

“HAR EK KAAM DESH KE NAAM”



GAIL Gas Limited

{ A wholly owned subsidiary of GAIL (India) Limited }

GAIL Jubilee Tower, B-35/36,
3rd Floor, GAIL Info Hub,
Sector-1, Noida,
Distt – Gautam Buddh Nagar, U.P. – 201301

Domestic Competitive Bidding
Through GeM Portal (<https://gem.gov.in/>)

TENDER DOCUMENT FOR HIRING INTERNAL AUDIT SERVICES AS PER REQUIREMENT OF COMPANY FOR FY 2023-24 TO 2025-26

Tender No.: GAIL GAS/NOIDA/5763/RS/2022-23/96

GeM BID NO.: GEM/2023/B/3288556



Below Special Noting for attention of Bidders:



[In case of any conflict in terms & condition of tender document uploaded by GAIL Gas at GEM portal ‘versus’ standard provisions/ condition available at GeM portal (including General Terms and Conditions (GTC)), the terms & condition including provision(s) of tender document uploaded by GAIL Gas shall prevail]

Tender No.: GAIL GAS/NOIDA/5763/RS/2022-23/96 for Hiring internal audit services as per requirement of company for fy 2023-24 to 2025-26 ; GeM BID NO.: GEM/2023/B/3288556



<u>TABLE OF CONTENTS</u>	
SECTION-I	INVITATION FOR BIDS (IFB)
SECTION-II	BID EVALUATION CRITERIA [BEC] & EVALUATION METHODOLOGY
SECTION-III	INSTRUCTIONS TO BIDDER [ITB]
SECTION-IV	GENERAL CONDITIONS OF CONTRACT [GCC]
SECTION-V	SPECIAL CONDITIONS OF CONTRACT [SCC]
SECTION-VI	SCOPE OF WORK [SOW]
SECTION-VII	SCHEDULE OF RATES



SECTION-I

Invitation for Bids



INVITATION FOR BIDS (IFB)
(Section-I)

Ref No: GAIL GAS/NOIDA/5763/RS/2022-23/96

Date: 20.03.2023

To,

[PROSPECTIVE BIDDERS]

Sub: Hiring internal audit services as per requirement of company for FY 2023-24 to 2025-26

Dear Sir/Madam,

1.0 GAIL Gas Limited [having Registered Office at 16, Bhikaiji Cama Place, R.K. Puram, New Delhi, India; CIN U40200DL2008GOI178614], a wholly owned subsidiary company of M/s GAIL (India) Limited, invites bids from bidders for the subject job/works, in complete accordance with the following details and enclosed Tender Documents.

2.0 The brief details of the tender are as under:

(A)	BRIEF SCOPE OF WORK/SERVICES	Hiring internal audit services as per requirement of company for FY 2023-24 to 2025-26					
(B)	TENDER NO. & DATE	GAIL GAS/NOIDA/5763/RS/2022-23/96 dated 20.03.2023 GEM/2023/B/3288556 dated 20.03.2023					
(C)	TYPE OF BIDDING SYSTEM	<table><tr><td>SINGLE BID SYSTEM</td><td><input type="checkbox"/></td></tr><tr><td>TWO BID SYSTEM</td><td><input checked="" type="checkbox"/></td></tr></table>		SINGLE BID SYSTEM	<input type="checkbox"/>	TWO BID SYSTEM	<input checked="" type="checkbox"/>
SINGLE BID SYSTEM	<input type="checkbox"/>						
TWO BID SYSTEM	<input checked="" type="checkbox"/>						
(D)	GEM BID NUMBER & DATE	GEM/2023/B/3288556 dated 20.03.2023					
(E)	CONTRACT PERIOD	The contract period shall be 3 years w.e.f. 01.04.2023 to 31.03.2026 which may be extended further for a period of 1 year.					



(F)	BID SECURITY / EARNEST MONEY DEPOSIT (EMD)	Rs. 88,000/- Further, MSEs and CPSEs (to whom exemption is allowed as per extant guidelines in vogue) are required to submit Declaration for Bid Security as per proforma provided in tender document.
(G)	AVAILABILITY OF TENDER DOCUMENT ON WEBSITE(S)	From 20.03.2023 to 05.04.2023 on following websites: (i) GAIL Gas Tender Website: https://www.gailgastenders.in (ii) Govt. CPP Portal - https://eprocure.gov.in (iii) GeM Portal : https://gem.gov.in Consultant's website (if any)- Not Applicable
(H)	DATE, TIME & VENUE OF PRE-BID MEETING	Date : 27.03.2023 Time : 1100 Hrs Pre-bid meeting shall be conducted through video conferencing on following link: Click here to join the meeting
(I)	DUE DATE & TIME OF BID-SUBMISSION	Date : 05.04.2023 Time : as mentioned in GeM bid
(J)	DATE AND TIME OF UN-PRICED BID OPENING	Date : 05.04.2023 Time : as mentioned in GeM bid
(K)	CONTACT DETAILS OF TENDER DEALING OFFICER	Name : Ram Sevak Designation: Ch. Manager (C&P) Phone No. & Extn : 0120-4862400 Ext. 2340 e-mail : ramsevak@gail.co.in

In case the days specified above happens to be a holiday in GAIL Gas, the next working day shall be implied w.r.t. bid opening (mentioned in GeM bid) and pre bid meeting, etc.

- 3.0 Bids must be submitted strictly in accordance with Clause No. 11 of ITB (Section-III). The IFB is an integral and inseparable part of the Tender Document.
- 4.0 Bid must be submitted only on GeM Portal (<https://gem.gov.in/>). Further, The following documents in addition to uploading in the bid on GAIL Gas '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 GeM Portal by the bidder along with e-bid within the Bid Due Date & Time, to the address mentioned in Bidding Data Sheet (BDS) [Annexure-I to Section-III]:-



- i) EMD/Bid Security (if applicable) / Declaration for Bid Security
[Note: Submission of original is not applicable for online banking transaction]
- ii) Power of Attorney
- iii) Integrity Pact

5.0 Clarification(s)/Corrigendum(s) if any shall also be available on above referred websites. 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.

Bidders are advised to submit their bid strictly as per terms and conditions of tender documents and not to stipulate any deviation/exceptions.

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.

6.0 Any bidder, who meets the Bid Evaluation Criteria (BEC) and wishes to quote against this Tender Document, may download the complete Tender Document along with its amendment(s) if any from websites as mentioned at 2.0 (G) of IFB and submit their Bid complete in all respect as per terms & conditions of Tender Document on or before the Due Date & Time of Bid Submission.

7.0 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 subject to provisions contained in Clause No. 2 of ITB. The Tender Document calls for offers on single point “Sole Bidder” responsibility basis (except where JV/Consortium bid is allowed pursuant to clause no. 3.0 of ITB) and in total compliance of Scope of Works as specified in Tender Document.

8.0 GAIL Gas reserves the right to reject any or all the bids received at its discretion without assigning any reason whatsoever.

9.0 Bidders are required to update their GST registration details on GeM portal to enable evaluation of bids after considering ITC of GST, wherever applicable. However, evaluation bids will be based on the confirmations & documents submitted by the bidder in the their bid irrespective of the status/evaluation on GeM portal. GAIL Gas’s decision in this regard shall be final.

10.0 As per GEM policy/guidelines, MSE bidders have to update their status in their Profile and declare whether they are participating as MSE on GeM Portal (including updating their status in Profile) while submitting the bid on GeM tender. Further, MSE are required to upload relevant documents in bid as per provision of tender. However, evaluation and applicability of EMD exemption and purchase preference policy will be based on the confirmations & documents submitted by the bidder in their bid irrespective of selection/option made on GeM portal.



11.0 Bidders are required to select the applicable purchase preference (i.e. preference category) option while submitting the bid on GeM 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/option made on GeM portal.

This is not an Order/Contract.

For & on behalf of
GAIL Gas Limited

(Ram Sevak)
Ch. Manager (C&P)
E-mail: ramsevak@gail.co.in



SECTION-II

BID EVALUATION CRITERIA (BEC) AND EVALUATION METHODOLOGY



BID EVALUATION CRITERIA (BEC)

(Section-II)

A. Technical Criteria:

- A.1 (i) Bidder must have executed at least three (03) contracts, each of minimum executed value of Rs. 5.87 Lacs for an Internal Audit job in any of the previous 7 years reckoned from bid due date for a company having a minimum turnover of Rs. 750 Crores during that period engaged in City Gas Distribution/Oil & Gas/Petrochemical/Fertiliser/ Refinery/ Power / Mining / Process Industry.

OR

(ii) Bidder must have executed at least two (02) contracts, each of minimum executed value of Rs. 7.33 Lacs for an Internal Audit job in any of the previous 7 years reckoned from bid due date for a company having a minimum turnover of Rs. 750 Crores during that period engaged in City Gas Distribution/Oil & Gas/Petrochemical/Fertiliser/ Refinery/ Power / Mining / Process Industry.

OR

(iii) Bidder must have executed at least a single contract of minimum executed value of Rs. 11.73 Lacs for an Internal Audit job in any of the previous 7 years reckoned from bid due date for a company having a minimum turnover of **Rs. 750 Crores** during that period engaged in City Gas Distribution/Oil & Gas/Petrochemical/Fertiliser/ Refinery/ Power / Mining / Process Industry.

- A.2 In case the bidder does not have experience as mentioned at sl. no. A.1 (i to iii), bidder can submit their bid on the basis of technical experience of foreign based another company (supporting company) besides complying to the conditions mentioned at clause no. D below.

The foreign based supporting company also to meet other criteria(s) as mentioned above at sl. no. A.1 (i & iii) or the criteria at sl. no. A.3 as applicable.

- A.3 In case the bidder is executing a rate contract of above which is still running and the contract executed value till one day prior to the due date of bid submission is equal to or more than the minimum prescribed value as mentioned above, such experience will also be taken into consideration provided that the bidder has to submit satisfactory work execution certificate to this effect issued by the end user / owner / authorized consultant.
- A.4 In case the bidder is executing a rate contract of above which is still running and the contract executed value till one day prior to the due date of bid submission is equal to or more than the minimum prescribed value as



mentioned above, such experience will also be taken into consideration provided that the bidder has to submit satisfactory work execution certificate to this effect issued by the end user / owner / authorized consultant.

Notes to BEC-Technical:

- (i) Experience acquired by a bidder as a sub-contractor can be accepted against submission of requisite certificate / documents from end user by such bidder along with other specified documents.
- (ii) Bids of Joint Venture / Consortium will not be acceptable.
- (iii) In case bidder has executed multiple order/contracts under a rate contract/agreement, all executed orders/contracts shall be considered as single order/contract for evaluation of credentials of a bidder for meeting the experience criteria as mentioned above.
- (iv) Bidder(s) shall be required to submit the documents in respect of above experience criteria as per details at sl. no. C below.

B. Financial Criteria:

Not Applicable

C. Documents required to be submitted/uploaded by bidder along with the bid for qualification of BEC:

Sl. No.	BEC Clause no.	Description	Documents required for qualification
Technical Criteria			
1	A.1	Experience against execution & completion of order.	<p>Copies of Order/LOA/Contract/Agreement along with proof of execution / completion i.e. Completion / Execution Certificate issued by owner / end user / authorized consultant in support of experience criteria. The completion / execution certificate must indicate work order number, date, scope of work, contract value, contract period and executed value.</p> <p>To meet the criteria of minimum Turnover of Rs. 750 Crores as mentioned at clause no. A.1. of BEC-Technical, bidder to submit audited</p>



			financial statement(s) of the client during that period.
2	A.2	Technical Experience of foreign based another company (supporting company)	Bidder must submit/upload: Documentary evidence as per requirement at sl. no. A.2 besides the documents as applicable against sl. no. D
3	A.3	Experience against execution of running Contract	Bidder to comply the documents as mentioned under A.1 above. Copy of Execution Certificate or equivalent against Order/LOA/Contract/Agreement for the running contract as mentioned at point “A.1” above must be submitted/uploaded clearly mentioning the executed value till one day prior to bid submission due date, which must be equal to or more than the minimum prescribed value mentioned at sl. No. A.1 of BEC. The execution certificate or equivalent must contain the detailed information like Order/LOA/Contract/Agreement No. with date, Brief Scope of work / Name of work, Order Quantity, Total executed value etc. The Execution Certificate or equivalent should have been issued by the end-user/owner/authorized consultant.
4	A.4	Jobs executed for Subsidiary / Fellow subsidiary/ Holding company	Bidder must submit/upload: Tax paid invoice(s) duly certified by statutory auditor of the bidder towards payments of statutory tax in support of the job executed for Subsidiary / Fellow Subsidiary /Holding Company.
5	E	Bidder which shares a land border with India	Bidder must submit/upload: Documentary evidence as per requirement at sl. no. E below.
Bidder to note that 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.			



Note to 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): Bill Selling (foreign exchange) Rate of State Bank of India as prevailing on the date of award of order submitted by bidder.
- (b) 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. ELIGIBILITY CRITERIA OF A BIDDER IN CASE BID IS SUBMITTED ON THE BASIS OF TECHNICAL EXPERIENCE OF FOREIGN BASED ANOTHER COMPANY (SUPPORTING COMPANY) AS UNDER (FOR DETAILS – REFER RELEVANT CLAUSE OF ITB):

Eligibility criteria in case bid (offer of those bidders not under consortium arrangement) 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 shall be as per relevant clause of ITB.

The Financial BEC of tender is to be met by the bidder on their own.

E. CLAUSE REGARDING PROVISION FOR PROCUREMENT FROM A BIDDER WHICH SHARES A LAND BORDER WITH INDIA (FOR DETAILS – REFER RELEVANT CLAUSE OF ITB):

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 as per relevant clause of ITB.

F. AUTHENTICATION OF DOCUMENTS SUBMITTED IN SUPPORT OF BID EVALUATION CRITERIA:

Technical Criteria of BEC	All documents in support of Technical Criteria of Bid Evaluation Criteria (BEC) to be furnished by the bidders shall necessarily be duly certified / attested by authorized signatory of the bidder. Note: In case bidder is qualifying based on their
----------------------------------	---



	<p>foreign based supporting company's credentials, authentication requirements for such documents shall be applicable as required below:</p> <p>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 / EurIng or Equivalent Registered Engineer of manufacturer's country with legible stamp.</p> <p>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 manufacturer'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.</p>
--	--

G. PROVISIONS FOR STARTUPS (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)

Not Applicable

H. BID EVALUATION METHODOLOGY FOR AWARD:

The evaluation of bids will be made on following basis:

- i. GAIL Gas Ltd. will evaluate and compare the bids of the techno-commercially qualified bidders whose bids are previously determined to be substantially responsive pursuant to "ITB: Clause-29".
- ii. Techno-commercial Evaluation of the bids will be done first against the BEC stipulated in relevant Section of the tender document to qualify the bidders.
- iii. The Bids of the qualified bidder(s) shall be further assessed as per the Bid Assessment Criteria/Bid Evaluation Methodology as under:

I. Methodology of Technical Evaluation (Evaluation of Quality):

- i. GAIL Gas Limited shall evaluate each technical proposal considering the



criteria like relevant experience for the assignment, qualification of the key staff, Financial competency, Location preference etc.

- ii. A minimum qualifying mark on technical points to be scored is 75 (i.e. out of maximum 100 marks) for opening of the price bid.
- iii. The technical evaluation of the proposal shall be done on the basis of Evaluation of Quality and the aggregate score less than the minimum qualifying marks i.e. 75 (i.e. out of maximum 100 marks) will be disqualified.

