure proper packaging to avoid spillage en route, so as to avoid pollution problems and also to conform to the ISO 14001 standard (wherever applicable).

17.2 **Shipping Instructions:**

The Supplier shall notify the Purchaser/Consultant & all concerned and also the port as well as ultimate consignee by e-mail the Bill of Lading/Airway Bill number and date, the name of ship/flight, ship manifest, the date of departure of the ship/flight, the port of loading and destination, brief description of materials, gross/net weight and total number of packages, quantity, value and Purchase Order number and date within 2 days from the departure of the ship or within 24 hours from the departure of the flight from the port of loading.

- 17.3 Copies of dispatch documents should reach Purchaser/Consultant well in advance failing which any demurrage/wharfage etc. incurred on account of late/ non-receipt of dispatch document/wrong dispatches of consignment will be recovered from Supplier. In case of documents through Bank, it may be noted that the documents will be retired only if the dispatches are made as per the terms of the Purchase Order.
- 17.4 Where the Supplier is required under the Contract to deliver the Goods on FOB/FCA basis, transport of the Goods until delivery, that is, upto and including the point of putting the Goods on board the export conveyance at the specified port of loading, shall be arranged and paid for by the Supplier and the cost thereof shall be included in the Purchase Order Value.
- 17.5 Where the Supplier is required under the Contract to deliver the Goods on CFR/CPT or CIF/CIP basis, transport of the Goods to the port of discharge or such other point in the country of destination as specified in the Contract shall be arranged and paid for by the Supplier and the cost thereof shall be included in the Purchase Order Value.
- 17.6 Where the Supplier is required under the Contract to deliver the Goods on FOT destination point basis, transport of the Goods upto the destination point shall be specified in the Contract shall be arranged and paid by the Supplier and the cost thereof shall be included in the Purchase Order Value.

- 17.7 As per the Section 3 of the “Carriage by Road Act 2007”, no person can engage in the business of a common carrier unless granted a certificate of registration to do so and any transportation of goods through unregistered common carrier is illegal. Accordingly, Goods should be transported through registered common carriers only.

18. INCIDENTAL SERVICES

- 18.1 The Supplier may be required to provide any or all of the following Services:

- 18.1.1 Performance or supervision of onsite assembly and/or start-up of the supplied Goods:

- 18.1.2 Furnishing tools required for assembly and/or maintenance of the supplied Goods:

- 18.1.3 Performance or supervision or maintenance and/or repair of the supplied Goods, for a period of time agreed by the parties, provided that this Service shall not relieve the Supplier of any warrantee/guarantee obligations under the Contract.

- 18.1.4 Training of the Purchaser’s personnel at the Supplier’s premise and/or at Site, in assembly, start-up operation, maintenance and/or repair of the supplied Goods at no extra cost. However, Purchaser will bear boarding, lodging & personal expenses of Trainees.

- 18.2 Prices charged by the Supplier for the preceding incidental Services, shall not exceed the prevailing rates charged to other parties by the Supplier for similar services.

- 18.3 When required, Supplier shall depute necessary personnel for supervision and/or erection of the Goods/Equipments at site for duration to be specified by Purchaser on mutually agreed terms. Supplier’s personnel shall be available at Site within seven Days for emergency action and twenty-one Days for medium and long-term assistance, from the date of notice given by Purchaser.

- 18.4 If the cost of incidental Services is not shown separately in the Price Schedules /t Schedule of Rates, then the same shall be considered included in the quoted prices.

19. SPARE PARTS, MAINTENANCE TOOLS ETC.

- 19.1 Supplier may be required to provide any or all of the following materials and notification pertaining to Spare parts (including standby equipments, accessories, sub-assemblies/assemblies etc.) manufactured or sourced by the Supplier. Such Spares shall be supplied directly by Supplier and the responsibility shall not be passed on to his dealers/distributors/stockists or Indian associates.

- 19.1.1 Such Spare parts as the Purchaser may opt to purchase from the Supplier, provided that his option shall not relieve the Supplier of any warrantee obligations under the Contract, and

19.1.2 In the event of termination of production of the spare parts:

- i) Advance notification to the Purchaser of the pending termination, in sufficient time to permit the Purchaser to procure such Spares, and
- ii) Following such termination, furnishing at no cost to the Purchaser, the blue prints, drawings and specifications of the spare parts, if any when requested.

19.2 Supplier shall supply item wise list with value of each item of Spare parts and maintenance tools requirements, along with full details of all manufacturers/ sub-supplier(s) for spares/maintenance tools sourced by Supplier.

19.3 Spare parts shall be new and of first class quality as per engineering standards/ codes, free of any defects (even concealed), deficiency in design, materials & workmanship and also shall be completely interchangeable with the corresponding parts.

19.4 Type and sizes of FILTER ELEMENTS shall be clearly indicated.

19.5 Spare parts shall be packed for long storage under tropical climatic conditions in suitable cases, clearly marked as to intended purpose.

19.6 A list of special tools and gauges required for normal maintenance and special handling and lifting appliances, if any, for the Goods, shall be submitted to Purchaser.

19.7 Bidders should note that if they do not comply with above conditions, their Bid may be rejected.

20. **GUARANTEE**

20.1 All Goods or Materials shall be supplied strictly in accordance with the specifications, drawings, data sheets, other attachments and conditions stated in the Contract.

No deviation from such specifications or alterations or of these conditions shall be made without Purchaser's /Consultant's agreement in writing which must be obtained before any work against the order is commenced. All materials supplied by the Supplier pursuant to the Contract (irrespective of whether engineering, design data or other information has been furnished, reviewed or approved by Purchaser/Consultant) are guaranteed to be of the best quality of their respective kinds (unless otherwise specifically authorised in writing by Purchaser/Consultant) and shall be free from faulty design, workmanship and materials, and to be of sufficient size and capacity and of proper materials so as to fulfil in all respects all operating conditions, if any, specified in the Contract.

If any trouble or defect, originating with the design, material, workmanship or operating characteristics of any materials, arises at any time prior twelve(12) months from the date of the first commercial operation of the Goods/Equipments or twenty four (24) months from the date of last shipment whichever period shall first expire, and the Supplier is

notified thereof, Supplier shall, at his own expense and as promptly as possible, make such alterations, repairs and replacements as may necessary to permit the materials to function in accordance with the specifications and to fulfil the foregoing guarantees. However, in no case, warranty of repaired/replaced part shall exceed 24 months from the date of commissioning of original equipment or 36 months from last supply, whichever is earlier. This period excludes repair/replacement/rectification period of defective goods.

Purchaser/Consultant may, at his option, remove such defective materials, at Supplier's expense in which event Supplier shall, without cost to Purchaser/Consultant and as promptly as possible, furnish and install proper materials.

In case defects are of such nature that Goods shall have to be taken to Supplier's works for rectification etc., Supplier shall take the Goods at his costs after giving necessary undertaking or security as may be required by Purchaser/Consultant. Purchaser/Consultant may, if so required by the Supplier, dispatch the Goods by quickest mode on "Freight-to-pay" basis to the Supplier's works. After repairs Supplier shall deliver the Goods at Site on freight pre-paid basis. All risks in transit to and fro and all expenses on account of to and fro freight, insurance, customs clearance, transportation and handling, port charges and customs duty etc. shall be borne by the Supplier.

In the event that the materials supplied do not meet the specifications and/or not in accordance with the drawings data sheets or the terms of the Contract (including guarantee period) and rectification is required at site, Purchaser/Consultant shall notify the Supplier giving full details of differences. The Supplier shall attend the site within seven (7) days of receipt of such notice to meet and agree with representatives of Purchaser/Consultant, the action required to correct the deficiency. Should the Supplier fail to attend meeting at Site within the time specified above, Purchaser/Consultant shall immediately rectify the work/materials and Supplier shall reimburse Purchaser all costs and expenses incurred in connection with such trouble or defect.

20.2 Performance Guarantee of Equipment

20.2.1 Supplier shall guarantee that the performance of the Equipment supplied under the Contract shall be strictly in conformity with the specifications and shall perform the duties specified under the Contract.

20.2.2 If the Supplier fails to prove the guaranteed performance of the Equipment set forth in the specification, the Supplier shall investigate the causes and carry out necessary rectifications/modifications to achieve the guaranteed performance. In case the Supplier fails to do so within a reasonable period, the Supplier shall replace the Equipment and prove guaranteed performance of the new equipment without any extra cost to Purchaser.

20.2.3 If the Supplier fails to prove the guarantee within a reasonable period, Purchaser/Consultant shall have the option to take over the Equipment and rectify, if possible, the Equipment to fulfil the guarantees and/or to make necessary additions to make

up the deficiency at Supplier's risk and cost. All expenditure incurred by the Purchaser/Consultant in this regard shall be to Supplier's account.

21. TERMS OF PAYMENT

21.1 In case of supply, payment shall be released **within 15 days** after receipt and acceptance of goods and submission of relevant documents complete in all respects through e-banking unless otherwise specifically mentioned in the Special Conditions of Contract.

21.2 The type(s) of payment to be made to the Supplier under this Contract shall be as mentioned above unless otherwise specifically specified in the Special Conditions of Contract.

21.3 The Supplier's request(s) for payment shall be made to the Purchaser in writing accompanied by an invoice describing, as appropriate, the Goods delivered and services performed, and by shipping documents submitted, and upon fulfillment of other obligations stipulated in the Contract. For release of payment, the following documents is to be submitted by supplier/ vendor:

- i) Supplier's Invoice indicating, inter alia description and specification of the goods, quantity, unit price, total value;
- ii) Packing list;
- iii) LR/GR/consignment note;
- iv) Manufacturer's guarantee certificate and in-house inspection certificate (wherever applicable);
- v) Inspection certificate issued by purchaser's inspector (wherever applicable); and
- vi) Any other document(s) as and if required in terms of the contract.

21.4 Payment will be made in the currency or currencies in which the Contract Price has been stated in the Supplier's bid, as well as in other currencies in which the Supplier had indicated in his bid that he intends to incur expenditure in the performance of the Contract and wishes to be paid. If the requirements are stated as a percentage of the bid price alongwith exchange rates used in such calculations these exchange rates shall be maintained.

21.5 Mentioning of PAN no. in Invoice/Bill

As per CBDT Notification No. 95/2015 dated 30.12.2015, mentioning of PAN no. is mandatory for transactions related to procurement of goods / services exceeding Rs. 2 Lakhs per transaction or as amended from time to time.

Accordingly, Supplier should mention their PAN no. in their invoice/ bill for any transaction exceeding Rs. 2 lakhs. As provided in the notification, in case Supplier do not have PAN no., they have to submit declaration in Form 60 along with invoice/ bill for each transaction.

Payment of Supplier shall be processed only after fulfilment of above requirement.

- 21.6 Foreign Suppliers should ensure submission of Tax Residency Certificate(TRC), Form 10F or Permanent Establishment(PE) information within specified time.