Sl. No.	Evaluation Criteria	Minimum Preference Marks	Remarks & Supporting Documents	Maximum Preference Marks
01	Bidder should have a full-fledged office set-up in Noida/Delhi/ Greater Noida / Gurugram /Faridabad / Ghaziabad with at least Six (06) qualified Chartered Accountants (CA) and/or qualified Cost Accountants (CMA) and/or qualified Chartered Engineer employed/posted and working from that office as partners/regular employees. This office shall be responsible for conducting internal audit of GAIL Gas Ltd. as per this tender.	15	Extra 3 points for CA/CMA Firms having additional offices in any of Agra and Bengaluru City subject to Maximum 6 Points Documents Required 1. Copy of Lease/ Rent agreement in case of Rented Office which has valid date. 2. Copy of Registered Deed/Power of Attorney/ Municipal Tax Receipt/ Property Tax Receipt for owned Premises.	21
02	Bidder should have at least Ten years of standing in the profession of Chartered Accountancy/ Cost Accountancy.	10	Extra 01 mark for each year for having more than 10 years of standing in the profession subject to maximum of 04 such marks. <u>Documents required:</u> In case of company: Bidder shall provide copy of Incorporation/	14



Sl. No.	Evaluation Criteria	Minimum Preference Marks	Remarks & Supporting Documents	Maximum Preference Marks
			<p>Registration Certificate of the company depicting date of incorporation/registration duly certified / attested by Notary Public with legible stamp.</p> <p>In case of Proprietorship / Partnership Firm:</p> <p>Bidder shall provide copy of registration certificate under “Shop & Establishment Act” / “Trade Licence” including Affidavit or Partnership Deed (as applicable) duly certified / attested by Notary Public with legible stamp.</p>	
03	<p>Bidder should have at least six(06) qualified Chartered Accountants (CA) and/or qualified Cost Accountants (CMA) and/or qualified Chartered Engineer including partners.</p> <p>(He /She should be a partner/regular employee of the bidder for a minimum post qualification period of one year as on due date of submission of bid)</p>	15	<p>Extra 01 mark for each qualified Chartered Accountant and/or qualified Cost Accountant and/or qualified Chartered Engineer with minimum one year of post qualification employment as a partner /regular employee in the bidder’s firm in excess to minimum requirement of Six (06) subject to maximum of 03 such marks.</p> <p><u>Documents required:</u></p> <p>Bidder shall provide duly Notarized affidavit mentioning the details</p>	18



Sl. No.	Evaluation Criteria	Minimum Preference Marks	Remarks & Supporting Documents	Maximum Preference Marks
			of qualified Chartered Accountants and/or qualified Cost Accountants and/or Chartered Engineer along with their Membership numbers & date and joining dates.	
04	Bidder should have experience of conducting Internal/Statutory Audit of at least one company engaged in any of the industries related to Oil & Gas /Petrochemical/Fertiliser / Refinery/ Power / Mining / other Process Industry having a minimum turnover of Rs. 750 Crores in any of the year of audit. (During preceding 07 years i.e. FY 2015-16 to FY 2021-22)	15	<p>A Extra 01 marks for conducting internal/statutory audit for each additional company engaged in any of the industries related to Oil & Gas /Petrochemical/Fertiliser / Refinery/ Power / Mining / other Process Industry having a minimum turnover of Rs. 750 Crores in any of the year of audit. (During preceding 07 years i.e. FY 2015-16 to FY 2021-22) which is in excess to minimum requirement of one subject to maximum 03 marks.</p> <p>b) Extra 01 marks for conducting internal/statutory audit of each Central Public Sector Undertaking (CPSU) engaged in any of the industries related to Oil & Gas /Petrochemical/Fertiliser / Refinery/ Power / Mining / other Process Industry having a minimum turnover of</p>	21



Sl. No.	Evaluation Criteria	Minimum Preference Marks	Remarks & Supporting Documents	Maximum Preference Marks
			<p>Rs. 750 Crores in any of the year of audit. (During preceding 07 years i.e. FY 2015-16 to FY 2021-22) subject to maximum 03 marks.</p> <p><u>Documents required:</u></p> <p>Bidder shall provide Copies of work order / LOA along with the corresponding Completion Certificate (issued on the letterhead of the client / end user / authorized consultant of the client) duly certified / attested by Notary Public with legible stamp.</p> <p>Documentary evidence like Audited Financial Statement of the client(s) (including Balance Sheet and P&L statement) and a certificate issued by Chartered Accountant with UDIN (not being employee/ partner of the bidder) towards minimum turnover of Rs. 750 Crores in the year of audit duly certified / attested by Notary Public with legible stamp.</p>	
05	Bidder should have experience of conducting Internal/Statutory Audit of at least one City Gas	05	Extra 02 marks for conducting Internal/Statutory audit of each additional City Gas Distribution	11



Sl. No.	Evaluation Criteria	Minimum Preference Marks	Remarks & Supporting Documents	Maximum Preference Marks
	<p>Distribution company having a minimum turnover of Rs.750 Crores in any of the year of audit.</p> <p>(During preceding 07 years i.e. FY 2015-16 to FY 2021-22)</p>		<p>company having a minimum turnover of Rs.750 Crores in any of the year of audit (During preceding 07 years i.e. FY 2015-16 to FY 2021-22) which is in excess to minimum requirement of one subject to maximum 06 marks.</p> <p><u>Documents required:</u></p> <p>Bidder shall provide Copies of work order / LOA along with the corresponding Completion Certificate (issued on the letterhead of the client / end user / authorized consultant of the client) duly certified / attested by Notary Public with legible stamp.</p> <p>Documentary evidence like Audited Financial Statement of the client(s) (including Balance Sheet and P&L statement) and a certificate issued by Chartered Accountant with UDIN (not being employee/ partner of the bidder) towards minimum turnover of Rs. 750 Crores in CGD business in the year of audit duly certified / attested by Notary Public with legible</p>	



Sl. No.	Evaluation Criteria	Minimum Preference Marks	Remarks & Supporting Documents	Maximum Preference Marks
			stamp.	
06	Bidder should be empanelled with Comptroller and Auditor General of India (CAG) which should be valid as on the due date of bid submission.	05	Bidder shall provide supporting document of empanelment with CAG valid as on the due date of bid submission duly certified / attested by Notary public with legible stamp.	05
07	Annual Turnover of the Bidder equal to or more than Rupees One Crore as per their latest audited financial statements.	05	Bidder shall provide Audited Financial Statements duly certified / attested by Notary public with legible stamp.	05
08	Bidder having exposure of conducting Internal/Statutory Audit job in SAP based Environment. (During preceding 07 years i.e. FY 2015-16 to FY 2021-22)	05	Bidder shall provide affidavit mentioning name of companies, period of audit etc. duly certified / attested by Notary public with legible stamp.	05
	Total	75		100

2.4.3 EVALUATION AND AWARD METHODOLOGY:

- Only techno-commercially qualified bidders and the bidder securing minimum **75** Marks against the Technical Points (Evaluation of Quality, mentioned at clause no. A.2) shall be considered for price bid opening. Price Bids shall be evaluated based on overall cost to GAIL Gas Limited including applicable GST (CGST & SGST/UTGST or IGST). Contract will be awarded to the bidder who has secured highest total score combining technical and financial score as stipulated under “COMBINED QUALITY AND COST EVALUATION”.
- The bidder shall quote as percentage (plus OR minus) over Total Estimated Cost (exclusive of GST) as indicated in the SOR, Section-VII of tender document. The quoted plus (+) percentage shall be added on Total Estimated Cost (exclusive of GST) and quoted minus (-) percentage shall be deducted from Total Estimated Cost (exclusive of GST), for evaluation. The Bidder's quoted amount shall be based on complete Scope of Work and other terms &



conditions mentioned in tender document and its amendment (if any).

- **In case, any techno-commercially qualified bidders quote beyond plus OR minus 5% over Total Estimated Cost (exclusive of GST), their price bid will not be considered for further evaluation and will be disqualified.**
- **Provision of lower limit can be set on GeM portal however upper limit cannot be set. Accordingly, the same shall be dealt with tender condition only.**
- **COMBINED QUALITY AND COST EVALUATION**

Contract will be awarded to the bidder who has secured highest total score combining technical and financial score. For this purpose, 80% weightage is assigned to Evaluation of Quality, mentioned at clause no. 2.3.2 above and 20% weightage is assigned to cost part, i.e. SOR, Section-VII of tender document.

Since the tender is being floated through GeM portal therefore, QCBS formula available on GeM portal shall be applicable as under:

Calculation Formula

$$\text{Total Score} = [(C_{\text{low}} / C) \cdot X] + [T / T_{\text{high}} \cdot (1 - X)]$$

Where

C= Evaluated Bid price

C_{low}= The lowest of all evaluated Bid price among responsive Bids

T= The total Technical score awarded to the Bid

T_{high}= The Technical score achieved by the Bid that was scored best among all responsive Bids.

X= Weightage for the process as specified in Bids i.e. 0.8 in this case

Total Score will be calculated by GeM based on the Technical and Financial marks awarded by the committee members and the applicable QCBS weightage.

- In case more than one bidder is tied up at one position, contract will be awarded to the bidder who has secured more score against the Technical Evaluation (Evaluation of Quality, mentioned at clause no. A.2)). In case of further tie in the score against the Technical Evaluation (Evaluation of Quality), then, contract will be awarded to the bidder, whose turnover during last audited financial statement is higher.

Note 1:



- 1) In case, any unregistered bidder [i.e. not registered with statutory authority for GST] is submitting their bid, their prices will be loaded with applicable GST (CGST&SGST/UTGST or IGST) during evaluation of bid.
 - 2) In case any cess on GST is applicable, the same shall also be considered in evaluation.
- 2.3.4 The conditions for availing purchase preference as per PPP-2012 (Public Procurement Policy for MSEs-2012) & PPP-MII (Make In India) like bidder's price in the specified price band, bidder agreeing to match L1 Price, etc. shall be applicable as given in the tender under relevant clauses.

Purchase preference as per PPP-2012 & PPP-MII as mentioned in ITB of tender document shall be applicable considering tender as non-splitable.

Matching with L1 Price is to be done by way of uniform percentage reduction on respective bidder's quoted Price(s) of SOR.

Form-I to Section II



UNDERTAKING ON LETTERHEAD

To,
M/s GAIL GAS LIMITED

SUB:

TENDER NO:

Dear Sir

We have read the clause regarding Provisions for Procurement from a Bidder which shares a land border with India, we certify that, bidder M/s_____ (*Name of Bidder*) is:

- (i) Not from such a country []
- (ii) If from such a country, has been registered []
with the Competent Authority.
(Evidence of valid registration by the
Competent Authority shall be attached)

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

We hereby certify that bidder M/s_____ (*Name of Bidder*) fulfills all requirements in this regard and is eligible to be considered against the 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 GAS LIMITED

SUB:

TENDER NO:

Dear Sir

We have read the clause regarding Provisions for Procurement from a Bidder of a country which shares a land border with India and on sub-contracting to contractors from such countries; we certify that, bidder M/s_____ (*Name of Bidder*) is:

- (i) not from such a country []
- (ii) if from such a country, has been registered []
with the Competent Authority.
(Evidence of valid registration by the
Competent Authority shall be attached)

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

We further certify that bidder M/s_____ (**Name of Bidder**) 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 bidder M/s_____ (**Name of Bidder**) fulfills all requirements in this regard and is eligible to be considered.

Place:

[Signature of Authorized Signatory of Bidder]

Date:

Name:

Designation:

Seal:



Appendix-A1 to Section-II

FORMAT OF AGREEMENT TO BE EXECUTED BETWEEN BIDDER AND THEIR FOREIGN BASED SUPPORTING COMPANY ON INDIAN 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 Gas Limited (hereinafter referred to as GAIL Gas 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 Gas for the full scope of work as envisaged in the tender document as a main bidder and liaise GAIL Gas 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 Gas.
- 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 Gas including extension if any and till satisfactory performance of the contract, the same is awarded by GAIL Gas 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 Gas.
- f) The bidder shall have the overall responsibility of satisfactory execution of the contract awarded by GAIL Gas, however without prejudice to any rights that GAIL Gas 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 Gas 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.

Witness:
1)
2)

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

Witness:
1)
2)



Appendix-A2 to Section-II

GUARANTEE BY THE FOREIGN BASED SUPPORTING COMPANY/ GUARANTOR

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 Gas 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 Gas” which expression shall unless excluded by or repugnant to the context thereof, be deemed to include its successor and assignees

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

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 Gas 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 Gas 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 Gas, take up the job without any demur or objection, in continuation and without loss of time and without any cost to the GAIL Gas and duly perform the obligations of the Bidder to the satisfaction of the GAIL Gas.
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 Gas 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 Gas 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 Gas, guaranteeing the performance of obligations by the Bidder, in case the Contract is awarded to the Bidder by GAIL Gas.
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 Gas.
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 Gas 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 Gas, 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/contractor. The Guarantor hereby expressly agrees that if in the opinion of GAIL Gas, the Bidder / Contractor has failed to perform its obligations under the contract in any manner, GAIL Gas shall have unfettered right to invoke the said Bank guarantee. The guarantor hereby agrees that decision of GAIL Gas about performance of the bidder / contractor 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

(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 Gas, 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/contractor. The Guarantor hereby expressly agrees that if in the opinion of GAIL Gas, the Bidder / Contractor has failed to perform its obligations under the contract in any manner, GAIL Gas shall have unfettered right to invoke the said Bank guarantee. The Guarantor hereby agrees that decision of GAIL Gas about performance of the bidder / contractor 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)

10. 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.

Tender No.: GAIL GAS/NOIDA/5763/RS/2022-23/96 for Hiring internal audit services as per requirement of company for fy 2023-24 to 2025-26 ; GeM BID NO.: GEM/2023/B/3288556



Appendix-A2A to 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 to Section-II

PROFORMA OF "BANK GUARANTEE" TOWARDS PERFORMANCE SECURITY BY FOREIGN BASED SUPPORTING COMPANY OF THE BIDDING COMPANY CONTRACT PERFORMANCE SECURITY / SECURITY DEPOSIT (ON NON-JUDICIAL STAMP PAPER OF APPROPRIATE VALUE)

To,

To, M/s GAIL Gas 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 "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 _____ (herein after called CONTRACT/ ORDER) for GAIL Gas Limited having registered office at 16, Bhikaiji Cama Place, R.K. Puram, New Delhi (herein after called the "GAIL Gas" 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 CONTRACTOR/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 CONTRACTOR/SUPPLIER for successful completion of the contract/order as mentioned above, entered between GAIL Gas and the CONTRACTOR/SUPPLIER and GAIL Gas having agreed that the 'SUPPORTING COMPANY' shall furnish to GAIL Gas a performance guarantee for Indian Rupees/US\$ towards providing complete financial and other support to the CONTRACTOR/SUPPLIER for successful completion of the contract/order as mentioned above, 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 Gas 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 Gas 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 Gas 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 Gas may have in relation to the 'SUPPORTING COMPANY's liabilities.
 4. The Bank further agrees that GAIL Gas 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 CONTRACT/ORDER or to extend time of performance by the said CONTRACTOR/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 Gas against the said CONTRACTOR/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 CONTRACTOR/SUPPLIER or for any forbearance, act or omission on the part of GAIL Gas or any indulgence by GAIL Gas to the said CONTRACTOR(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 CONTRACT/ORDER and all dues of GAIL Gas under or by virtue of this CONTRACT/ORDER have been fully paid and its claim satisfied or discharged or till GAIL Gas 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 Gas 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 CONTRACT/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) _____.
 10. 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.
 11. 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 Gas 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.
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



INSTRUCTION TO BIDDERS

INDEX

[A] GENERAL:

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

[B] BIDDING DOCUMENTS:

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

[C] PREPARATION OF BIDS:

10. LANGUAGE OF BID
11. DOCUMENTS COMPRISING THE BID
12. BID PRICES
13. GST (CGST & SGST/ UTGST or IGST)
14. BID CURRENCIES
15. BID VALIDITY
16. EARNEST MONEY DEPOSIT / BID SECURITY
17. PRE-BID MEETING
18. FORMAT AND SIGNING OF BID
19. ZERO DEVIATION & REJECTION CRITERIA
20. E-PAYMENT

[D] SUBMISSION OF BIDS:

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

[E] BID OPENING AND EVALUATION:

25. EMPLOYER'S RIGHT TO ACCEPT ANY BID AND TO REJECT ANY OR ALL BIDS
27. CONFIDENTIALITY
28. CONTACTING THE EMPLOYER
29. EXAMINATION OF BIDS AND DETERMINATION OF RESPONSIVENESS
32. EVALUATION AND COMPARISON OF BIDS
34. PURCHASE PREFERENCE

[F] AWARD OF CONTRACT:

35. AWARD
36. NOTIFICATION OF AWARD / FAX OF ACCEPTANCE [FOA]
37. SIGNING OF AGREEMENT
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. AHR ITEMS
42. VENDOR EVALUATION PROCEDURE
43. INCOME TAX & CORPORATE TAX
44. DISPUTE RESOLUTION MECHANISM
45. DISPUTES BETWEEN CPSE'S/GOVERNMENT DEPARTMENT'S/ ORGANIZATIONS
46. INAM-PRO (PLATFORM FOR INFRASTRUCTURE AND MATERIALS PROVIDERS)
47. PROMOTION OF PAYMENT THROUGH CARDS AND DIGITAL MEANS
48. CONTRACTOR TO ENGAGE CONTRACT MANPOWER BELONGING TO SCHEDULED CASTES AND WEAKER SECTIONS OF THE SOCIETY
49. PROVISION FOR STARTUPS
50. PROVISION REGARDING INVOICE FOR REDUCED VALUE OR CREDIT NOTE TOWARDS PRS
51. UNIQUE DOCUMENT IDENTIFICATION NUMBER BY PRACTICING CHARTERED ACCOUNTANTS
52. Deleted
53. DOCUMENTS FOR PAYMENT
54. Deleted
55. ASSIGNMENT/SUBLET

[G] ANNEXURES:

1. ANNEXURE-I: BIDDING DATA SHEET (BDS)
2. ANNEXURE-II: POLICY TO PROVIDE PURCHASE PREFERENCE AS PER PUBLIC PROCUREMENT (PREFERENCE TO MAKE IN INDIA), ORDER 2017



INSTRUCTIONS TO BIDDERS [ITB]
(TO BE READ IN CONJUNCTION WITH BIDDING DATA SHEET (BDS))
[A] – GENERAL

1 SCOPE OF BID

- 1.1 The Employer as defined in the "General Conditions of Contract [GCC]", wishes to receive Bids as described in Invitation For Bid (the “**Tender Document /Bid Document**”) issued by Employer. Employer/Owner/GAIL GAS occurring herein under shall be considered synonymous.
- 1.2 SCOPE OF BID: The scope of work/ Services shall be as defined in the Tender documents.
- 1.3 The successful bidder will be expected to complete the scope of Bid 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'.