General Notes:

- (i) All foreign currency payments to foreign bidder shall be released through Cash against Documents (CAD) through bank, If Supplier insists payment through an irrevocable Letter of Credit, which shall be opened through Government of India Nationalised Bank and hence shall not be confirmed. In case any bidder insists on confirmation, charges towards confirmation shall be borne by him. L/C shall be established within 30 days after receipt of acknowledgement of Letter/Fax of Acceptance/Purchase Order together with Contract Performance Security.
- (ii) For dispatches on FOT dispatch point (in India) basis involving payment through bank, the payment shall be through Purchaser's bank. Payment through Bank, wherever applicable, shall be released as per normal banking procedures.
- (iii) All bank charges incurred in connection with payments shall be to Supplier's account in case of Indian bidders and to respective accounts in case of Foreign bidder.
- (iv) Unless otherwise specifically stated in Bid Document, all payments shall be made in the currency quoted.
- (v) No interest charges for delay in payments, if any, shall be payable by Purchaser.
- (vi) In case of Indian bidder, variation, if any, on account of customs duty on their built-in- import content, as per terms of bid document, shall be claimed separately by bidder after receipt of goods at site(s). However, any price benefits to the Purchaser, on account of such variation as per terms specified in the Bid Document, shall be passed on to the Purchaser alongwith invoicing itself.
- (vii) Agency commission, if any, to Indian agent for Foreign bidders, indicated in prices, shall be paid to the agent in equivalent Indian Rupees on receipt and acceptance of material at site and after completion of its role & responsibility by such agent.
- (viii) Wherever buy-back is involved, 5% payment towards supply of new item shall be made only after uplifting the buy-back items.

21.7

Further, after implementation of Vendor Invoice Management (VIM) Supplier/ Vendor to forward the invoice on VIM Collection Center or upload digital invoice on Portal (details of same will be provided in tender/contract). The copy of invoice and all other document mentioned above or in order/ contract is to be forwarded to address provided in order/contract.

22. **PRICES**

- 22.1 Prices charged by the Supplier for Goods delivered and Services performed under the Contract shall not, with the exception of any price adjustments authorized by the Contract, vary from the prices quoted by the Supplier in his bid.

23. **SUBLETTING & ASSIGNMENT**

- 23.1 The Supplier shall not without previous consent in writing of the Purchaser authority, sublet, transfer or assign the Contract or any part thereof or interest therein or benefit or advantage thereof in any manner whatsoever. Provided, nevertheless, that any such consent shall not relieve the Supplier from any obligation, duty or responsibility under the Contract.
- 23.2 There is no obligation on part of Purchaser/Consultant to release any payment to Sub-Contractor.

24. **TIME AS ESSENCE OF CONTRACT**

- 24.1 The original or extended time of delivery/completion of the Goods/Services as stipulated in the Contract shall be deemed to be the essence of the Contract.

25. **DELAYS IN THE SUPPLIER'S PERFORMANCE**

- 25.1 If the specified delivery schedule is not adhered to or the progress of manufacture or supply of the items is not satisfactory or is not in accordance with the progress schedule, the Purchaser has the right to:
- i) hire for period of delay from elsewhere goods which in Purchaser's opinion will meet the same purpose as the Goods which are delayed and Supplier shall be liable without limitation for such hire charges plus overhead charges @ 15% thereupon; or
 - ii) terminate /cancel the Contract in whole or in part without liability for termination/cancellation charges. In that event, Purchaser may procure from elsewhere goods which Purchaser's opinion would meet the same purpose as the Goods for which Contract is cancelled and Supplier shall be liable without limitations for the difference between the cost of such substitution and the price set forth in the Contract for the Goods involved; or
 - iii) hire the substitute goods vide (i) above and if the ordered goods continue to remain undelivered thereafter, cancel the order in part or in full vide (ii) above.

25.2 Any inexcusable delay by the Supplier or his sub-contractor shall render the Supplier liable, without prejudice to any other terms of the Contract, to any or all of the following sanctions:

- forfeiture of Contract Performance Security,
- imposition of price reduction for delay in delivery and
- termination of the contract for default.

As per Performance Evaluation procedure (Appendix-II), the Supplier's non-performance or poor performance shall affect the future business relationship with GAIL and its PMCs.

26. PRICE REDUCTION SCHEDULE (PRS) FOR DELAYED DELIVERY

26.1 Subject to Clause-29, if the Supplier fails to deliver any or all of the Goods or performance of the services within the time period (s) specified in the Contract, the Purchaser shall, without prejudice to his other remedies under the Contract, deduct from the Contract Price, a sum calculated on the basis of the Contract Price, including subsequent modifications.

26.1.1 Deductions shall apply as per following formula:

A. For order including only supply of Goods/Equipment/Package

In case of delay in delivery of equipment/materials or delay in completion, PRS shall be applicable ½ % (half percent) of the order value per complete week of delay or part thereof subject to a maximum of 5% (five percent) of the Total Contract Price/ Order Value.

The portion of supply completed in all respect which can be used for commercial operation shall not be considered for applying PRS, if delivered within contractual delivery period. The remaining supplies which are completed beyond the contractual delivery shall attract price reduction schedule @1/2 % of the delayed delivery value maximum up to 5% of total Purchase Order Value.

Decision of the Purchaser in the matter of usage for commercial operation shall be final and binding.

Note: When installation and/or commissioning is in Supplier's scope, the above clause 'A' will not be applicable, in such cases clause 'B' below will be applicable.

B. For order including both supply of Goods and Services (i.e. supervision, installation, erection, commissioning etc.)

For delay in supply:

The PRS shall be applicable @ ½ % (half percent) of price of respective goods/equipment / package (including spares etc. even if prices are indicated separately in the order but excluding value of Services) per week of delay or part thereof subject to maximum 5% (five percent) of Total Contract/ Order Value excluding value of Services.

For delay in Services (i.e. supervision, installation, erection, commissioning etc.):

The PRS shall be applicable @ ½ % (half percent) of Total Contract/ Order Value of respective equipment / package (including value of spares, Services etc. even if prices are indicated separately in the Contract) per week of delay or part thereof subject to maximum 5% (five percent) of Total Contract/ Order Value including value of Services.

In no case, total PRS shall exceed 5% (five percent) of Total Contract/ Order Value (Supply + Services).

However, if the completion of supply and services together are achieved within the overall completion period, no PRS shall be applicable.

For specific provision relating to supervision by Supplier (wherever applicable), refer SCC.

- 26.2 Both Supplier and Purchaser agree that the above percentages of price reduction are genuine pre estimates of the loss/damage which the Purchaser would have suffered on account of delay/breach on the part of the Supplier and the said amount will be payable on demand without there being any proof of the actual loss/or damage caused by such breach/delay. A decision of the Purchaser/EIC in the matter of applicability of price reduction shall be final and binding.
- 26.3 In case of delay in delivery on the part of Supplier, the invoice/document value shall be reduced proportionately for the delay and payment shall be released accordingly.
- 26.4 In the event the invoice value is not reduced proportionately for the delay, the Purchaser may deduct the amount so payable by Supplier, from any amount falling due to the Supplier or by recovery against the Contract Performance Security.
- 26.5 In case of Annual Rate Contract (ARC), the PRS shall be applicable on the value of Release Order /Individual Order(s) and not on the entire value of ARC.
- 26.6 In case of FOT Site /dispatch point order, the value referred in PRS clause is the EXW value (i.e. excluding GST and Freight/Inland Transportation) for delay in supply. In case of Import, PRS shall be applicable on FOB amount (except EXW orders) for delay in supply.

- 26.7 PRS is the reduction in the consideration / contract value for the goods / services covered under this contract. In case of delay in supply/ execution of contract, Supplier should raise invoice for reduced value as per Price Reduction Schedule Clause (PRS clause). If Supplier has raised the invoice for full value, then Supplier shall issue Credit Note towards the applicable PRS amount with applicable taxes.

In such cases if Supplier fails to submit the invoice with reduced value or does not issue credit note as mentioned above, GAIL will release the payment to Supplier after giving effect of the PRS clause with corresponding reduction of taxes charged on vendor's invoice, to avoid delay in delivery/collection of material.”

In case any financial implication arises on GAIL due to issuance of invoice without reduction in price or non-issuance of Credit Note, the same shall be to the account of Supplier. GAIL shall be entitled to deduct / setoff / recover such GST amount (CGST & SGST/UTGST or IGST) together with penalties and interest, if any, against any amounts paid or becomes payable by GAIL in future to the Supplier under this contract or under any other contract.

27. **REJECTIONS, REMOVAL OF REJECTED EQUIPMENT & REPLACEMENT**

- 27.1 Preliminary inspection at Supplier's works by Inspector shall not prejudice Purchaser's/Consultant's claim for rejection of the Goods / Equipment on final inspection at Site or claims under warranty provisions.
- 27.2 If the Equipments are not of specification or fail to perform specified duties or are otherwise not satisfactory the Purchaser/Consultant shall be entitled to reject the Equipment/Material or part thereof and ask free replacement within reasonable time failing which obtain his requirements from elsewhere at Supplier's cost and risk.
- 27.3 Nothing in this clause shall be deemed to deprive the Purchaser and/or Affect any rights under the Contract which it may otherwise have in respect of such defects or deficiencies or in any way relieve the Supplier of his obligations under the Contract.
- 27.4 Goods/Equipment rejected by the Purchaser/Consultant shall be removed by the Supplier at his cost within 14 days of notice after repaying the amounts received against the Supply. Failure or any delays of Supplier for removal of Goods/Equipment, the Purchaser shall also be entitled to recover handling and storage charges @5% of the estimated value of such Goods for each month or part of a month without relieving the Supplier from any other related liability. In the event of the Supplier's failure to remove the same within a period of 6 months or as decided by the Purchaser, the Purchaser may take action for removal through auction or sale on behalf of the Supplier and at his risk in all respects. The Supplier shall be liable to pay the Purchaser the handling & storage charges as mentioned above plus overhead charges @ 15% of sale value of such materials. The decision of Purchaser w.r.t. such removal and the amount of the proceeds shall be final and binding on the Supplier. The Purchaser shall in no way be responsible for any deterioration or damage to the Equipment under any circumstances whatsoever.

- 27.5 In case of rejection of Equipment, Purchaser shall have the right to recover the amounts, if any, from any of Supplier's invoices pending with Purchaser or by alternative method(s).

28. TERMINATION OF CONTRACT

28.1 Termination for Default

- 28.1.1 The Purchaser may, without prejudice to any other remedy for breach of Contract, by written notice of default sent to the Supplier, terminate the Contract in whole or in part:

- (i) If the Supplier fails to deliver any or all of the Goods within the time period(s) specified in the Contract; or
- (ii) If the Supplier fails to perform any other obligation(s) under the Contract, and
- (iii) If the Supplier, in either of the above circumstances, does not cure his failure within a period of 30 days (or any such period as the Purchaser may authorize in writing) after receipt of the default notice from the Purchaser.

- 28.1.2 In the event the Purchaser terminates the Contract in whole or in part, pursuant to clause no. 28.1.1, the Purchaser may procure, upon such terms and in such manner as it deems appropriate, goods similar to those undelivered and the Supplier shall be liable to the Purchaser for any excess costs for such similar Goods. However, the Supplier shall continue performance of the Contract to the extent not terminated.