2 ELIGIBLE BIDDERS

- 2.1 The Bidder shall not be under a declaration of ineligibility by Employer for Corrupt/ Fraudulent/ Collusive/ Coercive practices, as defined in "Instructions to Bidders [ITB], Clause No. 39” (Action in case Corrupt/ Fraudulent/ Collusive/ Coercive Practices).
- 2.2 The Bidder is not put on ‘Holiday’ by GAIL GAS 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 due date of submission of bid. Further, neither bidder 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 GAS or the Ministry of Petroleum and Natural Gas.

Bidders marked “Suspended” on GeM (but eligible as per GAIL GAS’s Tender Document) will be evaluated as per terms & conditions of the Tender Document.

If the bidding documents were issued inadvertently/ downloaded from website, offers submitted by such bidders shall not be considered for opening/ evaluation/Award and will be returned immediately to such bidders.

In case there is any change in status of the declaration prior to award of contract, the same has to be promptly informed to GAIL GAS by the bidder.

It shall be the sole responsibility of the bidder to inform about their status regarding para 1 of clause 2.2 herein above on due date of submission of bid 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 39 of ITB.

- 2.3 The Bidder should not be under any liquidation court receivership or similar proceedings on due date of submission of bid. In case there is any change in status of the declaration prior to award of contract, the same has to be promptly informed to GAIL GAS by the bidder.

It shall be the sole responsibility of the bidder to inform GAIL GAS there status on above on due date of submission of bid 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.

2.4 Bidder shall not be affiliated with a firm or entity:

- (i) that has provided consulting services related to the work to the Employer during the preparatory stages of the work or of the project of which the works/services forms a part of or
- (ii) that has been hired (proposed to be hired) by the Employer as an Engineer/ Consultant for the contract.

2.5 Neither the firm/entity appointed as the Project Management Consultant (PMC) for a contract nor its affiliates/ JV'S/ Subsidiaries shall be allowed to participate in the tendering process unless it is the sole Licensor/Licensor nominated agent/ vendor.

2.6 Pursuant to qualification criteria set forth in the bidding document, the Bidder shall furnish all necessary supporting documentary evidence to establish Bidder's claim of meeting qualification criteria.

2.7 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 (including Consortium). Any consequence resulting due to such signing shall be binding on the Bidder (including Consortium).

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.

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

3 BIDS 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 in Format F-5.

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.

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 GAS 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 of works 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 job. The costs of visiting the site shall be borne by the Bidder.
- 6.2 The Bidder or any of its personnel or agents shall be granted permission by the Employer to enter upon its 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 Employer 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 GAS 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] – BIDDING DOCUMENTS

7 CONTENTS OF BIDDING DOCUMENTS

7.1 The contents of Bidding Documents / Tender Documents are those stated below shall be '**Bid specific Additional Terms and Conditions (ATC)**' of GeM bid, and should be read in conjunction with any 'Addendum / Corrigendum and Clarification(s)' issued in accordance with "ITB: Clause-8 & 9":

- Section-I : Invitation for Bid [IFB]*
- Section-II : Bid Evaluation Criteria [BEC] & Evaluation methodology
- Section-III : Instructions to Bidders [ITB], Annexure, Forms & Format**
- Section-IV : General Conditions of Contract [GCC]***
- Section-V : Special Conditions of Contract [SCC]
- Section-VI : Specifications, Scope of Work and Drawing

GeM bid document generated or available on GeM portal shall also be part of Bidding Document / Tender Document.

*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-II to Section-III i.e. BDS (Bidding Data Sheet).

*** General Conditions of Contract - Services is attached in Section-IV.

7.2 The Bidder is expected to examine all instructions, forms, terms & conditions in the Bidding Documents. The "Request for Quotation [RFQ] & Invitation for Bid (IFB)" 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 Bidding Documents or submission of a Bid not substantially responsive to the Bidding Documents 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) of the Bidding Documents may notify GAIL GAS in writing or email at GAIL GAS's mailing address indicated in the BDS or on GeM portal 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 due date of submission of bid in cases where pre-bid meeting is not scheduled. GAIL GAS reserves the right to ignore the bidders request for clarification if received after the aforesaid period. GAIL GAS may respond in writing to the request for clarification. GAIL GAS's response including an explanation of the query, but without identifying the source of the query will be uploaded on GeM portal / communicated to prospective bidders by e-mail.

8.2 Any clarification or information required by the Bidder but same not received by the Employer at clause 8.1 (refer BDS for address) above is liable to be considered as "no



clarification / information required".

9 AMENDMENT OF BIDDING DOCUMENTS

- 9.1 At any time prior to the 'Bid Due Date', Employer may, for any reason, whether at its own initiative or in response to a clarification requested by a prospective Bidder, modify the Bidding Documents by corrigendum.
- 9.2 Any corrigendum thus issued shall be integral part of the Tender Document and shall be hosted on the GeM portal website. Bidders have to take into account all such corrigendum before submitting their Bid.
- 9.3 The Employer, 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 BIDS

10 LANGUAGE OF BID:

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 GAS shall be written in English language only. In case a document, certificate, printed literature etc. furnished by the Bidder in a language other than English, the same should be accompanied by an English translation duly authenticated by the Indian Chamber of Commerce, in which case, for the purpose of interpretation of the Bid, the English translation shall govern.

11. DOCUMENTS COMPRISING THE BID

The Bid must be submitted on GeM portal (<https://gem.gov.in>) as follows

11.1 TECHNO-COMMERCIAL / UN-PRICED BID shall contain the following:

- (a) 'Covering Letter' on Bidder's 'Letterhead' clearly specifying the enclosed contents with index.
- (b) 'Bidder's General Information', as per 'Form F-1'.
- (c) 'Agreed Terms and Conditions', as per 'Form F-5'
- (g) 'Acknowledgement Cum Consent Letter', as per 'Form F-6'
- (h) Duly attested documents in accordance with the "Bid Evaluation Criteria [BEC]" establishing the qualification.
- (i) Copy of Power of Attorney /copy of Board Resolution, in favour of the authorized signatory of the Bid, as per clause no.2.7 of ITB
- (j) Copy of EMD /, Declaration for Bid Security as per provision of ITB
- (k) Undertaking as per *Form-1 to Annexure-II to Section-III* by MSE bidders and Class-I Local Suppliers bidders seeking preference under policy to provide purchase preference as per public procurement (preference to make in India), Order 2017 (PPP-MII), if applicable.
- (l) Undertaking as per *Form-2 to Annexure-II to Section-III* 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 *Form-3 to Annexure-II to Section-III (Applicable for all bidders including MSEs bidder irrespective of seeking purchase preference or not)*.



- (m) Undertaking as per *Form-I to Section-II* regarding Provisions for Procurement from a Bidder which shares a land border with India
- (n) All forms and Formats including Annexures
- (o) 'Integrity Pact' as per 'Form F-13'
- (p) Tender Document, its Corrigendum/Amendment/Clarification(s) duly signed 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 Bidding Document

Note: All the pages of the Bid must be signed by the "Authorized Signatory" of the Bidder holding POA.

11.1.2 Price Bid / Financial Bid / Schedule of Rates [SOR]

- i) The Prices are to be submitted strictly as per the Price bid / Schedule of Rate (SOR) on GeM portal. GAIL GAS shall not be responsible for any failure on the part of the bidder to follow the instructions.
- ii) Bidders are advised NOT to mention Rebate/Discount separately, either in the SOR or anywhere else in the offer. In case Bidder(s) intend to offer any Rebate/Discount, they should include the same in the item rate(s) itself under the SOR and indicate the discounted unit rate(s) only.
- iii) 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 bids.
- iv) 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 bids 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 of Work and the same will be conclusive and binding on the bidder.
- v) In the event as a result of techno-commercial discussions or pursuant to seeking clarifications / confirmations from bidders, while evaluating the unpriced part of the bid, any of the bidders submits a sealed envelope stating that it contains revised prices; such bidder(s) will be requested to withdraw the revised prices failing which the bid will not be considered for further evaluation.
- vi) In case any bidder does not quote for any item(s) of "Schedule of Rates" and the estimated price impact is more than 10% of the quoted price, then the bid will be rejected. If such price impact of unquoted items is 10% or less of his quoted price, then the unquoted item(s) shall be loaded highest of the price quoted by the other bidders. If such bidder happens to be lowest evaluated bidder, price of unquoted items shall be considered as included in the quoted bid price.

Further, Bidders must submit the original " EMD, Power of Attorney, Integrity Pact (wherever applicable) 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 date of un-



priced bid opening.

Bidders are required to submit the EMD in original by Due Date and Time of Bid Submission 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 Due Date and Time of Bid Submission, 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 Due Date of Bid Opening, 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.

12 BID PRICES

- 12.1 Unless stated otherwise in the Bidding Documents, the Contract shall be for the whole job /works as described in Bidding Documents, based on the rates and prices submitted by the Bidder and accepted by the Employer. The prices quoted by the Bidders will be inclusive of all taxes & duties including **GST (CGST & SGST/UTGST or IGST)**.

Successful bidder is required to provide break-up of various components such as GST (CGST & SGST/UTGST or IGST) included in the quoted prices for placing SAP order by GAIL GAS.

- 12.2 Bidder shall quote for all the items of Price bid/SOR after careful analysis of cost involved for the performance of the completed item considering all parts of the Bidding Document. In case any activity though specifically not covered in description of item under SOR but is required to complete the works as per Specifications, Scope of Work / Service, Standards, General Conditions of Contract ("GCC"), Special Conditions of Contract ("SCC") or any other part of Bidding Document, the prices quoted shall deemed to be inclusive of cost incurred for such activity.
- 12.4 All duties, taxes and other levies [if any] payable by the Service Provider under the Contract, or for any other cause including final **GST (CGST & SGST/ UTGST or IGST)** shall be included in the rates / prices and the total bid-price submitted by the Bidder.
- 12.5 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, unless any price escalation/variation is allowed elsewhere in the Tender Document.

13 GST (CGST & SGST/ UTGST or IGST)

- 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, including **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 GAS



- 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 GAS that the Service Provider has not remitted the amount towards GST (CGST & SGST/UTGST or IGST) collected from GAIL GAS to the government exchequer, then, that Contactor shall be put under Holiday list of GAIL GAS 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 GAS.
- 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 GAS 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 GAS 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 GAS'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 GAS is entitled to avail the input tax credit of **GST (CGST & SGST/UTGST or IGST)

13.5.1 Owner/GAIL GAS 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 GAS 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 GAS is not entitled to avail/take the full input tax credit of **GST (CGST & SGST/UTGST or IGST)

13.6.1 Owner/GAIL GAS 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 GAS will prefer to deal with registered supplier of goods/ services under GST. Therefore, bidders are requested to get themselves registered under GST, it 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 GAS 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 considered by bidder in the Price bid/SOR.
Where GAIL GAS has the obligation to discharge **GST (CGST & SGST/UTGST or IGST)** liability under reverse charge mechanism and GAIL GAS 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 GAS or ITC with respect to such payments is not available to GAIL GAS for any reason which is not attributable to GAIL GAS, then GAIL GAS shall be entitled to deduct/ setoff / recover such amounts against any amounts paid or payable by GAIL GAS 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 GAS 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 GAS for any reason not attributable to GAIL GAS, then GAIL GAS 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 GAS 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 GAS. Further, in case rating of bidder is negative / black listed after award of work, then GAIL GAS 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 GAS.
- 13.12 GST, as included by the bidder in Price bid / SOR, shall be deemed as final and binding for the purpose of bid evaluation
In case a bidder includes “zero” 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 GAS 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 GAS 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 GAS for any reason attributable to supplier (both for E-invoicing cases and non-E-invoicing cases), then GAIL GAS 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 GAS. However, in case where the GST amount doesn't reflect in Form GSTR-2A of GAIL GAS, the



amount of GST will be released after reflection of GST amount of corresponding invoice in Form GSTR-2A of GAIL GAS.

14 BID CURRENCIES:

Bidders must submit bid in Indian Rupees only.

15 BID VALIDITY

- 15.1 Bids shall be kept valid for period specified in GeM bid from the final Due date of submission of bid'. A Bid valid for a shorter period may be rejected by GAIL GAS as 'non-responsive'.
- 15.2 In exceptional circumstances, prior to expiry of the original 'Bid Validity Period', the Employer may request the Bidders to extend the 'Period of Bid Validity' for a specified additional period on GeM portal. The request and the responses thereto shall also be made in writing or by email (outside GeM, if required). After opening of price bids in GeM, the extension (outside GeM, if any) will be regularized through GeM with L-1 bidder. Bidder may refuse the request without forfeiture of his EMD/Bid Security
- 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

- 16.1 Bid must be accompanied with earnest money deposit (**i.e Earnest Money Deposit (EMD)** also known as **Bid Security**) in the form of **‘Demand Draft’ / ‘Banker’s Cheque’ / Insurance Surety Bond’ / ‘Fixed Deposit Receipt’** [in favour of **GAIL GAS Limited** payable at place mentioned in **BDS**] or **‘Bank Guarantee’** as per the format given in form F-2 of the **Tender Document** (preferably) **or format available in GeM portal**. Bidder shall ensure that EMD submitted in the form of **‘Bank Guarantee’** should have a validity of at least ‘two [02] months’ beyond the validity of the Bid. EMD submitted in the form of **‘Demand Draft’** or **‘Banker’s Cheque’** should be valid for three months.
- Bid not accompanied with EMD, or EMD not in requisite format shall be liable for rejection. The EMD shall be submitted in Indian Rupees only.
- 16.2 GAIL GAS shall not be liable to pay any documentation charges, Bank charges, commission, interest etc. on the amount of EMD. In case EMD is in the form of a ‘Bank Guarantee’, the same 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 Guarantee’ 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 ‘Bank Guarantee’ itself or separately on its letterhead. Purchaser will verify the BG from issuing bank.
- 16.3 Any Bid not secured in accordance with “ITB: Clause-16.1 & Clause-16.2” may be rejected by GAIL GAS as non-responsive.
- 16.4 Unsuccessful Bidder’s EMD will be discharged/ returned as promptly as possible, but not later than ‘thirty [30] days’ after finalization of tendering process.
- 16.5 The successful Bidder’s EMD will be discharged upon the Bidder’s acknowledging



the 'Award' and signing the 'Agreement' and furnishing the 'Contract Performance Security (CPS)/ Security Deposit' pursuant to clause no. 38 of ITB.