- 28.1.3 In case of termination of Contract herein set forth (under clause 28) [except under conditions of Force Majeure (under clause 29)], the Purchaser is entitled to put Supplier on under Suspension and/or Holiday as per provisions of "Procedure for Action in Case of Corrupt/Fraudulent/Collusive/Coercive Practices (Appendix-I)" and "Procedure for Evaluation of Performance of Vendor/ Supplier/ Contractor/ Consultant" of Tender Document (Appendix-II)".

28.2 Termination for Insolvency

- 28.2.1 The Purchaser, may at any time, terminate the Contract by giving written notice to the Supplier, without compensation to the Supplier, if the Supplier becomes bankrupt or otherwise insolvent, provided that such termination will not prejudice or affect any right of action or remedy which has accrued or will accrue thereafter to the Purchaser.

28.3 Termination for Convenience including short-closure

- 28.3.1 The Purchaser may, by written notice/communication to the Supplier, may short-close/ terminate the Contract, in whole or part, at any time for his convenience. The notice/ communication to the Supplier shall specify that short-closure/termination is for the Purchaser's convenience, the extent to which performance of work under the Contract is

short-closed/terminated and the date upon which such short-closure/termination becomes effective.

28.3.2 The Goods that are complete and ready for shipment within 30 days after the Supplier's receipt of notice/communication of termination/short-closure shall be purchased by the Purchaser at the Contract terms and prices. For the remaining Goods, the Purchaser may opt:

- (i) to have any portion completed and delivered at the Contract terms and prices, and /or
- (ii) to cancel the remainder and pay to the Supplier an agreed amount for partially completed Goods and for materials and parts previously procured by the Supplier.

28.4 Termination of Contract for Corrupt/Fraudulent/ Collusive/Coercive Practices and Non-Performance

If the Bidder/Supplier is found to have indulged in Corrupt/Fraudulent /Collusive/Coercive practices, the Contract shall be terminated and the Bidder/ Supplier shall be banned for future business with GAIL. The detailed procedure for banning including suspension in this regard is attached as Appendix-I to this GCC.

Due to non- performance of the Supplier leading to termination of the Contract, the Supplier shall be put on suspension list and also on holiday list of Purchaser for a period mentioned in the detailed procedure. The detailed procedure for evaluation of performance in this regard is attached as Appendix-II to this GCC.

29. FORCE MAJEURE

29.1 Force Majeure shall mean and be limited to the following:

- (i) Act of terrorism;
- (ii) Riot, war, invasion, act of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection of military or usurped power;
- (iii) Ionizing, radiation or contamination, radio activity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel, radioactive toxic explosive or other hazardous properties of any explosive assembly or nuclear component;
- (iv) Pandemic, Epidemics, earthquakes, flood, natural fire/wildfire, hurricanes, typhoons or other physical natural disaster, but excluding weather conditions regardless of severity; and
- (v) Freight embargo, strikes at national or state-wide level or industrial disputes (more than 7 consecutive days) at a national or state-wide level where supplier's Works is located.

For the avoidance of doubt, inclement weather, third party breach, delay in supply of materials (other than conditions mentioned above at sl. no. (i) to (v)) or commercial hardship shall not constitute a Force Majeure event.

The Supplier shall advise Purchaser/Consultant by a registered letter/courier duly certified by the local Chamber of Commerce or statutory authorities, the beginning and end of the

above causes of delay within ten (10) days of the occurrence and cessation of such Force Majeure Conditions.

The extension of time for a period upto the period of delay attributable to the causes of Force Majeure shall be the sole remedy of the Supplier for any delay under this clause and the Supplier shall not be entitled in addition to or in lieu of such extension to claim any damages or compensation on any account whatsoever whether under the law governing contracts or any other law in force, and the Supplier hereby waives and disclaims any and all contrary rights.

In case force majeure conditions persists for period exceeding 02 (Two) Months, the Purchaser reserves the right to cancel the Purchase order or part of it.

Supplier shall categorically specify the extent of Force Majeure Conditions prevalent in their works at the time of submitting their bid and whether the same have been taken into consideration or not in their quotations. In the event of any force majeure cause, the Supplier or the Purchaser shall not be liable for delays in performing their obligations under this order and the delivery dates will be extended to the Supplier without being subject to price reduction for delayed deliveries, as stated elsewhere.

Payment in case of termination due to Force Majeure

In case of termination of Order/contract due to Force Majeure, the Supplier will get payment of goods supplied and/ or services performed as at the date of the commencement of the relevant event of Force Majeure.

The Supplier has no entitlement and Purchaser has no liability for:

- (i) Any costs, losses, expenses, damages or the payment of any part of the Order/ Contract Price during an event of Force Majeure; and
- (ii) Any delay costs in any way incurred by the Supplier due to an event of Force Majeure.

30. DISPUTE RESOLUTION MECHANISM

30.1 Conciliation

GAIL (India) Limited has framed the Conciliation Rules 2010 in conformity with Part – III of the Arbitration and Conciliation Act 1996 as amended from time to time for speedier, cost effective and amicable settlement of disputes through conciliation. All issue(s)/dispute(s) arising under the Contract, which cannot be mutually resolved within a reasonable time, may be referred for conciliation in accordance with GAIL Conciliation Rules 2010 as amended from time to time. A copy of the said rules have been made available on GAIL's web site i.e. www.gailonline.com.

Where invitation for Conciliation has been accepted by the other party, the Parties shall attempt to settle such dispute(s) amicably under Part-III of the Arbitration and Conciliation Act, 1996 and GAIL (India) Limited Conciliation Rules, 2010. It would be only after exhausting the option of Conciliation as an Alternate Dispute Resolution Mechanism that the Parties hereto shall invoke Arbitration Clause. For the purpose of this clause, the option

of ‘Conciliation’ shall be deemed to have been exhausted, even in case of rejection of ‘Conciliation’ by any of the Parties.

30.2 Arbitration

All issue(s)/dispute(s) excluding the matters that have been specified as excepted matters and listed at clause no. 30.2.6 and which cannot be resolved through Conciliation, such issue(s)/dispute(s) shall be referred to arbitration for adjudication by Sole Arbitrator.

The party invoking the Arbitration shall have the option to either opt for Ad-hoc Arbitration as provided at Clause 30.2.1 below or Institutionalized Arbitration as provided at Clause 30.2.2 below, the remaining clauses from 30.2.3 to 30.2.7 shall apply to both Ad-hoc and Institutional Arbitration:-

30.2.1 On invocation of the Arbitration clause by either party, GAIL shall suggest a panel of three independent and distinguished persons (Retd Supreme Court & High Court Judges only) to the other party from the Panel of Arbitrators maintained by ‘Delhi International Arbitration Centre (DIAC) to select any one among them to act as the Sole Arbitrator. In the event of failure of the other party to select the Sole Arbitrator within 30 days from the receipt of the communication from GAIL suggesting the panel of arbitrators, the right of selection of the sole arbitrator by the other party shall stand forfeited and GAIL shall appoint the Sole Arbitrator from the suggested panel of three Arbitrators for adjudication of dispute(s). The decision of GAIL on the appointment of the sole arbitrator shall be final and binding on the other party. The fees payable to Sole Arbitrator shall be governed by the fee Schedule of ‘‘Delhi International Arbitration Centre’.

OR

30.2.2 If a dispute arises out of or in connection with this contract, the party invoking the Arbitration shall submit that dispute to any one of the Arbitral Institutions i.e. ICADR/ICA/DIAC/SFCA and that dispute shall be adjudicated in accordance with their respective Arbitration Rules. The matter shall be adjudicated by a Sole Arbitrator who shall necessarily be a Retd. Supreme Court/High Court Judge to be appointed/nominated by the respective institution. The cost/expenses pertaining to the said Arbitration shall also be governed in accordance with the Rules of the respective Arbitral Institution. The decision of the party invoking the Arbitration for reference of dispute to a specific Arbitral institution for adjudication of that dispute shall be final and binding on both the parties and shall not be subject to any change thereafter. The institution once selected at the time of invocation of dispute shall remain unchanged.

30.2.3 The cost of arbitration proceedings shall be shared equally by the parties.

30.2.4 The Arbitration proceedings shall be in English language and the seat, venue and place of Arbitration shall be New Delhi, India only.

30.2.5 Subject to the above, the provisions of Arbitration & Conciliation Act 1996 and any amendment thereof shall be applicable. All matter relating to this Contract and

arising out of invocation of Arbitration clause are subject to the exclusive jurisdiction of the Court(s) situated at New Delhi.

30.2.6 List of Excepted matters:

- (i) Dispute(s)/issue(s) involving claims below Rs 25 lakhs and above Rs 25 crores.
- (ii) Dispute(s)/issue(s) relating to indulgence of Supplier/Vendor/Bidder in corrupt/fraudulent/collusive/coercive practices and/or the same is under investigation by CBI or Vigilance or any other investigating agency or Government.
- (iii) Dispute(s)/issue(s) wherein the decision of Engineer-In-Charge/owner/GAIL has been made final and binding in terms of the Contract.

30.2.7 Disputes involving claims below Rs 25 Lakhs and above Rs. 25 crores:-Parties mutually agree that dispute(s)/issue(s) involving claims below Rs 25 Lakhs and above Rs 25 crores shall not be subject matter of Arbitration and are subject to the exclusive jurisdiction of the Court(s) situated at New Delhi.

30.3 Governing Law and Jurisdiction:

The Contract shall be governed by and construed in accordance with the laws in force in India. The Parties hereby submit to the exclusive jurisdiction of the Courts situated at New Delhi for adjudication of disputes, injunctive reliefs, actions and proceedings, if any, arising out of this Contract.

30.4 Disputes between CPSE's/Government Department's/ Organizations

Subject to conciliation as provided above, in the event of any dispute (other than those related to taxation matters) or difference relating to the interpretation and application of the provisions of commercial contract(s) between Central Public Sector Enterprises (CPSEs/ Port Trusts) inter se and also between CPSEs and Government Departments /Organizations), such dispute or difference shall be taken up by either party for resolution only through AMRCD as mentioned in OPE OM No. 4(1)/2013-DPE(GM)/FTS-1835 dated 22-05-2018.

Any party aggrieved with the decision of the Committee at the First level (tier) may prefer an appeal before the Cabinet Secretary at the Second level (tier) within 15 days from the date of receipt of decision of the Committee at First level, through it's administrative Ministry/Department, whose decision will be final and binding on all concerned.

The above provisions mentioned at clause no. 30.1 to 30.4 shall supersede provisions relating to Conciliation, Arbitration, Governing Law & Jurisdiction and Disputes between CPSE's/ Government Department's/ Organizations mentioned elsewhere in tender document.

30.5 Continuance of the Contract:

Notwithstanding the fact that settlement of dispute(s) (if any) may be pending, the parties hereto shall continue to be governed by and perform the work in accordance with the provisions under this Contract and no payment due or payable to the Supplier shall be withheld on account of such proceedings.

30.6 Non-Applicability of Arbitration Clause in Case of Banning of Vendors/ Suppliers / Bidders indulged in Fraudulent/ Coercive Practices

Notwithstanding anything contained contrary in GCC or elsewhere in the Purchase Order, in case it is found that the Bidder/ Supplier indulged in fraudulent/ coercive practices at the time of bidding, during execution of the Contract and/or on other grounds as mentioned in GAIL's "Procedure for action in case Corrupt/ Fraudulent/ Collusive/Coercive Practices" (Appendix-I), the Bidder/Supplier shall be banned (in terms of aforesaid procedure) from the date of issuance of such order by GAIL (India) Ltd., to such Bidder/Supplier.

The Bidder /Supplier understands and agrees that in such cases where Bidder /Supplier has been banned (in terms of aforesaid procedure) from the date of issuance of such order by GAIL, such decision of GAIL shall be final and binding on the Bidder /Supplier and the 'Arbitration Clause' mentioned in the GCC or elsewhere in the Purchase Order shall not be applicable for any consequential issue /dispute arising in the matter.

31. GOVERNING LANGUAGE

- 31.1 The Contract shall be written in English language as specified by the Purchaser/Consultant in the Instruction to Bidders. All literature, correspondence and other documents pertaining to the Contract which are exchanged by the parties shall be written in English language. Printed literature in other language shall only be considered, if it is accompanied by an English translation. For the purposes of interpretation, English translation shall govern and be binding on all parties. The Supplier shall bear all costs of translation to the governing language and all risks of the accuracy of such translation.
- 31.2 The Supplier shall ensure that the language/terminology/description of Goods used in Purchase Order/Bill of Lading/Airway Bill/Invoice is verbatim in English and not at variance.

32. NOTICES

- 32.1 TO THE SUPPLIER: Any notice to be given to the Supplier may be served by the Purchaser/Consultant by facsimile / e-mail or through registered post/Courier at the address/contact information furnished by the Supplier. Proof of issue of any such notice could be conclusive of the Supplier having been duly informed of all contents therein.
- 32.2 TO THE PURCHASER/CONSULTANT: Any notice to be given to the Purchaser/Consultant under the terms of the Contract may be served by the Supplier, by

facsimile / e-mail or delivering the same through registered post /Courier at the concerned site office.

- 32.3 A notice shall be effective when delivered or on the notice's effective date, whichever is later.

33. TAXES & DUTIES

- 33.1 A foreign Supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the Purchaser's country.

- 33.2 A domestic Supplier shall be entirely responsible for all taxes, duties, license fees etc. incurred until the delivery of the contracted goods to the Purchaser. However, GST on finished products shall be reimbursed by Purchaser.

- 33.3 Customs duty payable in India for imported Goods ordered by Purchaser on foreign Supplier shall be borne and paid by Purchaser.

- 33.4 Any income tax payable in respect of supervisory services rendered by foreign Supplier under the Contract shall be as per the Indian Income Tax Act and shall be borne by Supplier. It is upto the Bidder/Supplier to ascertain the amount of these taxes and to include them in his Bid price.

33.5 TDS

- 33.5.1 TDS as applicable will be deducted by GAIL under section 194Q of the Income Tax Act, 1961 on Purchases exceeds Rs. 50 Lakhs or limit defined therein from time to time during the financial year.

- 33.5.2 Since GAIL is liable to deduct Income Tax TDS under section 194Q, the provision of TCS as per section 206C(1H) of the Income Tax Act, 1961 shall not be applicable.

- 33.5.3 Higher rate of TDS for non-filers of ITR

As per Section 206AB of Income Tax Act, 1961, in case of any vendor/customer who does not filed their Income Tax Return for both of the two previous years preceding to current year and aggregate amount of TDS is more than or equal to Rs. 50,000/- in each of those previous two years (or limit defined by Govt. from time to time), then TDS will be deducted at the higher of following rates:

- (i) Twice the rate mentioned in relevant TDS section.
- (ii) Twice the rate or rates in force
- (iii) 5%

34. BOOKS & RECORDS

- 34.1 Supplier shall maintain adequate books and records in connection with Contract and shall make them available for inspection and audit by Purchaser/Consultant or their authorized agents or representatives during the terms of Contract until expiry of the Contract Performance Security. Fixed price (lumpsum or unit price) Contract will not be subject to audit as to cost except for cost reimbursable items, such as escalation and termination claims, transportation and comparable requirements.

35. PERMITS & CERTIFICATES

- 35.1 Supplier shall procure, at his expense, all necessary permits, certificates and licences required by virtue of all applicable laws, regulations, ordinances and other rules in effect at the place where any of the work is to be performed, and Supplier further agrees to hold Purchaser and/or Consultant harmless from liability or penalty which might be imposed by reason of any asserted or established violation of such laws, regulations, ordinances or other rules. Purchaser will provide necessary permits for Supplier's personnel to undertake any work at Site in connection with Contract.

36. GENERAL

- 36.1 In the event that terms and conditions stipulated in the General Conditions of Contract should deviate from terms and conditions stipulated in the Contract, the latter shall prevail.

36.2 Losses due to non-compliance of Instructions

Losses or damages occurring to the Purchaser owing to the Supplier's failure to adhere to any of the instructions given by the Purchaser/Consultant in connection with the Contract execution shall be recoverable from the Supplier.

36.3 Recovery of sums due

All costs, damages or expenses which the Purchaser/Consultant may have paid, for which under the Contract Supplier is liable, may be recovered by the Purchaser (he is hereby irrevocably authorized to do so) from any money due to or becoming due to the Supplier under this Contract or other Contracts and/or may be recovered by action at law or otherwise. If the sums due to the Supplier be not sufficient to recover the recoverable amount, the Supplier shall pay to the Purchaser, on demand, the balance amount.

36.4 Payments, etc. not to affect rights of the Purchaser

No sum paid on account by the Purchaser nor any extension of the date for completion granted by the Purchaser/Consultant shall affect or prejudice the rights of the Purchaser against the Supplier or relieve the Supplier of his obligation for the due fulfillment of the Contract.

36.5 Cut-off Dates

No claims or correspondence on claims on this Contract shall be entertained by the Purchaser/Consultant after 90 days after expiry of the Contract Performance Security (from the date of final extension, if any)

36.6: Indemnity

The Supplier hereby irrevocably and unconditionally undertakes to indemnify and keep indemnified the Purchaser/GAIL and all its employees, agents and assigns from and against all losses, penalties interests, costs etc., which may arise out of breach of any terms and conditions of this Contract by the Supplier and the employees' /personnel/sub-contractors/agents or any third party appointed by the Supplier for the purpose of

implementation of their obligations under this Contract. The Supplier undertakes to compensate the Purchaser/GAIL forthwith on demand without protest any loss suffered by the Purchaser/GAIL together with direct/indirect expenses. This Indemnity shall remain valid and irrevocable for all claims of the Purchaser/GAIL arising from any such case or court case filed for which Purchaser/GAIL or its employees has been made party until now or here -in- after.

36.7 Paragraph heading

The paragraph heading in these conditions shall not affect the construction thereof.

36.8 Retired Purchaser's Director

No Director of GAIL is allowed to participate in tender for a period of 1 (one) year after his retirement from the employment of GAIL, without the prior permission of GAIL. The Contract if awarded is liable to be cancelled if the tenderer is found at any time to be such a person and has not obtained the permission of GAIL before submission of the tender. Any tender by a person aforesaid shall carry a disclosure thereof on the tender, and shall be accompanied by a copy of the document by which the requisite consent is given. Such disqualifications shall apply to every partner of a partnership firm.

The tenderer is required to state whether he is a relative of any Director of GAIL, or whether the tenderer is a partnership firm, whether a Director of GAIL or its relative is a partner in the firm, or whether the tenderer is a Company, whether a Director of GAIL or relative of such Director is a substantial member holding more than 10% (ten percent) of the paid up capital in the Company, or a Director of the Company. The definition of relative shall be as per The Companies Act, 2013 and its amendment(s).

37. IMPORT LICENSE

37.1 No import license is required for the imports covered under this Contract.

38. FALL CLAUSE

The following Fall Clause shall be applicable in the Contract, only if there is a specific mention of its applicability in ITB or SCC of Tender Document.

38.1 The price charged for the Goods supplied under the Contract by the Supplier shall in no event exceed the lowest price at which the Supplier or his agent/principal/dealer, as the case may be, sells the Goods of identical description to any Persons/Organizations including the Purchaser or any Department of the Central Govt. or any Department of a State Govt. or any Statutory Undertaking of the Central or State Govt. as the case may be, during the currency of the Contract.

38.2 If at any time during the said period, the Supplier or his agent/principal/dealer, as the case may be, reduces the sale price, sells or offers to sell such materials to any persons/organizations including the Purchaser or any Deptt. of Central Govt. or State Govt.

as the case may be, at a price lower than the price chargeable under the Contract, he shall forthwith notify such reduction or sale or offer of sale to the Purchase Authority who has issued the Purchase Order and the price payable under the Purchase Order for the materials supplied after the date of coming into force of such reduction or sale or offer of sale shall stand correspondingly reduced.

The above stipulation will, however, not apply to:

- (i) Export/Deemed Export by the Supplier or
- (ii) Sale of goods as original equipment prices lower than the price charged for normal replacement;
- (iii) Sale of goods such as drugs, which have expiry date;
- (iv) Sale of goods at lower price on or after the date of completion of sale/placement of order of goods or services by the authority concerned, under the existing or previous Rate Contracts as also under any previous contracts entered into with the Central or State Government Departments including new undertakings (excluding joint sector companies and or private parties) and bodies.

- 38.3 The Supplier shall furnish the following certificate to the concerned Paying Authority along with each bill for payment for supplies made against this order:-

“I/We certify that there has been no reduction in sale price of the items/Goods/materials of description identical to those supplied to the GAIL under the order herein and such items/Goods/materials have not been offered/sold by me/us to any person/organizations including the Purchaser or any Deptt. of Central Govt. or any Deptt. of State Govt. or any Statutory Undertaking of the Central or State Govt. as the case may be upto the date of bill/during the currency of the Contract whichever is later, at a price lower than the price charged to the GAIL under this Purchase Order”.

Such a certificate shall be obtained, except for quantity of items/Goods/materials categories under sub-clause (i), (ii) & (iii) of sub-para 38.2 above, of which details shall be furnished by the Supplier.

39. **PUBLICITY & ADVERTISING**

- 39.1 Supplier shall not without the written permission of Purchaser/Consultant make a reference to Purchaser/Consultant or any Company affiliated with Purchaser/Consultant or to the destination or the description of goods or services supplied under the contract in any publication, publicity or advertising media.

40. **REPEAT ORDER**

- 40.1 Purchaser reserves the right, within 6 months of order to place repeat order up to 25% of the original quantity without any change in unit price or other terms and conditions.

41. **LIMITATION OF LIABILITY**

- 41.1 Notwithstanding anything contrary contained herein, the aggregate total liability of Supplier, excluding his liability towards infringement of patent & trade mark or industrial design rights or willful misconduct or fraud, under the contract or otherwise shall be limited to 100% of value of Purchase order.

However, neither party shall be liable to the other party for any indirect and consequential damages, loss of profits or loss of production.