16.6 Notwithstanding anything contained herein, the EMD may also be forfeited in any of the following cases:

- (a) If a Bidder withdraws his Bid during the 'Bid Validity Period'
- (b) If a Bidder has indulged in corrupt/fraudulent /collusive/coercive practice
- (c) If the Bidder modifies Bid during the period of bid validity (after Due Date and Time for Bid Submission).
- (d) Violates any other condition, mentioned elsewhere in the Tender Document, which may lead to forfeiture of EMD.
- (e) In the case of a successful Bidder, if the Bidder fails to:
 - (i) acknowledge receipt of the "Notification of Award" / Fax of Acceptance[FOA]",
 - (ii) furnish "Contract Performance Security / Security Deposit", in accordance with "ITB: Clause-38"
 - (iii) accept 'arithmetical corrections' as per provision of the clause 30 of ITB.

16.7 In case EMD is in the form of 'Bank Guarantee', the same must indicate the Tender Document No. and the name of Tender Document for which the Bidder is quoting. This is essential to have proper correlation at a later date.

16.8 MSEs (Micro & Small Enterprises) are exempted from submission of EMD in accordance with the provisions of PPP-2012 and Clause 40 of ITB. However, Traders/Dealers/ Distributors /Stockiest /Wholesaler are not entitled for exemption of EMD. The Government Departments/PSUs are also exempted from the payment of EMD. Further, Startups are also exempted from the payment of EMD.

In addition to above, following categories of Sellers/Service Providers are also exempted from furnishing Earnest Money / Bid Bond :

- (i) KVIC, ACASH, WDO, Coir Board, TRIFED and Kendriya Bhandar.
- (ii) Sellers who have got their credentials verified through the process of Vendor Assessment by Vendor Assessment Agencies for the Primary Product / Primary Service for which Bid / RA has been invited.
- (iii) Sellers/ Service Provider having annual turnover of INR 500 Crore or more.
- (iv) Sellers / Service Providers holding BIS License for the Primary Product Category whose credentials are validated through BIS database and through uploaded supporting documents.
- (v) Seller / Service Provider registered with designated Agency / Authority as specified in the bid document by the Buyer – such bidder shall have to upload scanned copy of relevant registration document in place of Bid Security document while bidding.

Bidders are required to submit relevant document for exemption from furnishing Earnest Money / Bid Bond

16.9 In addition to existing specified form (i.e. Demand Draft (DD)/ Banker's Cheque/ Bank Guarantee) mentioned in tender documents for submission of EMD/Bid Bond, the bidder can also submit the EMD through online banking transaction i.e. IMPS/NEFT/RTGS etc. While remitting, the bidder must indicate EMD and tender/E-tender no. under remarks. Bidders shall be required to submit/ upload the successful transaction details along-with their bid/e-bid in addition to forwarding the details to



dealing officer through email/letter with tender reference number immediately after remittance of EMD.

In absence of submitting/ uploading the remittance details, the bids are likely to be considered as bid not accompanied with EMD. Further, in case of the above online transaction, submission of EMD in original is not applicable.

- 16.10 In case of forfeiture of EMD/ Bid Security, the forfeited amount will be considered inclusive of tax and tax invoice will be issued by GAIL GAS. The forfeiture amount will be subject to final decision of GAIL GAS based on other terms and conditions of order/ contract.
- 16.11 EMD/Bid Bond will not be accepted in case the same has reference of 'remitter'/'financer' other than bidder on the aforementioned financial instrument of EMD/ Bid Bond submitted by the bidder and bid of such bidder will be summarily rejected.

16A DECLARATION FOR BID SECURITY

Bidder to whom exemption is allowed as per Clause no. 16.8 above are required to submit Declaration for Bid Security as per proforma at Form F-2A.

17 PRE-BID MEETING (IF APPLICABLE)

- 17.1 The Bidder(s) or his designated representative are invited to attend a "Pre-Bid Meeting" which will be held at address 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.
- 17.3 Text of the questions raised and the responses given, together with any responses prepared after the meeting, will be uploaded on GeM portal website against the GeM bid as specified in "ITB: Clause-8. Any modification of the Contents of Bidding Documents listed in "ITB: Clause-7.1", that may become necessary as a result of the Pre-Bid Meeting shall be made by the Employer exclusively through the issue of an Corrigendum pursuant to "ITB: Clause-9", 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 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 or persons duly authorized to sign on behalf of the Bidder (as per POA). The name and position held by each 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) have 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 or persons signing the Bid.

19 ZERO DEVIATION AND REJECTION CRITERIA

- 19.1 ZERO DEVIATION: Deviation to terms and conditions of "Bidding Documents"



may lead to rejection of bid. GAIL GAS will accept bids based on terms & conditions of "Bidding Documents" only. Bidder may note GAIL GAS will determine the substantial responsiveness of each bid to the Bidding Documents 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 Bidding Documents without deviations or reservations. GAIL GAS'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 / Bid Security declaration, as applicable
- (c) Specifications & Scope of Work
- (d) Schedule of Rates / Price Schedule / Price Basis
- (e) Duration / Period of Contract/ Completion schedule
- (f) Period of Validity of Bid
- (g) Price Reduction Schedule
- (h) Contract Performance Security
- (i) Guarantee / Defect Liability Period
- (j) Arbitration / Resolution of Dispute/Jurisdiction of Court
- (k) Force Majeure & Applicable Laws
- (l) Integrity Pact, if Applicable
- (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 and conditions of Tender document.

20 **E-PAYMENT**

GAIL GAS Limited has initiated payments to Service Providers electronically, and to facilitate the payments electronically through 'e-banking'.

[D] – SUBMISSION OF BIDS



21 SUBMISSION, SEALING AND MARKING OF BIDS

- 21.1 Bids shall be submitted on GeM portal. No Manual/ Hard Copy (Original) / E-mail offer shall be acceptable. Physical documents shall be addressed to the owner at address specified in IFB.
- 21.2 Bids submitted under the name of AGENT/ REPRESENTATIVE /RETAINER/ ASSOCIATE etc. on behalf of a bidder/affiliate shall not be accepted.

22 DEADLINE FOR SUBMISSION OF BIDS

- 22.1 The bids must be submitted in GeM portal not later than the date and time specified in the tender documents.
- 22.2 GAIL GAS may, in exceptional circumstances and at its discretion, extend the deadline for submission of Bids (8.0 and/or 9 of ITB refers). In that case all rights and obligations of GAIL GAS and the Bidders, previously subject to the original deadline will thereafter be subject to the deadline as extended. Notice for extension of due date of submission of bid will be uploaded on GeM portal / communicated to the bidders.

23 LATE BIDS

- 23.1 GeM portal shall close immediately after the due date for submission of bid and no bids can be submitted thereafter.
Where the EMD/physical documents has been received but the bid is not submitted by the bidder in the GeM 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.

24 MODIFICATION AND WITHDRAWAL OF BIDS

- 24.1 Modification and withdrawal of bids shall be as follows:-
The bidder may withdraw or modify its bid after bid submission but before the due date and time for submission as per tender document.
- 24.2 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 EMPLOYER'S RIGHT TO ACCEPT ANY BID AND TO REJECT ANY OR ALL BIDS



- 25.1 GAIL GAS 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 GAS's action.
- 25.2 In GeM, there is provision for representation against disqualification of bidder within the specified period after disqualifying the bidder against GeM Bid. Disqualified bidders should not upload new/additional documents against representation on GeM as the same shall not be evaluated.
- Further, following decisions of GAIL GAS 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 GAS will open unpriced bids at the schedule date & time.

26.2 *Priced Bid Opening:*

26.2.1 GAIL GAS will open the price bids of those bidders who meet the qualification requirement and whose bids 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).

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

26.3 As tender is processed on GeM portal, public opening of bids is not applicable.

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 EMPLOYER

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

28.2 Any effort by the bidder to influence GAIL GAS 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 GAS'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 Employer's determination of a bid's responsiveness is based on the content of the bid only. Prior to the detailed evaluation of Bids, the Employer will determine whether each Bid:-
- (a) Meets the "Bid Evaluation Criteria" of the Bidding Documents;
 - (b) Has been properly signed;
 - (c) Is accompanied by the required 'Earnest Money / Bid Security / Bid Security Declaration
 - (d) Is substantially responsive to the requirements of the Bidding Documents; and
 - (e) Provides any clarification and/or substantiation that the Employer 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 and specifications of the Bidding Documents without material deviations or reservations or omissions for this purpose employer defines the foregoing terms below:-
- a) "Deviation" is departure from the requirement specified in the tender documents.
 - b) "Reservation" is the setting of limiting conditions 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 documents.
 - ii) Limit, in any substantial way, inconsistent with the Tender Document, the Employer's rights or the tenderer's obligations under the proposed Contract.
 - b) If rectified, would unfairly affect the competitive position of other bidders presenting substantially responsive bids.
- 29.4 The employer 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 GAS's personnel for operating the equipment. The tenderer has, however, quoted only for supply of the equipment).

30 CORRECTION OF ERRORS

Not Applicable

31 CONVERSION TO SINGLE CURRENCY FOR COMPARISON OF BIDS

Not Applicable. All bids submitted must be in the currency specified at clause 14 of ITB.

32 EVALUATION AND COMPARISON OF BIDS

Bid shall be evaluated as per evaluation criteria mentioned in Section-II of bidding documents on lowest bid.

33 COMPENSATION FOR EXTENDED STAY – NOT APPLICABLE

34 PURCHASE PREFERENCE

Purchase preference to Micro & Small Enterprises (MSEs), Domestically Manufactured Electronic Products / Telecom Products or Policy to Provide Purchase Preference as per Public Procurement (Preference to Make in India), Order 2017 etc. shall be allowed as per Government instructions in vogue, as applicable from time to time.

As per GEM policy/guidelines, MSE bidders have to update their status in their Profile and declare whether they are participating as MSE on GeM Portal (including updating their status in Profile) while submitting the bid on GeM tender. Further, MSE are required to upload relevant documents in bid as per provision of tender. However, evaluation and applicability of EMD exemption and purchase preference policy will be based on the confirmations & documents submitted by the bidder in the their bid irrespective of selection/option made on GeM portal.

Bidders are required to select the applicable purchase preference (i.e. preference category) option while submitting the bid on GeM 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/option made on GeM portal.

[F] – AWARD OF CONTRACT

35 AWARD

Subject to "ITB: Clause-29", GAIL GAS will award the Contract 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.

“GAIL GAS intent to place the contract directly on the address from where Services are to be rendered. In case, bidder wants contract at some other address or Services are to be rendered from multiple locations, bidder is required to provide in their bid, the address on which contract is to be placed”.

GAIL GAS will place the Contract 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

- 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 GAS 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 GAS and successful Bidder (i.e. Service Provider). The Notification of Award/FOA will constitute the formation of a Contract. The detailed GeM Contract / Letter of Acceptance shall be issued thereafter incorporating terms & conditions of Tender Document, Corrigendum, Clarification(s), Bid and agreed variation(s)/acceptable deviation(s), if any. GAIL GAS may choose to issue Notification of Award in form of detailed GeM Contract / Letter of Acceptance without issuing FOA and in such case the Contract shall enter into force on the date of detailed GeM Contract / Letter of Acceptance only.
- 36.2 Contract period shall commence from the date of "Notification of Award" or as mentioned in the Notification of Award. The "Notification of Award" will constitute the formation of a Contract, until the Contract has been effected pursuant to signing of Contract Agreement as per "ITB: Clause-37".
- 36.3 Upon the successful Bidder's / Contractor's furnishing of 'Contract Performance Security / Security Deposit', pursuant to "ITB: Clause-38", GAIL GAS will promptly discharge his 'Earnest Money Deposit / Bid Security', pursuant to "ITB: Clause-16".
- 36.4 The Order/ contract value mentioned above is subject to Price Reduction Schedule clause.
- 36.5 GAIL GAS will award the Contract to the successful Bidder, who, within 'fifteen [15] days' shall acknowledge.
- 36.6 **In addition to GeM Contract(s), GAIL GAS will place SAP generated Order(s) / Contract(s) outside GeM portal for execution of Order(s) / Contract(s) and payment to suppliers outside GeM portal. SAP Order(s)/Contract(s) will be generated by mentioning unit price excluding GST, quantity and percentage of GST. Unit rate of a particular line item will be derived by back calculating the total Lumpsum price of that particular line item quoted at GeM portal with the quantity.**

37 SIGNING OF AGREEMENT

- 37.1 The successful Bidder/Service Provider shall be required to execute an 'Agreement' in the proforma given in this Bidding Document on a 'non-judicial stamp paper' of appropriate value [cost of the 'stamp-paper' shall be borne by the successful Bidder/Service Provider] and of 'State of India' specified in Bidding Data Sheet (BDS) only, within 'fifteen [15] days' of receipt of the "Fax of Acceptance [FOA]" of the Tender by the successful Bidder/Service Provider failure on the part of the successful Bidder/Contractor to sign the 'Agreement' within the above stipulated period, shall constitute sufficient grounds for forfeiture of EMD/Action as per Bid Security declaration. However, signing of Agreement shall not be applicable in cases wherein the individual contract value as specified in Notification of Award is less than INR 10 Lakh (exclusive of GST).
- 37.2 Bidders can request Bilingual (Hindi & English) Contract Agreement. The format for signing Contract Agreement in English is attached with this Bidding Document.

38 CONTRACT PERFORMANCE SECURITY / SECURITY DEPOSIT [CPS/SD]

- 38.1 Within 30 days of the receipt of the notification of award/ Fax of Acceptance from GAIL GAS, 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 either Banker's Cheque or Demand Draft or Insurance Surety Bond or Fixed Deposit Receipt or Bank Guarantee or Letter of Credit and shall be in the currency of the Contract. However, there shall be no Contract Performance security / PBG requirement for contracts:
- a) Placed under Direct Purchase / L-1 Purchase Option under Para (i) and (ii) of GFR rule 149; ~~b) Placed through Bids / RA with estimated bid value up to Rs 5 Lakh (in case of Goods contracts); and~~
- c) Placed through Bids / RA with estimated bid value up to Rs 5 Lakh (in case of Services contracts)
- 38.2 The contract performance security shall be for an amount equal to specified in Bidding Data Sheet (BDS) towards faithful performance of the contractual obligations and performance of equipment. For the purpose of CPS, Contract/order value shall be exclusive of **GST (CGST & SGST/UTGST or IGST)**. 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 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 The Service Provider shall submit CPS as per Form F-4 of Tender Document only but not as per format of GeM. Further, they also submit covering letter along with CPS as per format at F-4.
- 38.4 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
- 38.5 The CPS has to cover the entire contract value including extra works/services also. As long as the CPS submitted at the time of award take cares the extra works/ services



- executed and total executed value are within the awarded contract price, there is no need for additional CPS. As soon as the total executed value is likely to burst the ceiling of awarded contract price, the Service Provider should furnish additional CPS.
- 38.6 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 GAS directly as per the above direction including its revisions, if any. In such cases confirmation will not be sought from issuing banker by GAIL GAS.
- 38.7 In addition to existing specified form (i.e. Demand Draft (DD)/ Banker's Cheque/ Bank Guarantee/Letter of Credit) mentioned in tender documents for submission of Security Deposit/ Contract Performance Security, the successful bidder can also submit the Security Deposit/ Contract Performance Security through online banking transaction i.e. IMPS/NEFT/RTGS/SWIFT etc. For this purpose, the details of GAIL GAS'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 "Security Deposit/ Contract Performance Security against FOA/DLOA no. _____ (service provider to specify the FOA/DLOA No.)" under remarks column of such transaction of respective bank portal. The contractor/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."
- 38.8 In case of forfeiture of Contract Performance Security/ Security Deposit in terms of GCC, the forfeited amount will be considered inclusive of tax and tax invoice will be issued by GAIL GAS. The forfeiture amount will be subject to final decision of GAIL GAS based on other terms and conditions of order/ contract.
- 38.9 CPBG/Security Deposit will not be accepted in case the same has reference of 'remitter'/'financer' other than bidder on the aforementioned financial instrument of CPBG/ Security Deposit submitted by the Service Provider.
- 38.10 The first payment to vendor is to be released only after submission of CPS / Security Deposit (SD).
- 38.11 Before the CPS / Security Deposit (SD) is released a "No Claim Certificate" is to be submitted by the supplier/vendor.