42. COMPLETION CERTIFICATE AND EXECUTION CERTIFICATE

- 42.1 No Completion Certificate shall be issued against orders for supply of goods only. However, for these cases, a copy of Good Receipt (GR) duly signed by concerned Store-in-charge will be forwarded to the Supplier.
- 42.2 Completion Certificate, in case of Purchase Orders for supply of Goods along with associated/incidental Services (like erection, installation, commissioning etc.) should be issued after completion of supplies/services in accordance with Contract.
- 42.3 Completion of supplies, for issuance of completion certificate, shall be completion of supply and acceptance of Goods in all respect as per provisions of Contract.
- 42.4 **Application for Completion Certificate:** When the Supplier fulfills his obligation under the Contract he shall be eligible to apply for Completion Certificate. The Purchaser/Consultant shall normally issue to the Supplier the Completion Certificate within one month after receiving any application thereof from the Supplier after verifying from the completion documents and satisfying himself that the supplies have been made in accordance with and as set out in the Contract.
- 42.5 **Completion Certificate:** Within one month from receipt of application from Supplier after the completion of the Supplies in all respects as specified above at clause no. 42.4, the Supplier shall be furnished with a certificate by the Purchaser/Consultant such completion. Purchaser's/Consultant's certification about completion of supplies in all aspects shall be binding and conclusive.
- 42.6 **Execution Certificate:** Execution Certificate during currency of Rate contract can be issued by Purchaser/Consultant against written request from Supplier.

43.0 PROVISIONS FOR BUY-BACK ITEMS:

The following provision for Buy-Back shall be applicable in the Contract, only if there is a specific mention of its applicability in ITB or SCC of Tender Document.

- 43.1 Old materials will be handed over to the Supplier in terms of the contract with proper documentation on "as is where is basis". The Supplier is required to take away such materials out of GAIL immediately after handing over to them.

- 43.2 The Supplier will not sell these materials to any Purchaser's employee without written permission of Purchaser/HR Department-Purchaser, to be obtained by the Purchaser employee(s). Even after such permission is obtained by employee(s), the Supplier is free to take decision whether to sell such item(s) to Purchaser employee(s) or not.
- 43.3 The Supplier will maintain a separate record for such sales to Purchaser employees and will make the same available as and when required by Purchaser.
- 43.4 The Supplier will accept payment only by Cheque/Demand Draft/e-banking (NEFT) for sale of old item(s) to GAIL employee(s).
- 43.5 The Supplier is required to take away the buy-back items out of GAIL premises at his cost within 14 days of notice. Failure or any delays of Supplier for removal of buy-back items, the Purchaser shall be entitled to recover handling and storage charges @5% of the buy-back value of such items for each month or part of a month without relieving the Supplier from any other related liability. In the event of the Supplier's failure to remove the same within a period of 6 months, the Purchaser will take action for removal through auction or sale on behalf of the Supplier and at his risk in all respects. The buy back amount deducted from payment and proceed of such action or sale will be adjusted towards handling, storage and overhead charges of GAIL. The decision of Purchaser w.r.t. such removal and the amount of the proceeds shall be final and binding on the Supplier. The Purchaser shall in no way be responsible for any deterioration or damage to the Equipment under any circumstances whatsoever. Further, such action shall be considered as poor-performance and action will be taken as per procedure in this regard.

44.0 CONFIDENTIALITY:

The Supplier, its Sub-Contractor and their personnel shall not, either during the term or within two (2) years after the expiration of this Contract, disclose any proprietary or confidential information related to work / Project, this Contract, or Purchaser's business or operations without the prior consent of the Purchaser.

45.0 INTELLECTUAL PROPERTY RIGHT:

The Supplier shall retain the copy right and other intellectual property rights in the Supplier's document and other design documents made by (or on behalf of) the Supplier.

Subject to the confidentiality obligations, by signing the Contract, within the value of Contract, the Supplier shall be deemed to give to the Purchaser a non-terminable, transferable, non-exclusive and royalty-free right to copy, use and communicate the Supplier's documents for the operation, maintenance, repair of the Goods/Work / Plant, training and Statutory purposes, but not for any other purpose. Such documents of the Supplier shall not be used, copied or communicated to a third party by or on behalf of the Purchaser for the purposes other than those permitted, without the Supplier's Consent.

46.0 ACTION IN CASE OF CORRUPT/ FRAUDULENT/ COLLUSIVE/ COERCIVE PRACTICES AND POOR PERFORMANCE:

The procedure for action in case of Corrupt/ Fraudulent/ Collusive/ Coercive Practices containing provisions for putting a Bidder/Supplier on suspension and/or banning list (as the case may be) if such an agency has indulged in Corrupt/ Fraudulent/ Collusive/ Coercive Practices. The Procedure is also enclosed as Appendix-I to this GCC.

Further, Bidder/Supplier accepts and solemnly affirms that they would adhere to the Fraud Prevention Policy of GAIL and shall not indulge themselves or allow others (working in GAIL) to indulge in fraudulent activities and that they would immediately apprise the Owner/GAIL/Employer / Organization(s) of the fraud/ suspected fraud as soon as it comes to their notice. Concealment of facts regarding Bidder/Supplier's involvement in fraudulent activities in connection with the business transaction(s) of GAIL is liable to be treated as crime and dealt with by the procedures of GAIL as applicable from time to time. The Fraud Prevention Policy document is available on GAIL's website (www.gailonline.com).

47.0 VENDOR PERFORMANCE EVALUATION

The procedure for evaluation of performance of Supplier containing provisions for putting a Bidder / Supplier on suspension and/or holiday list (as the case may be) is enclosed as Appendix II to this GCC.

APPENDIX-I

**PROCEDURE FOR ACTION IN CASE CORRUPT/FRAUDULENT
/COLLUSIVE/COERCIVE PRACTICES**

A Definitions:

- A.1 “Corrupt Practice” means the offering, giving, receiving or soliciting, directly or indirectly, anything of value to improperly influence the actions in selection process or in contract execution.
- “Corrupt Practice” also includes any omission for misrepresentation that may mislead or attempt to mislead so that financial or other benefit may be obtained or an obligation avoided.
- A.2 “Fraudulent Practice” means and include any act or omission committed by a agency or with his connivance or by his agent by misrepresenting/ submitting false documents and/ or false information or concealment of facts or to deceive in order to influence a selection process or during execution of Contract/ Purchase Order.
- A.3 “Collusive Practice amongst bidders (prior to or after bid submission)” means a scheme or arrangement designed to establish bid prices at artificial non-competitive levels and to deprive the Purchaser/Employer of the benefits of free and open competition.
- A.4 “Coercive practice” means impairing or harming or threatening to impair or harm directly or indirectly, any agency or its property to influence the improperly actions of an agency, obstruction of any investigation or auditing of a procurement process.
- A.5 “Vendor/Supplier/Contractor/Consultant/Bidder/Service Provider” is herein after referred in this Appendix as “Agency”
- A.6 “Appellate Authority” shall mean Committee of Directors consisting of Director (Finance) and Director (BD) for works centers under Director (Projects). For all other cases committee of Directors shall consist of Director (Finance) & Director (Projects).
- A.7 “Competent Authority” shall mean the authority, who is competent to take final decision for Suspension of business dealing with an Agency(ies) and Banning of business dealings with Agency(ies) and shall be the “Director” concerned.
- A.8 “Allied Agency” shall mean all concerns which come within the sphere of effective influence of the banned/suspended agency shall be treated as allied agency. In determining this, the following factors may be taken into consideration:
- a) Whether the management is common;
 - b) Majority interest in the management is held by the partners or directors of banned/ suspended agency;

- c) Substantial or majority shares are owned by the banned/ suspended agency and by virtue of this it has a controlling voice.
- d) Directly or indirectly controls, or is controlled by or is under common control with another bidder.
- e) All successor agency will also be considered as allied agency.

A.9 “Investigating Agency” shall mean any department or unit of GAIL investigating into the conduct of Agency/ party and shall include the Vigilance Department of the GAIL, Central Bureau of Investigation, State Police or any other agency set up by the Central or state government having power to investigate.

A.10 "Obstructive practice": materially impede the procuring entity's investigation into allegations of one or more of the above mentioned practices either by deliberately destroying, falsifying, altering; or by concealing of evidence material to the investigation; or by making false statements to investigators and/ or by threatening, harassing or intimidating any party to prevent it from disclosing its knowledge of matters relevant to the investigation or from pursuing the investigation; or by impeding GAIL's rights of audit or access to information.

B Actions against bidder(s) indulging in corrupt /fraudulent/ collusive/ coercive practice

B.1 Irregularities noticed during the evaluation of the bids:

If it is observed during bidding process/ bids evaluation stage that a bidder has indulged in corrupt/fraudulent /collusive/coercive practice, the bid of such Bidder(s) shall be rejected and its Earnest Money Deposit (EMD) shall be forfeited.

Further, such agency shall be banned for future business with GAIL for a period specified in para B 2.2 below from the date of issue of banning order.

B.2 Irregularities noticed after award of contract

(i) During execution of contract:

If an agency, is found to have indulged in corrupt/fraudulent/ collusive/coercive practices, action shall be initiated for putting the agency on banning list.

After conclusion of process and issuance of Speaking order for putting party on banning list, the order (s)/ contract (s) where it is concluded that such irregularities have been committed shall be terminated and Contract cum Performance Bank Guarantee (CPBG) submitted by agency against such order (s)/ contract (s) shall also be forfeited. Further such order/ contract will be closed following the due procedure in this regard.

The amount that may have become due to the contractor on account of work already executed by him shall be payable to the contractor and this amount shall be subject to adjustment against any amounts due from the contractor under the terms of the contract. No risk and cost provision will be enforced in such cases.

Suspension of order/ contract:

Further, only in the following situations, the concerned order (s)/ contract(s) (where Corrupt/Fraudulent/ Collusive/ Coercive Practices are observed) and payment shall be suspended after issuance of Suspension cum Show Cause Notice:

- (i) Head of Corporate Vigilance Department/CVO based on the investigation by them, recommend for specific immediate action against the agency.
- (ii) Head of Corporate Vigilance Department/CVO based on the input from investigating agency, forward for specific immediate action against the agency.

Suspension cum Show Cause Notice being issued in above cases after approval of the competent authority (as per provisions mentioned under Clause no. D) shall also include the provision for suspension of Order (s)/ Contract (s) and payment. Accordingly, after issuance of Suspension cum Show Cause Notice, the formal communication for suspension of Order (s)/ Contract (s) and payment with immediate effect will be issued by the concerned person of GAIL.

During suspension, Contractor/ Service Providers will be allowed to visit the plant/ site for upkeep of their items/ equipment, GAIL's issued materials (in case custody of same is not taken over), demobilizing the site on confirmation of EIC, etc.

In addition to above, Recovery of payments (other than due payments) including balance advance payments, if any, made by along with interest thereon at the prevailing rate shall be recovered.

(ii) After execution of contract and during Defect Liability Period (DLP)/ Warranty/Guarantee Period:

If an Agency is found to have indulged in corrupt/fraudulent/ collusive/coercive practices, after execution of contract and during DLP/ Warranty/Guarantee Period, the Agency shall be banned for future business with GAIL for a period specified in para B 2.2 below from the date of issue of banning order.

Further, the CPS submitted by agency against such order (s)/ Contract (s) shall be forfeited.

(iii) After expiry of DLP/ Warranty/Guarantee Period

If an Agency is found to have indulged in corrupt/fraudulent/ collusive/coercive practices, after expiry of DLP/ Warranty/Guarantee Period, the agency shall be banned for future business with GAIL for a period specified in para B 2.2 below from the date of issue of banning order.

B.2.2 Period of Banning

The period of banning of agencies indulged in Corrupt/Fraudulent/Collusive/Coercive Practices shall be as under and to be reckoned from the date of banning order:

S. No.	Description	Period of banning from the date of issuance of Banning order
1	Misrepresentation/False information other than pertaining to BEC of tender but having impact on the selection process. For example, if an agency confirms not being in holiday in GAIL/PSU's PMC or banned by PSUs/ Govt. Dept., liquidation, bankruptcy & etc. and subsequently it is found otherwise, such acts shall be considered in this category.	06 Months
2	Corrupt/Fraudulent (except mentioned at sl. no. 1 above) /Collusive/Coercive Practices	01 year
2.1	If an agency again commits Corrupt/Fraudulent (except mentioned at sl. no. 1 above) /Collusive/Coercive Practices in subsequent cases after their banning, such situation of repeated offense to be dealt with more severity.	2 years (in addition to the period already served)
3	Indulged in unauthorized disposal of materials provided by GAIL	2 years
4	If act of vendor/ contractor is a threat to the National Security	2 years

C Effect of banning on other ongoing contracts/ tenders

- C.1 If an agency is put on Banning, such Agency should not be considered in ongoing tenders/future tenders.
- C.2 However, if such an Agency is already executing other order (s)/ contract (s) where no corrupt/fraudulent/ collusive/coercive practice is found, the agency should be allowed to continue till its completion without any further increase in scope except those incidental to original scope mentioned in the contract.

- C.3 If an agency is put on the Banning List during tendering and no irregularity is found in the case under process:
- C.3.1 after issue of the enquiry /bid/tender but before opening of Technical bid, the bid submitted by the agency shall be ignored.
- C.3.2 after opening Technical bid but before opening the Price bid, the Price bid of the agency shall not be opened and BG/EMD submitted by the agency shall be returned to the agency.
- C.3.3 After opening of price, BG/EMD made by the agency shall be returned; the offer of the agency shall be ignored & will not be further evaluated. In case such agency is lowest (L-1), next lowest bidder shall be considered as L-1.

D. Procedure for Suspension of Bidder

D.1 Initiation of Suspension

Action for suspension business dealing with any agency/(ies) shall be initiated when

- (i) Corporate Vigilance Department, GAIL based on the fact of the case gathered during investigation by them recommend for specific immediate action against the agency.
- (ii) Corporate Vigilance Department, GAIL based on the input from investigating agency, forward for specific immediate action against the agency.
- (iii) Non-performance of Vendor/Supplier/Contractor/Consultant leading to termination of Contract/ Order.

D.2 Suspension Procedure:

- D.2.1 The order of suspension would operate initially for a period not more than six months and shall be communicated to the agency and also to Corporate Vigilance Department. Period of suspension can be extended with the approval of the Competent Authority by one month at a time with a ceiling of six months pending a conclusive decision to put the agency on banning list.
- D.2.2 During the period of suspension, no new business dealing shall be held with the agency.
- D.2.3 Period of suspension shall be accounted for in the final order passed for banning of business with the agency.
- D.2.4 The decision regarding suspension of business dealings shall also be communicated to the agency.

D 3 Effect of Suspension of business:

Effect of suspension on other on-going/future tenders will be as under:

- D.3.1 No enquiry/bid/tender shall be entertained from an agency as long as the name of agency appears in the Suspension List.
- D.3.2 If an agency is put on the Suspension List during tendering:
 - D.3.2.1 after issue of the enquiry /bid/tender but before opening of Technical bid, the bid submitted by the agency shall be ignored.
 - D.3.2.2 after opening Technical bid but before opening the Price bid, the Price bid of the agency shall not be opened and BG/EMD submitted by the agency shall be returned to the agency.
 - D.3.2.3 After opening of price, BG/EMD made by the agency shall be returned; the offer of the agency shall be ignored & will not be further evaluated. In case such agency is lowest (L-1), next lowest bidder shall be considered as L-1.
- D.3.3 The existing contract (s)/ order (s) under execution shall continue.
- D.3.4 Bidder confirms/undertakes that (i) neither the bidder themselves nor their allied agency/(ies) are on banning list of GAIL or the Ministry of Petroleum and Natural Gas and (ii) bidder is not banned by any Government department/ Public Sector.

F. Appeal against the Decision of the Competent Authority:

- F.1 The agency may file an appeal against the order of the Competent Authority for putting the agency on banning list. The appeal shall be filed to Appellate Authority. Such an appeal shall be preferred within one month from the of receipt of banning order.
- F.2 Appellate Authority would consider the appeal and pass appropriate order which shall be communicated to the party as well as the Competent Authority.
- F.3 Appeal process may be completed within 45 days of filing of appeal with the Appellate Authority.
- G. Wherever there is contradiction with respect to terms of 'Integrity pact', GCC and 'Procedure for action in case of Corrupt/Fraudulent/ Collusive/Coercive Practice', the provisions of 'Procedure for action in case of Corrupt/Fraudulent/ Collusive/Coercive Practice' (Appendix I) shall prevail.

APPENDIX-II**PROCEDURE FOR EVALUATION OF PERFORMANCE OF VENDORS/ SUPPLIERS/ CONTRACTORS/ CONSULTANTS****1.0 GENERAL**

A system for evaluation of Vendors/Suppliers/Contractors/ Consultants(*referred elsewhere as “Seller”*) and their performance is a key process and important to support an effective purchasing & contracting function of an organization.

Performance of all participating Seller need to be closely monitored to ensure timely receipt of supplies, completion of an assignment or complete execution of order by Seller within scheduled completion period. For timely execution of projects and meeting the operation & maintenance requirement of operating plants, it is necessary to monitor the execution of order or Contracts right from the award stage to completion stage and take corrective measures in time.

2.0 OBJECTIVE

The objective of Evaluation of Performance aims to recognize, and develop reliable Vendors/ Suppliers/Contractors/ Consultants so that they consistently meet or exceed expectations and requirements.

The purpose of this procedure is to put in place a system to monitor performance of Vendors/ Suppliers/Contractors/ Consultants associated with GAIL so as to ensure timely completion of various projects, timely receipt of supplies including completion of works & services for operation and maintenance of operating plants and quality standards in all respects.

3.0 METHODOLOGY**i) Preparation of Performance Rating Data Sheet (PRDS)**

Performance rating data Sheet for each and every Vendor/ Supplier/Contractor/Consultant for all orders/Contracts with a value of Rs. 50 Lakhs and above is recommended to be drawn up. Further, Performance rating data Sheet for orders/contracts of Vendor/Supplier/Contractor/ Consultant who are on watch list/holiday list/ banning list shall be prepared irrespective of order/ contract value. These data sheets are to be separately prepared for orders/ contracts related to Projects and O&M. Format, Parameters, Process, responsibility for preparation of Performance Rating Data Sheet are separately mentioned.

ii) Measurement of Performance

Based on the parameters defined in Data Sheet, Performance of concerned Seller would be computed and graded accordingly. The measurement of the performance

of the Seller would be its ability to achieve the minimum scoring of 60% points in the given parameters.

iii) Initiation of Measures:

Depending upon the Grading of Performance, corrective measures would be initiated by taking up the matter with concerned Seller. Response of Seller would be considered before deciding further course of action.

iv) Implementation of Corrective Measures:

Based on the response of Seller, concerned Engineer-in-Charge/Purchaser for the Projects and/or OIC in case of O&M would recommend for continuation or discontinuation of such Seller from the business of GAIL.

v) Orders/Contracts placed on Proprietary/OEM basis for O&M will be evaluated and, if required, corrective action will be taken for improvement in future.

4.0 EXCLUSIONS:

The following would be excluded from the scope of evaluation of performance of Vendors/ Suppliers/Contractors/ Consultants :

- i) Orders/Contracts below the value of Rs. 50 Lakhs if Vendor/ Supplier/Contractor/ Consultant is not on watch list/ holiday list/ banning list.
- ii) Orders for Misc./Administrative items/ Non stock Non valued items (PO with material code ending with 9).

However, concerned Engineer-in-Charge /OICs will continue to monitor such cases so as to minimize the impact on Projects/O&M plants due to non performance of Vendors/ Suppliers/Contractors/ Consultants in all such cases.

5.0 **PROCESS OF EVALUATION OF PERFORMANCE OF VENDORS/ SUPPLIERS/ CONTRACTORS/ CONSULTANTS**

5.1 FOR PROJECTS

- i) Evaluation of performance of Seller in case of PROJECTS shall be done immediately with commissioning of any Project.
- ii) On commissioning of any Project, EIC (Engineer-in-charge)/ Project-in-charge of Purchaser shall prepare a PRDS (Format at Annexure-1) for all Orders and Contracts.

- iii) Depending upon the Performance Rating, following action shall be initiated by Engineer-in-charge/Project-in-charge:

Sl.No.	Performance Rating	Action
1	POOR	Seek explanation for Poor performance
2	FAIR	Seek explanation for Fair performance
3	GOOD	Letter to the concerned for improving performance in future
4	VERY GOOD	No further action

- iv) Reply from concerned Seller shall be examined. In case of satisfactory reply, PRDS to be closed with a letter to the concerned for improving performance in future.
- v) When no reply is received or reasons indicated are unsatisfactory, the following actions need to be taken:

- A) Where performance rating is “POOR” (as per Performance Rating carried out after execution of Order/ Contract and where no reply/ unsatisfactory reply is received from party against the letter seeking the explanation from Vendor/Supplier/Contractor/ Consultant along with sharing the performance rating)

Recommend such defaulting Vendor/Supplier/Contractor/ Consultant for the following action:

1. Poor Performance on account of Quality (if marks obtained against Quality parameter is less than 20):
 - (a) **First Instance: Holiday (Red Card) for One Years**
 - (b) **Subsequent instance (s) in other ongoing order (s)/ contract (s) or new order (s) /contact (s) on such Vendor/ Supplier/ Contractor/ Consultant: Holiday (Red Card) for Two Years**
2. Poor Performance on account of other than Quality (if marks obtained against Quality parameter is more than 20):
 - (a) **First such instance: Advisory notice(Yellow Card)** shall be issued and Vendor/Supplier/Contractor/ Consultant shall be put on watch list for a period of **Two (2) Years**.
 - (b) **Second such instance in other ongoing order (s)/ contract (s) or new order (s) /contact (s) on such Vendor/ Supplier/ Contractor/ Consultant: Putting on Holiday (Red Card) for a period of One Year**

- (c) **Subsequent instances (more than two) in other ongoing order (s)/ contract (s) or new order (s) /contact (s) on such Vendor/ Supplier/ Contractor/ Consultant: Putting on Holiday (Red Card) for a period of Two Years.**

- B) Where Poor/Non-Performance leading to termination of contract or Offloading of contract due to poor performance attributable to Vendor/Supplier/ Contractor/Consultant

- (a) **First instance: Advisory notice (Yellow Card)** shall be issued and Vendor/Supplier/Contractor /Consultant shall be put on watch list for a period of Two (2) Years.

Further such vendor will not be allowed to participate in the re-tender of the same supply/work/services of that location which has terminated / offloaded. Moreover, it will be ensured that all other action as per provision of contract including forfeiture of Contract Performance Security (CPS) etc. are undertaken.