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

- 39.1 Procedure for action in case Corrupt/ Fraudulent/Collusive/Coercive Practices shall be as per Appendix-1 of General Conditions of Contract- Services.
- 39.2 Deleted
- 39.3 Deleted
- 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 and other "CONTRACT DOCUMENTS", in case it is found that the Service Provider/Bidders indulged in fraudulent/ coercive practices at the time of bidding, during execution of the contract etc., and/or on other grounds as mentioned in GAIL GAS's "Procedure for action in



case Corrupt/Fraudulent/Collusive/Coercive Practices”, the service provider/bidder shall be banned (in terms of aforesaid procedure) from the date of issuance of such order by GAIL GAS Ltd., to such Service Providers/Bidders.

The Service Provider/ Bidder understands and agrees that in such cases where Service Provider/ Bidder has been banned (in terms of aforesaid procedure) from the date of issuance of such order by GAIL GAS Limited, such decision of GAIL GAS Limited shall be final and binding on such Service Provider/ Bidder and the ‘Arbitration clause’ in the GCC and other "CONTRACT DOCUMENTS" shall not be applicable for any consequential issue /dispute arising in the matter.

40 PUBLIC PROCUREMENT POLICY FOR MICRO AND SMALL ENTERPRISES

40.1 Following provision has been incorporated in tender for MSEs, 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 Micro and Small Enterprises (MSEs)

- i) Issue of tender document to MSEs free of cost.
- ii) Exemption to MSEs from payment of EMD/Bid Security.
- 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 benefits.

The above documents 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.

MSEs are advised to update their latest status on GeM portal also to avoid complications during the evaluation.

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 GAS, 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 of the purchasing authority/Engineer-in-charge, 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 benefit 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 GAS 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. TREDs (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 MSME is payable in line with Micro, Small and Medium Enterprises Development Act, 2006

41 AHR ITEMS

In item rate contract where the quoted rates for the items exceed 50% of the estimate rates, such items will be considered as Abnormally High Rates (AHR) items and payment of AHR items beyond the SOR stipulated quantities shall be made at the lowest amongst the following rates:

- I) Rates as per SOR, quoted by the Service Provider/Bidder.
- II) Rate of the item, which shall be derived as follows:
 - a. Based on rates of Machine and labour as available from the contract (which includes service provider's supervision, profit, overheads and other expenses).
 - b. In case rates are not available in the contract, rates will be calculated based on prevailing market rates of machine, material and labour plus 15% to cover Service Provider's supervision profit, overhead & other expenses.

42 VENDOR PERFORMANCE EVALUATION

Shall be as stipulated at Appendix-2 of General Conditions of Contract- Services

43 INCOME TAX & CORPORATE TAX

43.1 Income tax deduction shall be made from all payments made to the contractor as per the rules and regulations in force and in accordance with the Income Tax Act prevailing from time to time.

43.2 Corporate Tax liability, if any, shall be to the contractor's account.

43.3 TDS

(i) TDS, wherever applicable, shall be deducted as per applicable act/law/rule.

(ii) 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 file 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%

43.4 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 procurement of goods / services/works/consultancy services exceeding Rs. 2 Lacs per transaction or as amended from time to time.

Accordingly, service provider should mention their PAN no. in their invoice/ bill for any transaction exceeding Rs. 2 lakhs or as amended from time to time. As provided in the notification, in case service provider do not have PAN no., they have to submit declaration in Form 60 along with invoice/ bill for each transaction.

Payment of service provider shall be processed only after fulfilment of above requirement.

44 DISPUTE RESOLUTION MECHANISM

44.1 QUARTERLY CLOSURE OF THE CONTRACT

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 GAS 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 (hereinafter referred 'Vendor') should 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.

44.2 CONCILIATION AND ARBITRATION

1.0 CONCILIATION

GAIL GAS Limited has framed the Conciliation Rules 2013 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 as per clause no. 44.1, may be referred for conciliation in accordance with GAIL GAS Conciliation Rules 2013 as amended from time to time. A copy of the said rules have been made available on GAIL GAS's web site i.e <https://gailgas.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 GAS Limited Conciliation Rules, 2013. 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.

2.0 ARBITRATION

All issue(s)/dispute(s) excluding the matters that have been specified as excepted matters and listed at clause no. 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 2.1 below or Institutionalized Arbitration as provided at Clause 2.2 below, the remaining clauses from 2.3 to 2.7 shall apply to both Ad-hoc and Institutional Arbitration:-

2.1 On invocation of the Arbitration clause by either party, GAIL GAS 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 GAS suggesting the panel of arbitrators, the right of selection of the sole arbitrator by the other party shall stand forfeited and GAIL GAS shall appoint the Sole Arbitrator from the suggested panel of three Arbitrators for adjudication of dispute(s). The decision of GAIL GAS 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

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.

2.3 The cost of arbitration proceedings shall be shared equally by the parties.

2.4 The Arbitration proceedings shall be in English language and the seat, venue and place of Arbitration shall be New Delhi, India only.

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.

2.6 List of Excepted matters:

- a) Dispute(s)/issue(s) involving claims below Rs 25 lakhs and above Rs 25 crores.
- b) Dispute(s)/issue(s) relating to indulgence of Contractor/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.
- c) Dispute(s)/issue(s) wherein the decision of Engineer-In-



Charge/owner/GAIL GAS has been made final and binding in terms of the Contract.

- 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.

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.

45. 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.44 & 45 shall supersede provisions relating to Conciliation, Arbitration, Governing Law & Jurisdiction and Disputes between CPSE's/ Government Department's/ Organizations mentioned in General Conditions of Contract (GCC) and elsewhere in tender document.

46. INAM-PRO (PLATFORM FOR INFRASTRUCTURE AND MATERIALS PROVIDERS)

Not Applicable

47. PROMOTION OF PAYMENT THROUGH CARDS AND DIGITAL MEANS

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

48. CONTRACTOR TO ENGAGE CONTRACT MANPOWER BELONGING TO SCHEDULED CASTES AND WEAKER SECTIONS OF THE SOCIETY

While engaging the contractual manpower, Contractors are required to make efforts to provide opportunity of employment to the people belonging to Scheduled Castes and weaker sections of the society also in order to have a fair representation of these sections.

49. PROVISIONS FOR STARTUPS (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 emerge lowest bidder, the LoA on such Startup shall be placed for entire tendered quantity/group/item/part (as the case may be). However, during the Kick-off Meeting monthly milestones/ check points would be drawn. Further, the performance of such contractor/ service provider will be reviewed more carefully and action to be taken as per provision of contract in case of failure/ poor performance.~~

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

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

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

In case any financial implication arises on GAIL GAS due to issuance of invoice without reduction in price or non-issuance of Credit Note, the same shall be to the account of service provider. GAIL GAS 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 GAS in future to the service provider under this contract or under any other contract.

51. 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.

52. Deleted

53. DOCUMENTS FOR PAYMENT:

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



However, for release of payment, Service Provider is required to submit invoice along with other documents as mentioned in SCC. The final bill is to be submitted within one month after completion.

Further, GAIL GAS is in process of implementing Vendor Invoice Management (VIM). After implementation of same (to be communicated separately), Service Provider / 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.

54. Deleted

55. ASSIGNMENT/SUBLET

The following is added to the Clause no. 2.23 of General Conditions of Contract (GCC)- Services:

- (i) Procurement of material, hire of equipment or engagement of labour will not mean sub-contracting.
- (ii) Sub-contracting by the contractor without the approval of GAIL GAS shall be a breach of contract, unless explicitly permitted in the contract.



Annexure-I to Section-III

BIDDING DATA SHEET (BDS)

(TO BE FILLED BY THE CONCERNED DEALING OFFICER BEFORE ISSUANCE OF TENDER)

ITB TO BE READ IN CONJUNCTION WITH THE FOLLOWING:

A. GENERAL									
ITB clause	Description								
1.1	The Employer/Owner is: GAIL GAS Limited								
2.1	The name of the Services to be performed is: Hiring internal audit services as per requirement of company for fy 2023-24 to 2025-26.								
3	BIDS FROM CONSORTIUM/ JOINT VENTURE- NOT APPLICABLE								
B. BIDDING DOCUMENT									
ITB clause	Description								
8.1	For clarification purposes only, the communication address is: Ram Sevak Ch. Manager (C&P) GAIL Jubilee Tower, B-35/36, 3rd Floor, GAIL Info Hub, Sector-1, Noida, Distt - Gautambudh Nagar, U.P. – 201301 Tel.: 0120-4862400 Ext. 2340 Email: ramsevak@gail.co.in								
C. PREPARATION OF BIDS									
ITB clause	Description								
11.1.1 (q)	Additional documents to be submitted by the Bidder with its Part-I (Techno-commercial/ Unpriced bid) : SCC/Scope of Work refers								
12	Additional Provision for Schedule of Rate/ Bid Price are as under: <u>Refer Schedule of Rates</u>								
12 & 13	<p>Whether GAIL GAS will be able to avail input tax credit in the instant tender</p> <table border="1"> <tbody> <tr> <td>YES</td> <td><input type="checkbox"/></td> </tr> <tr> <td>NO</td> <td><input checked="" type="checkbox"/></td> </tr> </tbody> </table> <p>Details of Buyer:</p> <table border="1"> <tbody> <tr> <td>Services to be rendered at</td> <td>GAIL GAS Limited [Refer SCC & SOW]</td> </tr> <tr> <td>PAN No.</td> <td>AADCG1763C</td> </tr> </tbody> </table>	YES	<input type="checkbox"/>	NO	<input checked="" type="checkbox"/>	Services to be rendered at	GAIL GAS Limited [Refer SCC & SOW]	PAN No.	AADCG1763C
YES	<input type="checkbox"/>								
NO	<input checked="" type="checkbox"/>								
Services to be rendered at	GAIL GAS Limited [Refer SCC & SOW]								
PAN No.	AADCG1763C								



14	The currency of the Bid shall be INR				
16.1, 16.10 and 38.6	<p>In case 'Earnest Money / Bid Security' or "Contract Performance Security" is in the form of 'Demand Draft' or 'Banker's Cheque', or 'Insurance Surety Bond' or 'Fixed Deposit Receipt' the same should be favor of GAIL GAS Limited, payable at Noida</p> <p>In case of submission through online banking transaction i.e. IMPS / NEFT / RTGS / SWIFT, etc, the details of GAIL GAS's Bank account are as under:</p> <ul style="list-style-type: none"> o Bank Name : HDFC Bank o Bank Account No. : 00880350000156 o Account type : Cash Credit o IFSC : HDFC0000088 <p>Bidder to mention reference no. "EMD/....." in narration while remitting the EMD / Bid Security amount and to mention reference no. "CPS/....." in narration while remitting the CPS amount in GAIL GAS's Bank Account.</p>				
D. SUBMISSION AND OPENING OF BIDS					
ITB clause	Description				
4.0 of IFB	<p>For the submission of physical document as per clause no. 4.0 of IFB, the Owner's address is :</p> <p>Chief Manager (C&P)</p> <p>GAIL Gas Limited,</p> <p>B-35/36, 3rd Floor, GAIL Gas Info Hub, Sector-1, Noida,</p> <p>Distt - Gautambudh Nagar, U.P. – 201301</p> <p>Tel.: 0120-4862400 Ext. 2340</p>				
E. EVALUATION, AND COMPARISON OF BIDS					
ITB clause	Description				
34	<p>The following Purchase Preference Policy will be applicable as per provisions mentioned in tender:</p> <p>i) Micro & Small Enterprises (MSEs)</p> <p>ii) Policy to Provide Purchase Preference as per Public Procurement (Preference to Make in India), Order 2017</p>				
F. AWARD OF CONTRACT					
ITB clause	Description				
37	State of India which stamp paper is required for Contract Agreement: UP_____				
38	<p>Contract Performance Security/ Security Deposit</p> <table border="1" style="width: 100%;"> <tr> <td style="text-align: center;">APPLICABLE</td><td style="text-align: center;"><input checked="" type="checkbox"/></td></tr> <tr> <td style="text-align: center;">NOT APPLICABLE</td><td style="text-align: center;"><input type="checkbox"/></td></tr> </table>	APPLICABLE	<input checked="" type="checkbox"/>	NOT APPLICABLE	<input type="checkbox"/>
APPLICABLE	<input checked="" type="checkbox"/>				
NOT APPLICABLE	<input type="checkbox"/>				



	<p><u>The value/ amount of Contract Performance Security/ Security Deposit</u></p> <p>CPS/SD @ 3% of Total Order / Contract value excluding GST in case contract period is less than one year or 3% of Annualized Order / Contract value excluding GST in case contract period is more than one year.</p>				
40	<p>Whether tendered item is non-split able or not-divisible :</p> <table border="1"> <tr> <td>YES</td><td><input checked="" type="checkbox"/></td></tr> <tr> <td>NO</td><td><input type="checkbox"/></td></tr> </table>	YES	<input checked="" type="checkbox"/>	NO	<input type="checkbox"/>
YES	<input checked="" type="checkbox"/>				
NO	<input type="checkbox"/>				
41	<p>Provision of AHR Item :</p> <table border="1"> <tr> <td>APPLICABLE</td><td><input checked="" type="checkbox"/></td></tr> <tr> <td>NOT APPLICABLE</td><td><input type="checkbox"/></td></tr> </table>	APPLICABLE	<input checked="" type="checkbox"/>	NOT APPLICABLE	<input type="checkbox"/>
APPLICABLE	<input checked="" type="checkbox"/>				
NOT APPLICABLE	<input type="checkbox"/>				
44.1	Deleted				
49	<p>Applicability of provisions relating to Startups:</p> <table border="1"> <tr> <td>APPLICABLE</td><td><input type="checkbox"/></td></tr> <tr> <td>NOT APPLICABLE</td><td><input checked="" type="checkbox"/></td></tr> </table>	APPLICABLE	<input type="checkbox"/>	NOT APPLICABLE	<input checked="" type="checkbox"/>
APPLICABLE	<input type="checkbox"/>				
NOT APPLICABLE	<input checked="" type="checkbox"/>				
54	Deleted				



ANNEXURE-II 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 GAS Limited (GAIL GAS)



(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



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

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 GAS. 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 GAS shall initiate action for banning such manufacturer/supplier/service provider as per as per GAIL GAS'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 TO ANNEXUTE-II TO SECTION-III

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

To,

M/s GAIL GAS LIMITED

SUB: Hiring of Services for Repairing of Canopy, Building and Monolith Structure of
COCO CNG Stations at Meerut GA

TENDER NO: GAIL GAS/NOIDA/5324/RS/2022-23/67

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	<input type="checkbox"/>
Preference Under Public Procurement (Preference to Make in India), Order 2017 (PPP-MII)	<input type="checkbox"/>

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 TO ANNEXUTE-II TO SECTION-III

**SELF CERTIFICATION BY BIDDER WHO CLASS-I LOCAL SUPPLIER/ CLASS-II
LOCAL SUPPLIER TOWARDS MANDATORY MINIMUM LOCAL CONTENT/
DOMESTIC VALUE ADDITION
(APPLICABLE FOR ALL BIDDERS INCLUDING MSEs)**

To,

M/s GAIL GAS LIMITED

SUB: Hiring of Services for Repairing of Canopy, Building and Monolith Structure of
COCO CNG Stations at Meerut GA

TENDER NO: GAIL GAS/NOIDA/5324/RS/2022-23/67

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 GAS will take action as per
provision of tender document.

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



FORM-3 TO ANNEXUTE-II TO SECTION-III

**CERTIFICATE BY STATUTORY AUDITOR/COST AUDITOR/ CHARTERED
ACCOUNTANT OF BIDDER TOWARDS MANDATORY MINIMUM LOCAL CONTENT/
DOMESTIC VALUE ADDITION**

(APPLICABLE FOR ALL BIDDERS INCLUDING MSEs)

To,

M/s GAIL GAS LIMITED

SUB: Hiring of Services for Repairing of Canopy, Building and Monolith Structure of
COCO CNG Stations at Meerut GA

TENDER NO: GAIL GAS/NOIDA/5324/RS/2022-23/67

Dear Sir

“We _____ the statutory auditor/ cost auditor/chartered accountant (not an employee of the company) of M/s. _____ (*Name of the bidder*) hereby certify that as per definition specified in policy, M/s. _____ (*Name of the bidder*) is

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*) quoted vide offer No. _____ dated _____ against tender No. _____ meet the mandatory minimum Local content/Domestic Value Addition requirement specified for Class-I Local supplier/ Class-II Local supplier (as the case may be) under Policy for Public Procurement (Preference to Make in India), Order 2017 (PPP-MII) and has value addition of% .

Name of Audit Firm:

[Signature of Authorized Signatory]

Name:

Date:

Designation:

Seal:

Membership no.

Note:

- (i) This certificate it to be furnished by 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)
- (ii) The above format is indicative, the statutory auditor/ cost auditor/ cost accountant can modify the format without changing the intent of certification.



Forms & Format



LIST OF FORMS & FORMAT

Form No.	Description
F-1	BIDDER'S GENERAL INFORMATION
F-2	PROFORMA OF "BANK GUARANTEE" FOR "EARNEST MONEY /
F-2A	PROFORMA OF DECLARATION FOR BID SECURITY
F-3	LETTER OF AUTHORITY
F-4	PROFORMA OF "BANK GUARANTEE" FOR "CONTRACT PERFORMANCE SECURITY / SECURITY DEPOSIT"
F-5	AGREED TERMS & CONDITIONS
F-6	ACKNOWLEDGEMENT CUM CONSENT LETTER
F-7	BIDDER'S EXPERIENCE
F-8	CHECK LIST
F-8B	CHECK LIST 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 CERTIFICATE FOR FINANCIAL CAPABILITY OF THE BIDDER
F-11	BIDDER'S QUERIES FOR PRE BID MEETING
F-12	E-BANKING FORMAT
F-13	INTEGRITY PACT
F-14	FREQUENTLY ASKED QUESTIONS (FAQs)
F-15	UNDERTAKING REGARDING SUBMISSION OF ELECTRONIC INVOICE (E-INVOICE AS PER GST LAWS)
F-16	FORMAT FOR NO CLAIM CERTIFICATE FOR RELEASE OF CPS/SECURITY DEPOSIT

**F-1****BIDDER'S GENERAL INFORMATION**

To,
M/s GAIL GAS LIMITED

TENDER NO: GAIL GAS/NOIDA/5763/RS/2022-23/96

1	Bidder Name	M/s.....
2	Status of Firm	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]
3a	Name of Proprietor/Partners/Directors of the firm/company [As per cl.no.4.0 of Section-III of Tender Document]	
3b	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 contract is to be placed	City: District: State: PIN/ZIP:
7	Address from where Services are to be rendered along with GST no. * (In case Services are to be rendered from multiple locations, addresses and GST no. of all such locations are to be provided).	City: District: State: PIN/ZIP: GST No.:
8	Telephone Number/ Mobile no. of address where order is to be placed	_____ (Country Code) (Area Code) (Telephone No.)



9	E-mail address	
10	Website	
11	Mobile Number:	_____
12	ISO Certification, if any	{ If yes, please furnish details }
13	PAN No.	
14	GST No. (refer sl. no. 7 above)	
15	EPF Registration No.	
16	ESI code No.	
17	Whether Micro or Small Enterprise	Yes / No (If Yes, Bidder to submit requisite documents as specified in ITB: Clause No. 40)
	Whether MSE is owned by SC/ST Entrepreneur(s)	Yes / No (If Yes, Bidder to submit requisite documents as specified in ITB: Clause No. 40)
	Whether MSE is owned by Women	Yes / No (If Yes, Bidder to submit requisite documents as specified in ITB: Clause No. 40)
	Whether payment is required through TReDS	Yes / No If Yes, please provide the name of portal
18	Whether Bidder is Startups or not	Yes / No (If Yes, Bidder to submit requisite documents as specified in ITB: Clause No.50)
	In case of Start-up confirm the following: (i) Date of its incorporation/ registration [The certificate shall only be valid for the entity upto ten years from the date of its incorporation/ registration] (ii) Whether turnover for any financial years since incorporation/ registration has exceed Rs.100 Crores.	

Note: *

GAIL GAS intent to place the contract directly on the address from where Services are rendered. In case, bidder wants contract at some other address or Services are to rendered from multiple locations, bidder is required to provide in their bid, the address on which contract is to be placed.

Place:

[Signature of Authorized Signatory of Bidder]

Date:

Name:

Designation:

Seal:



FORMAT F-2
PROFORMA OF "BANK GUARANTEE"
FOR "EARNEST MONEY / BID SECURITY"
 (To be stamped in accordance with the Stamp Act)

To, M/s GAIL GAS Limited _____	Bank Guarantee No.	
	Date of BG	
	BG Valid up to	
	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),

In accordance with Letter Inviting Tender under your reference No _____ M/s. _____ having their Registered / Head Office at _____ (hereinafter called the Tenderer), wish to participate in the said tender for

As an irrevocable Bank Guarantee against Earnest Money for the amount of _____ is required to be submitted by the Tenderer as a condition precedent for participation in the said tender which amount is liable to be forfeited on the happening of any contingencies mentioned in the Tender Document.

We, _____ the _____ Bank _____ at _____ having _____ our _____ Head _____ Office _____ (Local _____ Address) _____ guarantee and undertake to pay immediately on demand without any recourse to the tenderers by GAIL GAS Ltd., the amount _____ without any reservation, protest, demur and recourse. Any such demand made by GAIL GAS, shall be conclusive and binding on us irrespective of any dispute or difference raised by the Tenderer.

This guarantee shall be irrevocable and shall remain valid up to _____ [this date should be two (02) months beyond the validity of the bid]. If any further extension of this guarantee is required, the same shall be extended to such required period on receiving instructions from M/s. _____ whose behalf this guarantee is issued.

In witness whereof the Bank, through its authorized officer, has set its hand and stamp on this _____ day of _____ 20__ at _____.

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 expiry date of BG should be two months beyond the validity of bid) 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 GAS 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

WITNESS:

(SIGNATURE)

(NAME)

(SIGNATURE)

(NAME)

Designation with Bank Stamp

(OFFICIAL ADDRESS)

Attorney as per

Power of Attorney No. _____

Date: _____

INSTRUCTIONS FOR FURNISHING "BID SECURITY / EARNEST MONEY" BY
"BANK GUARANTEE"

1. The Bank Guarantee by Bidders will be given on non-judicial stamp paper as per "Stamp Duty" applicable. The non-judicial stamp paper should be in the name of the issuing Bank.
2. The expiry date should be arrived at in accordance with "ITB: Clause-16.1".
3. The Bank Guarantee by bidders will be given from Bank as specified in "ITB : Clause -16.2".
4. A letter from the issuing Bank of the requisite Bank Guarantee confirming that said Bank Guarantee / all future communication relating to the Bank Guarantee shall be forwarded to the Employer at its address as mentioned at "ITB".
5. Bidders must indicate the full postal address of the Bank along with the Bank's E-mail / Phone from where the Earnest Money Deposit has been issued as per proforma provided below..
6. If a Bank Guarantee is issued by a commercial Bank, then a letter to Employer confirming its net worth is more than Rs. 1,000,000,000.00 [Rupees One Hundred Crores] or equivalent along with documentary evidence in the Bank Guarantee itself.



**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	TENDER NO	:				
5	NATURE OF BANK GUARANTEE	:				
(Please Tick (√) Whichever is Applicable			PERFORMANC E BANK GUARANTEE	SECURI TY DEPOSI T	EM D	ADVAN CE
BG ISSUED BANK DETAILS						
		(A)	EMAIL ID	:		
		(B)	ADDRESS	:		
		(C)	PHONE NO	:		



FORMAT F-2A
DECLARATION FOR BID SECURITY

To,

M/s GAIL GAS LIMITED

Sub: Hiring internal audit services as per requirement of company for fy 2023-24 to 2025-26.

Tender No: GAIL GAS/NOIDA/5763/RS/2022-23/96

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 GAS 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 GAS 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:



F-3
LETTER OF AUTHORITY

[Pro forma for Letter of Authority for Attending 'Pre-Bid Meetings']

Ref:

Date:

To,
M/s GAIL GAS LIMITED

Sub: Hiring internal audit services as per requirement of company for fy 2023-24 to 2025-26.

Tender No: GAIL GAS/NOIDA/5763/RS/2022-23/96

Dear Sir,

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

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

[2] Name & Designation _____ Signature _____
Phone/Cell: _____
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'.
- (ii) Bidder's authorized representative is required to carry a copy of this authority letter while attending the 'Pre-Bid Meetings'.



F-4
PROFORMA OF "BANK GUARANTEE" FOR "CONTRACT PERFORMANCE
SECURITY / SECURITY DEPOSIT"
(ON NON-JUDICIAL STAMP PAPER OF APPROPRIATE VALUE)

[This Format supersede the Format of GeM]

To, M/s GAIL GAS Limited _____	Bank Guarantee No.	
	Date of BG	
	BG Valid up to	
	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 "Service Provider" 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 GAS Limited having registered office at 16, Bhikaiji Cama Place, R.K. Puram, New Delhi (herein after called the "GAIL GAS" which expression shall wherever the context so require include its successors and assignees).

The Contract conditions provide that the "SERVICE PROVIDER" 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 GAS 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 GAS LIMITED we shall on first demand pay without demur, contest, protest and/ or without any recourse to the Service Provider to GAIL GAS in such manner as GAIL GAS 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

Tender No.: GAIL GAS/NOIDA/5763/RS/2022-23/96 for Hiring internal audit services as per requirement of company for fy 2023-24 to 2025-26 ; GeM BID NO.: GEM/2023/B/3288556



- 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 Service Provider 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 GAS in writing. However, if for any reason, the Service Provider 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 Service Provider fails to perform the supply/work fully, the bank hereby agrees to further extend this guarantee at the instance of the Service Provider till such time as may be determined by GAIL GAS. If any further extension of this guarantee is required, the same shall be extended to such required period on receiving instruction from M/s. _____ (Service Provider) on whose behalf this guarantee is issued.
 6. Bank also agrees that GAIL GAS at its option shall be entitled to enforce this Guarantee against the bank (as principal debtor) in the first instant, without proceeding against the Service Provider and notwithstanding any security or other guarantee that GAIL GAS may have in relation to the Service Provider's liabilities.
 7. The amount under the Bank Guarantee is payable forthwith without any delay by Bank upon the written demand raised by GAIL GAS. 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 Service Provider 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 Service Provider 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 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 GAS 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.
2. The Bank Guarantee by Bidders will be given from bank as specified in cl.no. 38.3 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 Employer.
4. If a Bank Guarantee is issued by a commercial bank, then a letter to Employer 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 Guarantee itself.
5. Service Provider 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	:			



F-5
AGREED TERMS & CONDITIONS

To,

M/s GAIL GAS LIMITED

Sub: Hiring internal audit services as per requirement of company for fy 2023-24 to 2025-26.

Tender No: GAIL GAS/NOIDA/5763/RS/2022-23/96

This Questionnaire duly filled in, signed & stamped must form part of Bidder's Bid and should be returned along with 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 GAS (if any) and address	Bidder's name : GAIL Gas's Vendor Code: Address:
2.	Bidder confirms the currency of quoted prices is in Indian Rupees.	
3.	Bidder confirms quoted prices will remain firm and fixed till complete execution of the order (except where price escalation/variation is allowed in the Tender).	
4	Bidder confirms that they have quoted/included GST @12% (CGST & SGST/ UTGST or IGST) in Price bid.	
4.1	Whether in the instant tender services/works are covered in reverse charge rule of GST (CGST & SGST/UTGST or IGST) If yes, Bidder confirms that they have quoted/included applicable GST (CGST & SGST/ UTGST or IGST) in Price Bid	No
4.2	Bidder confirms Harmonized System Nomenclature (HSN)/Service Accounting Code (SAC) of subject job	996601
4.3	Bidder hereby confirms that the quoted prices are in compliance with the Section 171 of CGST Act/ SGST Act as mentioned as clause no. 13.10 of ITB (Anti-profiteering clause).	
4.4	Whether bidder is liable to raise E-Invoice as per GST Act. If yes, bidder will raise E-Invoice and confirm compliance to provision of tender in this regard.	
4.5	Bidder confirms that GST registration details have been updated on GeM portal.	
5.	Bidder confirms acceptance of relevant Terms of Payment specified in the Bid Document.	
6.	Bidder confirms that Contract Performance Security will be furnished as per Bid Document within 30 days of FOA in case of successful bidder.	
7.	Bidder confirms that Contract Performance Security 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	

Tender No.: GAIL GAS/NOIDA/5763/RS/2022-23/96 for Hiring internal audit services as per requirement of company for fy 2023-24 to 2025-26 ; GeM BID NO.: GEM/2023/B/3288556



Sl.	DESCRIPTION	BIDDER'S CONFIRMATION
	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.	
8.	Bidder confirms compliance to Completion Schedule as specified in Bid document.	
9.	Bidder confirms acceptance of Price Reduction Schedule for delay in completion schedule specified in Bid document. In case of delay, the bills / invoices shall be submitted after reducing the price reduction due to delay (refer PRS Clause).	
10.	a) Bidder confirms acceptance of all terms and conditions of Bid Document (all sections). b) Bidder confirms that printed terms and conditions of bidder are not applicable.	
11.	Bidder confirms their offer is valid for period specified in GeM bid from Final/Extended bid due date of submission of bids.	
12.	Bidder furnishes 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 bidders to whom exemption is allowed as per cl.no.16.8 of Section-III].	
13.	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 GAS or (ii) the bidder is not a firm in which any Director (in Board of Director) of GAIL GAS or their relative is a partner.	
14.	All correspondence must be in ENGLISH language only.	
15.	The contents of this Tender Document have not been modified or altered by Bidder. 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.	
16.	Bidder confirms that all Bank charges associated with Bidder's Bank regarding release of payment etc. shall be borne by Bidder.	
17.	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.	
18.	Bidder becomes a successful Bidder pursuant to the provisions of the Tender Document, the following Confirmation shall be automatically	



Sl.	DESCRIPTION	BIDDER'S CONFIRMATION
	<p>become enforceable agree and acknowledge 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. We expressly agree, acknowledge and understand 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, we hereby expressly waive, release and forego 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."</p>	
19.	<p>Bidder to ensure all documents as per tender including clause 11 of Section III and all Formats are included in their bid</p>	
20.	<p>Bidder understands that Tender Document is not exhaustive. In case any activity though specifically not covered in description of 'Schedule of Rates' but is required to complete the work as per Scope of Work, Conditions of Contract, or any other part of Bidding document, the quoted rates will deemed to be inclusive of cost incurred for such activities unless otherwise specifically excluded. Bidder confirms to perform for fulfilment of the contract and completeness of the supplies in all respect within the scheduled time frame and quoted price.</p>	
21.	<p>hereby confirms that they are not on 'Holiday' by GAIL GAS 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.</p> <p>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 GAS or the Ministry of Petroleum and Natural Gas.</p> <p>Bidder also confirms that they are not under any liquidation, court receivership or similar proceedings or 'bankruptcy'.</p> <p>In case it comes to the notice of GAIL GAS that the bidder has given wrong declaration in this regard, the same shall be dealt as 'fraudulent practices' and action shall be initiated as per the Procedure for action in case of Corrupt/Fraudulent/Collusive/Coercive Practices.</p> <p>Further, Bidder also confirms that in case there is any change in status of the declaration prior to award of contract, the same will be promptly informed to GAIL GAS by them.</p>	



Sl.	DESCRIPTION	BIDDER'S CONFIRMATION
22.	confirms that they have read and understood the General Conditions of Contract - Services enclosed at Section-IV & no 'exception / deviation' anywhere has been taken in the same and that they shall abide by provisions of relevant GCC-Services.	
23.	Bidder certifies that they shall not indulge themselves or allow others (working in GAIL GAS) to indulge in fraudulent activities and that they would immediately apprise GAIL GAS 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 GAS is liable to be treated as crime and dealt with by the procedures of GAIL GAS as applicable from time to time.	
24.	Bidder confirms that (i) any variation in GST at the time of supplies for any reasons, other than statutory, including variations due to turnover, shall be borne by them and (ii) any error of interpretation of applicability of rate of GST (CGST & SGST/ UTGST or IGST) on components of an item and/or various items of tender by them shall be to bidder's account.	
25.	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.	
26.	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.	
27.	In case of any variance in the terms and conditions between GeM Contract and SAP PO/LOA, the terms and conditions of SAP PO/LOA shall prevail.	
28.	Bidder confirms that as specified in tender that evaluation bids will be based on the confirmations & documents submitted by bidders in the their bid and methodology specified in Section II of tender document irrespective of the status/evaluation on GeM portal and GAIL GAS's decision in this regard shall be final.	
29.	As per GEM policy/guidelines, MSE bidders have to update their status in their Profile and declare whether they are participating as MSE on GeM Portal (including updating their status in Profile) while submitting the bid on GeM tender. Further, MSE are required to upload relevant documents in bid as per provision of tender. However, evaluation and applicability of EMD exemption and purchase preference policy will be based on the confirmations & documents submitted by the bidder in the their bid irrespective of selection/option made on GeM portal. (Applicable only for MSE Bidders).	
30.	Bidder confirms 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:

Date:

[Signature of Authorized Signatory of Bidder]

Name:

Designation:

Seal:

Form F-5A

Not Applicable



F-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 to concerned executive in GAIL GAS issued the tender, by filling up the Format)

To,

M/s GAIL GAS LIMITED

Sub: Hiring internal audit services as per requirement of company for fy 2023-24 to 2025-26.