However, such vendor will be allowed to participate in all other tenders and to execute other ongoing order/ contract (s) or new contract/ order (s).

The Yellow card will be automatically revoked after a period of two years unless the same is converted into Red Card due to subsequence instances of poor/ non-performance in other ongoing order (s)/ contract (s) or new order (s) /contact (s) on such Vendor/ Supplier/ Contractor/ Consultant.

- (b) **Second instances** in other ongoing order (s)/ contract (s) or new order (s) /contact (s) on such Vendor/ Supplier/ Contractor/ Consultant: **Holiday (Red Card)** for period of One Year and they shall also to be considered for Suspension.

- (c) **Subsequent instances (more than two)** in other ongoing order (s)/ contract (s) or new order (s) /contact (s) on such Vendor/ Supplier/ Contractor/ Consultant: **Holiday (Red Card) for period of Two Years and they shall also to be considered for Suspension.**

- (C) Where Performance rating is “FAIR”:

Issuance of warning to such defaulting Vendor/ Supplier/Contractor/ Consultant to improve their performance.

5.2 DELETED.

5.3 FOR OPERATION & MAINTENANCE

- i) Evaluation of performance of Seller in case of Operation and Maintenance shall be done immediately after execution of order/ Contract.

- ii) After execution of orders a PRDS (Format at Annexure-2) shall be prepared for Purchaser Orders by Site C&P and for Services by respective Engineer-In-Charge.
- iii) Depending upon Performance Rating, following action shall be initiated:

Sl. No.	Performance Rating	Action
1	POOR	Seek explanation for Poor performance
2.	FAIR	Seek explanation for Fair performance
3	GOOD	Letter to the concerned for improving performance in future.
4	VERY GOOD	No further action

- iv) Reply from concerned Seller shall be examined. In case of satisfactory reply, PRDS to be closed with a letter to the concerned for improving performance in future.
- v) When no reply is received or reasons indicated are unsatisfactory, the following actions need to be taken:

- A) Where performance rating is “POOR” (as per Performance Rating carried out after execution of Order/ Contract and where no reply/ unsatisfactory reply is received from party against the letter seeking the explanation from Vendor/Supplier/Contractor/ Consultant along with sharing the performance rating)

Recommend such defaulting Vendor / Supplier / Contractor / Consultant for the following action:

1. Poor Performance on account of Quality (if marks obtained against Quality parameter is less than 20):
 - (a) **First Instance: Holiday (Red Card) for One Years**
 - (b) **Subsequent instance (s) in other ongoing order (s)/ contract (s) or new order (s) /contact (s) on such Vendor/ Supplier/ Contractor/ Consultant: Holiday (Red Card) for Two Years**
2. Poor Performance on account of other than Quality (if marks obtained against Quality parameter is more than 20):
 - (b) **First such instance: Advisory notice(Yellow Card) shall be issued and Vendor/Supplier/Contractor/ Consultant shall be put on watch list for a period of Two (2) Years.**
 - (b) **Second such instance in other ongoing order (s)/ contract (s) or new order (s) /contact (s) on such Vendor/ Supplier/**

Contractor/ Consultant: Putting on Holiday (Red Card) for a period of One Year

- (c) **Subsequent instances (more than two) in other ongoing order (s)/ contract (s) or new order (s)/contact (s) on such Vendor/ Supplier/ Contractor/ Consultant: Putting on Holiday (Red Card) for a period of Two Years.**

- B) Where Poor/Non-Performance leading to termination of contract or Offloading of contract due to poor performance attributable to Vendor/Supplier/ Contractor/Consultant

- a. **First instance: Advisory notice (Yellow Card)** shall be issued and Vendor/Supplier/Contractor /Consultant shall be put on watch list for a period of Two (2) Years.

Further such vendor will not be allowed to participate in the re-tender of the same supply/work/services of that location which has terminated / offloaded. Moreover, it will be ensured that all other action as per provision of contract including forfeiture of Contract Performance Security (CPS) etc. are undertaken.

However, such vendor will be allowed to participate in all other tenders and to execute other ongoing order/ contract (s) or new contract/ order (s).

The Yellow card will be automatically revoked after a period of two years unless the same is converted into Red Card due to subsequence instances of poor/ non-performance in other ongoing order (s)/ contract (s) or new order (s) /contact (s) on such Vendor/ Supplier/ Contractor/ Consultant.

- b. **Second instances** in other ongoing order (s)/ contract (s) or new order (s) /contact (s) on such Vendor/ Supplier/ Contractor/ Consultant: **Holiday (Red Card)** for period of One Year and they shall also to be considered for Suspension.

- c. **Subsequent instances (more than two)** in other ongoing order (s)/ contract (s) or new order (s) /contact (s) on such Vendor/ Supplier/ Contractor/ Consultant: **Holiday (Red Card) for period of Two Years and they shall also to be considered for Suspension.**

- (C) Where Performance rating is “FAIR”:

Issuance of warning to such defaulting Vendor/ Supplier/Contractor/ Consultant to improve their performance.

6.0 **REVIEW & RESTORATION OF SELLER PUT ON HOLIDAY**

- 6.1 An order for Holiday passed for a certain specified period shall deemed to have been automatically revoked on the expiry of that specified period and it will not be necessary to issue a specific formal order of revocation.

Further, in case Seller is put on holiday due to quality, and new order is placed on bidder after restoration of Seller, such order will be properly monitored during execution stage by the concerned site.

7.0 EFFECT OF HOLIDAY

7.1 If a Seller is put on Holiday, such Seller shall not be considered in ongoing tenders/future tenders.

7.2 However, if such Seller is already executing any other order/ contract and their performance is satisfactory in terms of the relevant contract, should be allowed to continue till its completion without any further increase in scope except those incidental to original scope mentioned in the contract. In such a case CPBG/CPS will not be forfeited and payment will be made as per provisions of concerned contract. However, this would be without prejudice to other terms and conditions of the contract.

7.3. Effect on other ongoing tendering:

7.3.1 after issue of the enquiry /bid/tender but before opening of Technical Bid (unpriced bid), the bid submitted by the Seller shall be ignored.

7.3.2 after opening Technical Bid but before opening the Price Bid, the Price Bid of the Seller shall not be opened and BG/EMD submitted by the Seller shall be returned to the party.

7.3.3 after opening of price, BG/EMD made by the party shall be returned; the offer of the party shall be ignored & will not be further evaluated. In case such agency is lowest (L-1), next lowest bidder shall be considered as L-1.

8.0 While putting the Seller on holiday as per the procedure, the holding company, subsidiary, joint venture, sister concerns, group division of the errant Seller shall not be considered for putting on holiday list.

Any Bidder/Seller, put on holiday, will not be allowed to bid through consortium route also in new tender during the period of holiday.

9.0 If an unsuccessful bidder makes any vexatious, frivolous or malicious complaint against the tender process with the intention of delaying or defeating any procurement or causing loss to GAIL or any other bidder, such bidder will be put on holiday for a period of six months, if such complaint is proved to be vexatious, frivolous or malicious, after following the due procedure.

10. APPEAL AGAINST THE DECISION OF THE COMPETENT AUTHORITY:

(a) The party may file an appeal against the order of the Competent Authority for putting the party on Holiday list. The appeal shall be filed to Appellate Authority.

Such an appeal shall be preferred within one month from the receipt of Holiday order.

- (b) Appellate Authority would consider the appeal and pass appropriate order which shall be communicated to the party as well as the Competent Authority.
- (c) Appeal process may be completed within 45 days of filing of appeal with the Appellate Authority.
- (d) “Appellate Authority” shall mean Committee of Directors consisting of Director (Finance) and Director (BD) for works centers under Director (Projects). For all other cases committee of Directors shall consist of Director (Finance) & Director (Projects).

11. **ERRANT BIDDER**

In case after price bid opening the lowest evaluated bidder (L1) is not awarded the job for any mistake committed by him in bidding or withdrawal of bid or modification of bid or varying any term in regard thereof leading to re-tendering, GAIL shall forfeit EMD if paid by the bidder and such bidders shall be debarred from participation in retendering of the same job(s)/item(s).

Further, such bidder will be put on Watch List (Yellow Card) for a period of two years after following the due procedure. However, during the period in watch list such vendor will be allowed to participate in all other tenders and to execute other ongoing order/ contract (s) or new contract/ order (s).

In case of subsequent instances of default in other tender(s) during aforesaid watch list period, the action shall be initiated as per provision of sl. no. 2 of para A of Clause no. 5.1 (v) and 5.3 (v).

The Yellow card will be automatically revoked after specified period unless the same is converted into Red Card

12. In case CBIC (Central Board of Indirect Taxes and Customs)/ any equivalent government agency brings to the notice of GAIL that a Supplier has not remitted the amount towards GST (CGST & SGST/UTGST or IGST) collected from GAIL to the government exchequer, then, that Supplier shall be put under Holiday list of GAIL for period of six months as mentioned in Procedure for Evaluation of Performance of Vendors/ Suppliers/Contractors/ Consultants enclosed with the tender document.

GAIL (India) Limited
PERFORMANCE RATING DATA SHEET
(FOR PROJECTS)

Annexure-1

- i) Project/Work Centre :
- ii) Order No. & date :
- iii) Brief description of Items :
- iv) Order value (Rs.) :
- v) Name of Supplier/ :
- vi) Contracted delivery Schedule :
- vii) Actual delivery date :

Performance Parameter	Delivery Performance	Quality Performance	Reliability Performance#	Total
Maximum Marks	40	40	20	100
Marks Allocated				

Note:

Remarks (if any)

PERFORMANCE RATING (**)

Note :

(#) Supplier who seek repeated financial assistance or deviation beyond contract payment term or seeking direct payment to the sub-vendor/sub-contractor due to financial constraints, then '0' marks should be allotted against Reliability Performance.