Tender No: GAIL GAS/NOIDA/5763/RS/2022-23/96

Dear Sir,

We hereby acknowledge receipt of a complete set of bidding 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 :
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 :



F-7
BIDDER'S EXPERIENCE

To,

M/s GAIL GAS LIMITED

Sub: Hiring internal audit services as per requirement of company for fy 2023-24 to 2025-26.

Tender No: GAIL GAS/NOIDA/5763/RS/2022-23/96

Sl. No	Description of the Services	LOA /WO No. and date	Full Postal Address & phone nos. of Client. <i>Name, designation and address of Engineer/ Officer-in-Charge (for cases other than purchase)</i>	Value of Contract/Order (Specify Currency Amount)	Date of Commencement of Services	Scheduled Completion Time (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. C 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-8 (A)
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 bid document has been submitted by them along with their offer. This, however, does not relieve the bidder of his responsibilities to make sure that his offer 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	Signing and Stamping on each sheet of offer, original bidding document including SCC, ITB, GCC, SOR drawings, corrigendum (if any)		
2.0	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 per provisions of Tender		
iii	signed & stamped 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 document alongwith unpriced bid as per bid requirement (including cl.no.11.1.1 of Section-III).		
3.0	Confirm that all format duly filled in are enclosed with the bid duly Signed and Stamped by authorised person(s)		
4.0	Confirm that the price part is uploaded in GeM portal.		
5.0	Confirm that Undertaking as per Form 1 of Annexure-II to Section-III has been submitted (applicable for MSE and Class I Local supplier).		
6.0	Confirm that Undertaking as per <i>Form-2 to Annexure-II 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-II to Section-III</i> are submitted (Applicable for all bidders including MSEs bidders).		
7.0	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)		



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

Place:

Date:

[Signature of Authorized Signatory of Bidder]

Name:

Designation:

Seal:



F-8(B)
CHECKLIST FOR BID EVALUATION CRITERIA (BEC) QUALIFYING
DOCUMENTS
(refer Section II of Tender document)

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	Refer clause no. C of Section-II of tender document		Yes/No	
2	Experience of bidder acquired as a subcontractor	certificate from end user			
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	Refer clause no. C of Section-II of tender document		Yes/No	
Financial BEC					
1.	Average Annual Turn Over	Audited Financial Statements [including Auditor's Report, Balance sheet, Profit & Loss Accounts statements, Notes & schedules etc.] for preceding three Audited Financial Years.	Submitted (Mention specific year.....)	Yes/No	
2.	Net Worth	Audited Financial Statements [including Auditor's Report, Balance sheet, Profit & Loss Accounts statements, Notes & schedules etc.] for last Audited Financial Year.	Submitted (Mention specific year.....)	Yes/No	
3.	Working Capital	Audited Financial Statements [including Auditor's Report, Balance sheet, Profit & Loss	Submitted (Mention	Yes/No	



		Accounts statements, Notes & schedules etc.] for last Audited Financial Year.	<i>specific year.....</i>)		
		If the bidder's working capital is negative or inadequate, the bidder shall submit a letter (in prescribed format) from their bank having net worth not less than Rs.100 Crores, confirming the availability of line of credit for at least working capital requirement as stated above.	Submitted/ Not Applicable (<i>Bidder to tick appropriate option</i>)		
4.	Format for Details of financial capability of Bidder	Bidder shall submit "Details of financial capability of Bidder" in prescribed format duly signed and stamped by a chartered accountant / Certified Public Accountant (CPA).	Submitted		

Place:
Date:

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



F-9
FORMAT FOR CERTIFICATE FROM BANK
IF BIDDER'S WORKING CAPITAL IS INADEQUATE/NEGATIVE

(To be provided on Bank's letter head)

Date:

To,
M/s. GAIL GAS Limited

Dear Sir,

This is to certify that M/s (name of the Bidder with address) (hereinafter referred to as Customer) is an existing Customer of our Bank.

The Customer has informed that they wish to bid for GAIL GAS's Tender No. dated for(Name of the supply/work/services/consultancy) and as per the terms of the said Tender Document they have to furnish a certificate from their Bank confirming the availability of line of credit.

Accordingly M/s (name of the Bank with address) confirms availability of line of credit to M/s (name of the Bidder) for at least an amount of Rs. _____

It is also confirmed that the net worth of the Bank is more than Rs. 100 Crores (or Equivalent USD) and the undersigned is authorized to issue this certificate.

Yours truly

for (Name & address of Bank)

(Authorized signatory)

Name of the signatory:

Designation :

Email Id :

Contact No. :

Stamp

Note:

This Declaration Letter for line of credit shall be from single bank only. Letters from multiple banks shall not be applicable. However, banking syndicate will be acceptable wherein a group of banks can jointly provide line of credit to the bidder.



F-10- Not Applicable

**FORMAT FOR CHARTERED ACCOUNTANT CERTIFICATE/ CERTIFIED
PUBLIC ACCOUNTANT (CPA) FOR FINANCIAL CAPABILITY OF THE BIDDER**

We have verified the Audited Financial Statements and other relevant records of M/s..... (Name of the bidder) and certify the following:

A. AVERAGE ANNUAL FINANCIAL TURNOVER* DURING THE LAST THREE FINANCIAL YEARS:

Year	Amount (Currency)
Year 1:	
Year 2:	
Year 3:	
Total (A)	
Average Annual Financial Turnover during the last three financial years (A/3)	

B. NET WORTH* AS PER AUDITED FINANCIAL STATEMENT OF PRECEDING FINANCIAL YEAR:

Description	Year _____
	Amount (Currency)
1. Net Worth	

C. WORKING CAPITAL* AS PER AUDITED FINANCIAL STATEMENT OF PRECEDING FINANCIAL YEAR:

Description	Year _____
	Amount (Currency)
1. Current Assets	
2. Current Liabilities	
3. Working Capital (Current Assets-Current liabilities)	

****Refer Instructions***

Notes:

1.0 It is further certified that the above mentioned applicable figures are matching with the returns filed with Registrar of Companies (ROC) [Applicable only in case of Indian Companies]

2.0 We confirm that above figures are after referring notes at page 2 of 2 of F-10.

3.0 Practicing Chartered Accountants shall generate Unique Document Identification Number (UDIN) for all certificates issued by them.



Name of Audit Firm: _____ [Signature of Authorized Signatory]
Chartered Accountant/CPA _____ Name:
Date: _____ Designation:
_____ Seal:
_____ Membership No.:
_____ UDIN:

Instructions:

1. ~~The financial year would be the same as one normally followed by the bidder for its Annual Report.~~
2. ~~The bidder shall provide the audited annual financial statements as required for this Tender document. Failure to do so would result in the Proposal being considered as non-responsive.~~
3. ~~For the purpose of this Tender document:~~
 - (i) ~~**Annual Turnover** shall be “Revenue from Operations” as per Profit & Loss account of audited annual financial statements”~~
~~In case the date of constitution/incorporation of the bidder is less than 3 years old, the average turnover in respect of the completed financial years after the date of constitution/ incorporation shall be taken into account for minimum Average Annual Financial Turnover criteria.~~
 - (ii) ~~**Working Capital** shall be “Current Assets less Current liabilities” and~~
 - (iii) ~~**Net Worth** shall be Paid up share capital plus Free Reserves & Surplus less accumulated losses, deferred expenditure and miscellaneous expenditure not written off, if any.~~
4. ~~**Above figures shall be calculated after considering the qualification, if any, made by the statutory auditor on the audited financial statements of the bidder including quantified financial implication.**~~
5. ~~This certificate is to be submitted on the letter head of Chartered Accountant/CPA.~~



F-11

BIDDER'S QUERIES FOR PRE BID MEETING

To,

M/s GAIL GAS LIMITED

Sub: Hiring internal audit services as per requirement of company for fy 2023-24 to 2025-26.

Tender No: GAIL GAS/NOIDA/5763/RS/2022-23/96

SL. NO.	REFERENCE OF BIDDING DOCUMENT				BIDDER'S QUERY	GAIL GAS'S REPLY
	SEC. NO.	Page No.	Clause No.	Subject		

NOTE: The Pre-Bid Queries may be sent by e-mail before due date for receipt of Bidder's queries.

SIGNATURE OF BIDDER: _____

NAME OF BIDDER : _____



F-12

[This format is not applicable in case bidder bank account is updated on GeM portal]

E-Banking Mandate Form

(To be issued on vendors letter head)

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 GAS 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 GAS 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)



F-13

INTEGRITY PACT

Not Applicable

**F-14****FREQUENTLY ASKED QUESTIONS (FAQs)**

SL.NO.	QUESTION	ANSWER
1.0	Can any vendor quote for subject Tender?	Yes. A Vendor 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 vendor 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 GeM portal.	Refer training module presentations and FAQs as available on GeM portal.
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 Startups?	Refer Clause No. 49 of Instructions to Bidders of Tender Document.

All the terms and conditions of Tender remain unaltered.



F-15

**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 GAS LIMITED
.....

Sub: Hiring internal audit services as per requirement of company for fy 2023-24 to 2025-26.

PO 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 (✓) 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 GAS as no ITC is allowed on such invoices. We also confirm that If input tax credit is not available to GAIL GAS for any reason attributable to Supplier (both for E-invoicing cases and non-E-invoicing cases), then GAIL GAS 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-16

**NO CLAIM CERTIFICATE
(TO BE SUBMITTED BEFORE RELEASE OF CPS/SECURITY DEPOSIT)**

[On the Letter-head of Contractor]

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 GAS 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 GAS Ltd.

We further absolve GAIL GAS 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.

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



Section IV: General Conditions of Contract-Services

(to be read in conjunction with other sections of the bid documents)



**GENERAL CONDITIONS OF
CONTRACT**

FOR

PROCUREMENT OF SERVICES

GAIL GAS Limited

GCC-SERVICES



TABLE OF CONTENTS

Sl. No.	Description
SECTION – I	DEFINITIONS & INTERPRETATIONS
1.1	Definition of Terms
1.2	Interpretations & Priority of Contract Documents
1.3	Special Conditions of Contract
SECTION – II	GENERAL INSTRUCTIONS & OBLIGATIONS
2.1	Formation of Contract
2.2	Signing of Agreement
2.3	Addenda/Corrigenda
2.4	Liability of Government of India
2.5	Site Visit
2.6	Action in case of Corrupt/Fraudulent /Collusive /Coercive Practices and Poor Performance
2.7	Retired Government or Employer's Officers
2.8	Conflict of Interest
2.9	Abnormal Rates
2.10	General obligations of Service Provider
2.11	Service Provider's Representative & Personnel
2.12	Service Provider's Employees / Personnel
2.13	Contract Performance Security
2.14	Failure by the Service Provider to comply with the provisions of the Contract
2.15	Service Provider remains liable to pay compensation if action not taken under clause 2.13
2.16	Change in constitution
2.17	Termination of Contract
2.18	Amount Payable in case of Termination
2.19	Members of the Employer Not Individually Liable
2.20	Employer not Bound by Personal Representations
2.21	Force Majeure
2.22	Price Reduction Schedule
2.23	Assignment/Sublet
2.24	Liens
2.25	Delays by Employer or his Authorised Representative
2.26	No waiver of rights
2.27	Certificate not to affect right of employer and liability of Service Provider
2.28	Language and Measures
2.29	Release of Information
2.30	Completion Period, Contract Period and Completion of Contract
2.31	Independent Capacity
2.32	Notice
2.33	Confidentiality
2.34	Intellectual Property Right
SECTION – III	PERFORMANCE OF SERVICE
3.1	Execution of services



3.2	Changes In Services
3.3	Action and compensation in case of poor service
3.4	Suspension of services
3.5	Defects Liability Period
3.6	Completion Certificate
3.7	Final Decision & Final Certificate
3.8	Limitation of Liability
3.9	Indemnity
SECTION – IV	PAYMENT, INSURANCE AND TAXES
4.1	Deduction from the Contract price
4.2	Schedule of rates and payments
4.3	Procedure for Billing of Services
4.4	Notice of claims for additional payments
4.5	Insurance
4.6	Taxes and Duties
4.7	Income tax
4.8	Statutory variations
4.9	Damages to Property of any person and third party
SECTION – V	LAWS, HEALTH, SAFETY & ENVIRONMENT
5.1	Labour Laws
5.2	Safety regulations
5.3	First aid and industrial injuries
5.4	General rules
5.5	Care in handling inflammable gas
5.6	Preservation of place
5.7	Environment
SECTION – VI	DISPUTE RESOLUTION AND ARBITRATION
6.1	Dispute resolution
6.2	Arbitration
6.3	Jurisdiction
6.4	Continuance of The Contract
Appendix 1	Procedure for action in case of Corrupt /Fraudulent/ Collusive/ Coercive practices
Appendix 2	Procedure for Evaluation of Performance of Vendors/ Suppliers/ Contractors / Consultants
Appendix 3	Proforma for Contract Agreement



SECTION – I DEFINITIONS & INTERPRETATIONS

1.1 Definition of Terms:

In this Contract (as defined here-in-after), save where the context otherwise requires, the following words and expressions shall have the meanings respectively assigned to them:

"Approved" means approval in writing including subsequent written confirmation of previous verbal approval(s).

The "Bid /Tender/Offer" means the proposal along with required supporting documents submitted by the Bidder/Service Provider for consideration by the Employer.

The "Bidder/Tenderer" means the person(s) / Firm / company /Corporation /Organization/entity, who participated in the Tender.

"Completion Certificate" means the certificate to be issued by the Engineer In-charge (EIC) when the Services have been completed entirely in accordance with Contract.

"Completion Date" means the date of actual completion of the services by the Service Provider as certified by the Employer.

"Contract" means an agreement between Employer and the Service Provider/Supplier for execution of the Service(s) as per Contract Documents and its subsequent amendment(s), if any in writing thereto.

"Contract Documents" means collectively the Tender Documents, Designs, Drawings, Scope of Services, Specifications, Schedule of Rates (SOR), Letter of Acceptance and agreed variations if any, and such other documents constituting the tender and acceptance thereof.

"Day" means a calendar day of 24 hours from midnight to midnight irrespective of the number of hours serviced in that day.

"Demobilization" means removal of all equipment, machinery, manpower from the site after completion of the services with the due permission of EIC.

"Drawings" means and include all Engineering sketches, general arrangements/ layout drawings, sectional plans, all elevations, etc. related to the Contract together with modification and revision thereto.

The "Employer/Service Receiver/ Company/Owner" means GAIL GAS Limited, a public limited company, incorporated under the Company's Act 1956 and having its Registered office at 16, Bhikaiji Cama Place, New Delhi - 110066 and includes its successors, assigns and Site(s)/work center(s).