(*) Allocation of marks should be as per enclosed instructions

(**) Performance rating shall be classified as under :

Sl. No.	Range (Marks)	Rating
1	60 & below	POOR
2	61-75	FAIR
3	76-90	GOOD
4	More than 90	VERY GOOD

Signature of
Authorised Signatory:

Name:

Designation:

Instructions for allocation of marks

1. Marks are to be allocated as under :

1.1 DELIVERY PERFORMANCE 40 Marks

Delivery Period	Delay in Weeks	Marks
a) Upto 3 months	Before CDD	40
	Delay upto 4 weeks	35
	" 8 weeks	30
	" 10 weeks	25
	" 12 weeks	20
	" 16 weeks	15
	More than 16 weeks	0
b) Above 3 months	Before CDD	40
	Delay upto 4 weeks	35
	" 8 weeks	30
	" 10 weeks	25
	" 16 weeks	20
	" 20 weeks	15
	" 24 weeks	10
	More than 24 weeks	0

1.2 QUALITY PERFORMANCE 40 Marks

For Normal Cases : No Defects/ No Deviation/ No failure:		40 marks
i) Rejection/Defects	Marks to be allocated on prorata basis for acceptable quantity as compared to total quantity for normal cases	10 marks
ii) When quality failure endanger system integration and safety of the system	Failure of severe nature - Moderate nature - low severe nature	0 marks 5 marks 10-25 marks
iii) Number of deviations	1. No deviation 2. No. of deviations ≤ 2 3. No. of deviations > 2	5 marks 2 marks 0 marks

1.3 RELIABILITY PERFORMANCE**20 Marks**

i)	Submission of order acceptance, PBG, Drawings and other documents within time	5 marks
ii)	Attending complaints and requests for after sales service/ warranty repairs and/ or query/ advice (upto the evaluation period).	5 marks
iii)	Response to various correspondence and conformance to standards like ISO	5 marks
iv)	Submission of all required documents including Test Certificates at the time of supply	5 marks

Annexure-2

GAIL (India) Limited
PERFORMANCE RATING DATA SHEET
(FOR O&M)

i) Location :

ii) Order No. & date :

iii) Brief description of Items :

iv) Order value (Rs.) :

v) Name of Supplier :

vi) Contracted delivery Schedule :

vii) Actual delivery date :

Performance Parameter	Delivery Performance	Quality Performance	Reliability Performance#	Total
Maximum Marks	40	40	20	100
Marks Allocated (*)				

Remarks (if any)

PERFORMANCE RATING (**)

Note :

- (#) Supplier who seek repeated financial assistance or deviation beyond contract payment term or seeking direct payment to the sub-vendor/sub-contractor due to financial constraints, then '0' marks should be allotted against Reliability Performance
- (*) Allocation of marks should be as per enclosed instructions
- (**) Performance rating shall be classified as under :

Sl. No.	Range (Marks)	Rating
1	60 & below	POOR
2	61-75	FAIR
3	76-90	GOOD
4	More than 90	VERY GOOD

Signature of
Authorised Signatory:

Name:

Designation:

Instructions for allocation of marks (For O&M)

1. Marks are to be allocated as under :

1.1 DELIVERY PERFORMANCE 40 Marks

Delivery Period

Delay in Weeks

Marks

a) Upto 3 months	Before CDD	40
	Delay upto 4 weeks	35
	” 8 weeks	30
	” 10 weeks	25
	” 12 weeks	20
	” 16 weeks	15
	More than 16 weeks	0
b) Above 3 months	Before CDD	40
	Delay upto 4 weeks	35
	” 8 weeks	30
	” 10 weeks	25
	” 16 weeks	20
	” 20 weeks	15
	” 24 weeks	10
	More than 24 weeks	0

1.2 QUALITY PERFORMANCE 40 Marks

For Normal Cases : No Defects/ No Deviation/ No failure: 40 marks

i) Rejection/Defects	Marks to be allocated on prorata basis for acceptable quantity as compared to total quantity for normal cases	10 marks
ii) When quality failure endanger system integration and safety of the system	Failure of severe nature - Moderate nature - low severe nature	0 marks 5 marks 10-25 marks
iii) Number of deviations	1. No deviation 2. No. of deviations ≤ 2 3. No. of deviations > 2	5 marks 2 marks 0 marks

1.3 RELIABILITY PERFORMANCE 20 Marks

i)	Submission of order acceptance, PBG, Drawings and other documents within time	5 marks
ii)	Attending complaints and requests for after sales service/ warranty repairs and/ or query/ advice (upto the evaluation period).	5 marks
iii)	Response to various correspondence and conformance to standards like ISO	5 marks
iv)	Submission of all required documents including Test Certificates at the time of supply	5 marks

APPENDIX-III

**PROFORMA OF "BANK GUARANTEE" FOR "CONTRACT PERFORMANCE SECURITY /
SECURITY DEPOSIT
(ON NON-JUDICIAL STAMP PAPER OF APPROPRIATE VALUE)**

To, M/s GAIL (India) Limited _____	Bank Guarantee No.	
	Date of BG	
	BG Valid up to (expiry date)	
	Claim period up to (There should be three months gap between expiry date of BG & Claim period)	
	Stamp Sl. No./e-Stamp Certificate No.	

Dear Sir(s),

M/s. _____ having registered office at _____ (herein after called the “Contractor/Supplier” which expression shall wherever the context so require include its successors and assignees) have been placed/ awarded the job/work of _____ vide PO/LOA /FOA No. _____ dated _____ for GAIL (India) Limited having registered office at 16, Bhikaiji Cama Place, R.K. Puram, New Delhi (herein after called the “GAIL” which expression shall wherever the context so require include its successors and assignees).

The Contract conditions provide that the Supplier/Contractor shall pay a sum of Rs.[or currency of Contract] _____ (Rupees _____) as full Contract Performance Guarantee in the form therein mentioned. The form of payment of Contract Performance Guarantee includes guarantee executed by Nationalized Bank/Scheduled Commercial Bank, undertaking full responsibility to indemnify GAIL (India) Limited, in case of default.

The said M/s. _____ has approached us and at their request and in consideration of the premises we having our office at _____ have agreed to give such guarantee as hereinafter mentioned.

1. We _____ hereby undertake to give the irrevocable & unconditional guarantee to you that if default shall be made by M/s. _____ in performing any of the terms and conditions of the tender/order/contract or in payment of any money payable to GAIL (INDIA) LIMITED we shall on first demand pay without demur, contest, protest and/ or without any recourse or reference to the contractor to GAIL in such manner and at time, as GAIL may direct the said amount of Rupees _____ only or such portion thereof not exceeding the said sum as you may require from time to time.
2. You will have the full liberty without reference to us and without affecting this guarantee, postpone for any time or from time to time the exercise of any of the powers and rights conferred on you under the order/contract with the said M/s. _____ and to enforce or to forbear from endorsing any powers or rights or by reason of time being given to

the said M/s. _____ and such postponement forbearance would not have the effect of releasing the bank from its obligation under this debt.

3. Your right to recover the said sum of Rs. _____ (Rupees _____) from us in manner aforesaid is absolute & unequivocal and will not be affected or suspended by reason of the fact that any dispute or disputes have been raised by the said M/s. _____ and/or that any dispute or disputes are pending before any officer, tribunal or court or arbitrator or any other authority/forum and any demand made by you in the bank shall be conclusive and binding. The bank shall not be released of its obligations under these presents by any exercise by you of its liberty with reference to matter aforesaid or any of their or by reason or any other act of omission or commission on your part or any other indulgence shown by you or by any other matter or changed what so ever which under law would, but for this provision, have the effect of releasing the bank.
4. The guarantee herein contained shall not be determined or affected by the liquidation or winding up or dissolution or changes of constitution or insolvency of the said supplier/contractor or any change in the legal constitution of the Bank or of GAIL but shall in all respects and for all purposes be binding and operative until payment of all money due to you in respect of such liabilities is paid.
5. The bank undertakes not to revoke this guarantee during its currency without your previous consent and further agrees that the guarantee shall continue to be enforceable until it is discharged by GAIL in writing. However, if for any reason, the supplier/contractor is unable to complete the supply/work within the period stipulated in the order/contract and in case of extension of the date of delivery/completion resulting extension of defect liability period/guarantee period of the supplier/contractor fails to perform the supply/work fully, the bank hereby agrees to further extend this guarantee at the instance of the supplier/contractor till such time as may be determined by GAIL. If any further extension of this guarantee is required, the same shall be extended to such required period on receiving instruction from M/s. _____ (contractor) on whose behalf this guarantee is issued.
6. Bank also agrees that GAIL at its option shall be entitled to enforce this Guarantee against the bank (as principal debtor) in the first instant, without proceeding against the supplier/contractor and notwithstanding any security or other guarantee that GAIL may have in relation to the supplier's/contractor's liabilities.
7. The amount under the Bank Guarantee is payable forthwith without any delay by Bank upon the written demand raised by GAIL. Any dispute arising out of or in relation to the said Bank Guarantee shall be subject to the exclusive jurisdiction of courts at New Delhi.
8. Therefore, we hereby affirm that we are guarantors and responsible to you on behalf of the Supplier/Contractor up to a total amount of _____ (amount of guarantees in words and figures) and we undertake to pay you, upon your first written demand declaring the Supplier/Contractor to be in default under the order/contract and without caveat or argument, any sum or sums within the limits of (amounts of guarantee) as aforesaid, without your needing to prove or show grounds or reasons for your demand or the sum specified therein.
9. We have power to issue this guarantee in your favor under Memorandum and Articles of Association and the undersigned has full power to do under the Power of Attorney, dated _____ granted to him by the Bank.

10. Notwithstanding anything contained herein:

a) The Bank's liability under this Guarantee shall not exceed(currency in figures)
... (currency in words only)

b) This Guarantee shall remain in force upto_____ (this date should be expiry date of defect liability period / guarantee period of the Contract) and any extension(s) thereof; and

c) The Bank shall be released and discharged from all liability under this Guarantee unless a written claim or demand is issued to the Bank on or before the midnight of(indicate date of expiry of claim period which includes minimum 03 months from the expiry of this Bank Guarantee) and if extended, the date of expiry of the last extension of this Guarantee. If a claim has been received by us within the said date, all the rights of GAIL under this Guarantee shall be valid and shall not cease until we have satisfied that claim.

Details of next Higher Authority of the Officials who have issued the Bank Guarantee:

Name

Designation

Yours faithfully,

Bank by its Constituted Attorney

Signature of a person duly
Authorized to sign on behalf of the Bank

INSTRUCTIONS FOR FURNISHING
"CONTRACT PERFORMANCE SECURITY / SECURITY DEPOSIT" BY "BANK GUARANTEE"

1. The Bank Guarantee by successful Bidder(s) will be given on non-judicial stamp paper as per 'stamp duty' applicable. The non-judicial stamp paper should be in name of the issuing bank. In case of foreign bank, the said Bank Guarantee to be issued by its correspondent bank in India on requisite non-judicial stamp paper and place of Bid to be considered as Delhi.
2. The Bank Guarantee by Bidders will be given from bank as specified in Tender.
3. A letter from the issuing bank of the requisite Bank Guarantee confirming that said Bank Guarantee and all future communication relating to the Bank Guarantee shall be forwarded to Purchaser.
4. If a Bank Guarantee is issued by a commercial bank, then a letter to Purchaser and copy to Consultant (if applicable) confirming its net worth is more than Rs. 100,00,00,000.00 [Rupees One Hundred Crores] or its equivalent in foreign currency alongwith documentary evidence.
5. In case claim period is not mentioned or same date is mentioned against validity and claim period, then the date of validity of BG shall be considered as three months prior to such date.
6. Supplier shall submit attached cover letter (Annexure) while submitting Contract Performance Security

MATTER TO BE MENTIONED IN COVERING LETTER TO BE SUBMITTED BY VENDOR ALONG WITH BANK GUARANTEE

1	BANK GUARANTEE NO	:				
2	VENDOR NAME / VENDOR CODE	:	NAME			
			VENDOR CODE			
3	BANK GUARANTEE AMOUNT	:				
4	PURCHASE ORDER/ LOA NO	:				
5	NATURE OF BANK GUARANTEE	:				
	(Please Tick (√) Whichever is Applicable)		PERFORMANCE BANK GUARANTEE	SECURITY DEPOSIT	EMD	ADVANCE
6	BG ISSUED BANK DETAILS					
	(A)	EMAIL ID	:			
	(B)	ADDRESS	:			
	(C)	PHONE NO	:			