The "Engineer-In-Charge" (EIC) means the person designated from time to time by Employer and shall include those who are expressly authorized by him to act for and on his behalf for operation/execution of this Contract for Services.

"Equipment/Materials/Goods" means and include all equipment, machinery, stores, goods which are required under the Contract for satisfactory performance of Services by the Service Provider.

"Fax of Acceptance" means intimation regarding notification of award by the Employer to the successful Bidder/Service Provider through a Fax/ Letter conveying that the Tender/Bid/Offer has been accepted in accordance with the provisions contained therein.

"Guarantee/Warranty/ Defect Liability Period (DLP)" means the period and other conditions governing the warranty/guarantee/defect liability period of the services as provided in the Contract.

"Metric System": All technical documents are given in the metric system and all service should be carried out according to the metric system. All documents concerning the service shall also be maintained in the metric system.

"Mobilization" means stabilizing adequate infrastructure at designated Site comprising of Equipment, aids, tools, tackles, instruments, Goods & Materials, experienced manpower, supported with supervising personal in order to provide services as per the provision of Contract document.

"Negligence" means any act or failure to act (whether sole, joint or concurrent) by a person or an entity which was intended to cause, or which was reckless disregard of or wanton indifference to, avoidable and harmful consequences such person or entity knew, or should have known, would result from such act or failure to act. Notwithstanding the foregoing, negligence shall not include any action taken in good faith for the safeguard of life or property.

The "Service(s)" means and include all services and activities/jobs to be performed by the Service Provider in pursuant to and in accordance with Contract or part thereof as the case may be and shall include all extra, additional, altered or substituted services and approvals from any agency/third party & license(s)/permissions from statutory authorities (if any), as required for purpose of the Contract.

The "Service Provider" means Bidder/Tenderer whose tender has been accepted by the Employer and includes the Service Provider's legal representative(s), his successor(s) and permitted assign(s).

"Service Provider's/ Bidder's Representative" means such person(s) duly authorized by the Bidder/Service Provider in writing to the Employer as having authority to act for and on behalf the Bidder /Service Provider in matters affecting the Services and to provide the requisite services to Employer.



“Site” means the place(s) provided by the Employer where the Services are to be carried out/executed and any other place(s) as may be specifically designated in the Contract as forming part of the site.

“Specifications” means and include detailed description, statements to technical data, performance characteristics, and standards (Indian as well as International) as applicable and as specified in the Contract.

The "Sub-Service Provider" means any person / firm / Organization / company /entity (other than the Service Provider) and it's legal representatives, successors and permitted assigns named in the Contract as a Sub-Service Provider for a part of the Services or to whom a part of the Services has been sub-Contracted with the written prior consent of the Employer.

"Value of Contract" or "Total Contract Price" means the sum accepted or the sum calculated in accordance with the prices accepted in the Contract as payable to the Service Provider for the entire execution and full completion of the service, including Amendment(s) to Contract, if any.

"Week" means a period of any consecutive seven Days.

“Willful Misconduct” means intentional disregard of good and prudent standards of performance or proper conduct under the Contract with knowledge that it is likely to result in any injury to any person or loss or damage of property.

“Working Day” means any Day which is not declared by the Employer to be holiday or off-day.

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) The Contract Agreement
- ii) Detailed Letter of Acceptance along with its enclosures
- iii) Fax of Acceptance
- iv) Scope of Works/ Job Specifications (specific to particular job only, wherever provided)
- v) Drawings
- vi) Special Conditions of Contract (SCC)
- vii) Technical Specifications (wherever applicable)
- viii) Instructions to Bidders (ITB)
- ix) General Conditions of Contract (GCC)
- x) Other Documents

Works shown in the Drawing but not mentioned in the Specifications or described in the Specifications without being shown in the Drawings shall nevertheless be deemed



to be included in the same manner as if they had been specifically shown upon the Drawings and described in the Specifications.

Any amendment/change order issued by Employer upon 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 Gender: Where the context so requires, words imparting the masculine gender shall also include the feminine gender and the neuter gender and vice versa.
- 1.2.5 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 provision(s)/clause(s) hereto and they shall remain binding on the parties hereto.

1.3 SPECIAL CONDITIONS OF CONTRACT:

- 1.3.1 Special Conditions of Contract consisting of scope of services, specification of Services & items etc. shall be read in conjunction with the General Conditions of Contract, and any other documents forming part of this Contract wherever the context so requires.
- 1.3.2 Notwithstanding the sub-division of the documents into these separate sections and volumes every part of each section/volume shall be deemed to be supplementary to and complementary of every other part and shall be read with and into the Contract so far as it may be practicable to do so.
- 1.3.3 Where any portion of the General Condition of Contract is repugnant to or at variance with any provisions of the Special Conditions of Contract, unless a different intention appears the provisions of the Special Conditions of Contract shall be deemed to override the provisions of the General Conditions of Contract and shall to the extent of such repugnancy, or variations, prevail.
- 1.3.4 Wherever it is mentioned in the Specifications that the Service Provider shall perform certain Service or provide certain facilities, it is understood that the Service Provider shall do so at his cost and the Value of Contract shall be deemed to have included cost of such performance and provisions, so mentioned.



- 1.3.5 The materials, design and services shall satisfy the relevant Standards, the Job Specifications contained herein and Codes referred to. Where the job specification stipulate requirements in addition to those contained in the standard codes and specifications, these additional requirements shall also be satisfied.

SECTION – II

2.0 GENERAL INSTRUCTIONS & OBLIGATIONS

2.1 FORMATION OF CONTRACT:

- 2.1.1 Employer will be the sole judge in the matter of award of Contract and the decision of Employer shall be final and binding.
- 2.1.2 The acceptance of tender will be intimated to the successful Bidder by the Employer either by Fax / E - mail /Letter or like means defined as Fax of Acceptance (FOA).
- 2.1.3 The Contract shall come into force on the date of FOA and the same shall be binding on Employer and Service Provider.

2.2 SIGNING OF AGREEMENT:

- 2.2.1 The successful Tenderer/Service Provider shall be required to execute an Agreement within 15 days of the FOA in the format attached/enclosed with Tender Document. In the event of failure on the part of the Service Provider to sign the Agreement within the aforesaid stipulated period, the Earnest Money Deposit or initial Security Deposit/Performance Security Deposit (as available, preferably the later) will be forfeited and Employer may consider the Contract as terminated..

2.3 ADDENDA/CORRIGENDA:

- 2.3.1 Addenda/ Corrigenda to the Tender Documents incorporating modification(s) and clarification(s) to the Tender Document issued prior to the due date of bid submission shall become integral part of the Contract.

2.4 LIABILITY OF GOVERNMENT OF INDIA:

- 2.4.1 It is expressly understood and agreed by and between Bidder /Service Provider and Employer that Employer is entering into this agreement solely on its own behalf and not on behalf of any other person or entity. In particular, it is expressly understood and agreed that the Government of India is not a party to this agreement and has no liabilities, obligations or rights hereunder. It is expressly understood and agreed that Employer is an independent legal entity with power and authority to enter into Contracts solely on its own behalf under the applicable Laws of India and general principles of Contract Law. The Bidder/Service Provider expressly agrees, acknowledges and understands that Employer 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 Contract. Accordingly, Bidder/Service Provider hereby expressly waives, releases and foregoes any and all



actions or claims, including cross claims, impleader claims or counter claims against the Government of India arising out of this Contract and covenants not to sue to Government of India as to any manner, claim, cause of action or thing whatsoever arising of or under this agreement/Contract.

2.5 SITE VISIT:

- 2.5.1 The Bidder/Service Provider shall be deemed to have visited the Site(s)/work centre(s) and familiarized itself while submitting the Tender. Non-familiarity with the Site conditions by the Bidder/ Service Provider will not be considered a reason either for extra claim(s) or for any delay in performance or any other claim in this regard.

2.6 ACTION IN CASE OF CORRUPT/ FRAUDULENT/ COLLUSIVE/ COERCIVE PRACTICES AND POOR PERFORMANCE:

The Bidder(s)/Service Provider(s) are required to abide by the following documents:

- (i) The procedure for action in case of Corrupt/ Fraudulent/ Collusive/ Coercive Practices containing provisions for putting a Bidder/Service Provider 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 enclosed as Appendix 1 to this GCC.

Further, Bidder(s)/Service Provider(s) accepts and certifies that they shall not indulge themselves or allow others (working in GAIL GAS) to indulge in fraudulent activities and that they would immediately apprise the Owner/GAIL GAS/Organization(s) of the fraud/ suspected fraud as soon as it comes to their notice.

- (ii) The procedure for evaluation of performance of Service Provider containing provisions for putting a Service Provider on suspension and/or holiday list (as the case may be).

The Procedure is enclosed as Appendix 2 to this GCC.

2.7 RETIRED GOVERNMENT OR EMPLOYER's OFFICERS:

- 2.7.1 No Employee/Officer employed in Engineering or Administrative duties in an Engineering Department of the States/ Central Government or of the Employer is allowed to service as a Service Provider for a period of one year after his retirement /resignation /severance from Government Service or from the employment of the Employer without the previous permission of the Employer. The Contract, if awarded, is liable to be terminated if either the Service Provider or any of his employees is found at any time to be such a person, who has not obtained the permission of the State/Central Government or of the Employer as aforesaid before submission of tender, or engagement in the Service Provider's service as the case may be.

2.8 CONFLICT OF INTEREST:



- 2.8.1 During the currency of Contract and after its termination, the Service Provider and its affiliates, shall be disqualified from providing any goods, works or services for any project resulting from or closely related to the Services.

2.9 ABNORMAL RATES:

- 2.9.1 The Tenderer is expected to quote rate for each item after careful analysis of cost involved for the performance of the completed item considering all specifications and Conditions of Contract. In case, it is noticed that the rates quoted by the Tenderer for any item are unusually higher or unusually lower, it will be sufficient cause for the rejection of the tender/bid unless the Employer is convinced about the reasonableness after scrutiny of the analysis for such rate(s) to be furnished by the Tenderer (on demand).
- 2.9.2 In case of Abnormally High Rated (AHR) item(s), the same shall be dealt as per AHR clause in the SCC (as applicable).

2.10 GENERAL OBLIGATIONS OF SERVICE PROVIDER:

Service Provider shall, in accordance with and subject to the terms and conditions of this Contract:

- 2.10.1 perform the services in accordance with the Scope of Services /Specifications and Activity Schedule of the Tender Document and carry out its obligations with all due diligence and efficiency, in accordance with generally accepted professional techniques and practices and shall observe sound management practices and employ appropriate advance technology and safe methods. When completed, the job/services shall be fit for the purpose for which the services are intended as specifically defined in the Contract.
- 2.10.2 provide all labour as required to provide the Service unless otherwise provided in the Scope of Services or Special Conditions of the Contract.
- 2.10.3 perform all other obligations, jobs / services which are required by the terms of this Contract or which reasonably can be implied from such terms as being necessary for providing necessary service as per the Contract.
- 2.10.4 be deemed to have satisfied himself before submitting his bid as to the correctness and sufficiency of its bid for the services required and of the rates and prices quoted, which rates and prices shall, except insofar as otherwise provided, cover all its obligations under the Contract.
- 2.10.5 give or provide all necessary supervision during the performance of the services and as long thereafter within the warranty period/DLP as Employer may consider necessary for the proper fulfilling of Service Provider's obligations under the Contract.
- 2.10.6 not disrupt the Services of the Employer being carried out by the Service Provider / and shall provide access for carrying out job/services to:

- Employer's personnel(s), and /or



- any other Contractor(s) / Service Provider(s) employed by Employer, and /or
- personnel of public authority(ies)/third party(ies)

Further, the Service Provider shall execute the job carefully without causing damage to the existing facility(ies) and facility(ies) of third party(ies) and in case of such happening shall immediately bring to the notice of EIC..

Further, the coordination and inspection of the day-to-day job under the Contract shall be the responsibility of the Engineer-in-Charge (EIC). The EIC or his authorised representative including any statutory authority shall at all reasonable times, have full power and authority to access and inspect the Services wherever in progress either on the Site or at the Service Provider's premises/workshops and the Service Provider shall afford or procure every facility and assistance to carry out such inspection. Such Inspection shall not release the Service Provider from any obligation under the Contract.

2.11 SERVICE PROVIDER's REPRESENTATIVE & PERSONNEL:

- 2.11.1 Service Provider shall appoint a person ("*Service Provider's Representative*") who shall be responsible for and authorized to represent it at all times during the progress of the Service and to receive and to act on any request made by Employer in the performance of the Service pursuant to the terms of this Contract.
- 2.11.2 Service Provider's Representative shall have full authority to represent and bind the Service Provider in relation to any matter concerning the Service Provider's performance of the services under the Contract and Employer shall be entitled to rely on all the decisions of the Service Provider's Representative as if they were the decisions of the Service Provider.
- 2.11.3 Service Provider's Representative shall supervise, coordinate and ensure the quality of all aspects of his obligations under this Contract. Service Provider shall not change its Representative without the prior approval of Employer.
- 2.11.4 Service Provider's Representative shall liaise with Employer for the proper co-ordination and timely completion of the Services and on any matter pertaining to the same.
- 2.11.5 Service Provider's Representative shall extend full cooperation to Employer's representatives/inspector in the manner required by them for supervision /inspection/ observation of equipment, material, procedures, performance, reports and records pertaining to Services.
- 2.11.6 Service Provider's Representative shall have complete charge of his personnel engaged in the performance of the Service and to ensure compliance of rules and regulations and safety practice.
- 2.11.7 If the Service Provider's Representative is found not acceptable to the EIC, the Service Provider shall, as soon as practicable, having regard to the requirement of replacing him, after receiving notice of such withdrawal, remove the representative and shall not thereafter employ him again on the Services in any capacity and shall replace him by another representative acceptable to the EIC.



2.12 SERVICE PROVIDER'S EMPLOYEES / PERSONNEL:

The Service Provider in connection with performing the Services and remedying of any defects, shall provide:

- (a) only such skilled and experienced personnel(s) in their respective areas; and
- (b) such skilled, semi-skilled and un-skilled labour as is necessary for the proper and timely fulfilling of the Service Provider's obligations under the Contract.

The Service Provider shall provide skilled / qualified /experienced personnel, if specified in the SCC /Scope of Work.

While engaging the contractual manpower, Service Provider is required to make effort to provide opportunity of employment to the people belonging to Scheduled Castes and weaker sections of society also in order to have a fair representation of these sections.

2.13 CONTRACT PERFORMANCE SECURITY (CPS):

2.13.1 The Service Provider shall provide Contract Performance Security (CPS) to the Employer, within 30 days from the date of notification of award (i.e. FOA/Letter of Acceptance) or the date specified in the notification of award whichever is earlier, for an amount mentioned therein. The CPS shall be returned/refunded three months after Contract completion period and Defects Liability Period (DLP), if any. All costs associated with CPS shall be borne by the Service Provider. No charges or interest shall be payable by the Employer even if the CPS is in the form of a Demand Draft.

2.13.2 The Service Provider shall furnish the CPS in the form of a Demand Draft or a Bank Guarantee or an irrevocable Letter of Credit from any Indian scheduled bank or a branch of an International bank situated in India and registered with Reserve Bank of India as scheduled foreign bank. However, for other than the Nationalized Indian Banks, the banks whose BGs are furnished, must be commercial banks having net worth in excess of Rs. 100 crores and a declaration to this effect should be made by such commercial bank either in the bank guarantee itself or separately on a letter head. The bank guarantee or the Letter of Credit shall be submitted in the prescribed format.

2.13.3 If the Service Provider or their employees /agents / representatives or Sub-Service Provider (if authorized by Employer) shall damage, break, deface or destroy any property /equipment belonging to the Employer or third party(ies) during the execution of this Contract, the same shall be made good by the Service Provider at his own expenses and in default thereof, the EIC may cause the same to be made good by other agencies and recover expenses plus 15% overhead from the Service Provider. The decision of EIC in this matter shall be final and binding on the Service Provider.

2.13.4 All compensation, claim or other sums of money payable by the Service Provider to the Employer under terms of this Contract may be deducted from or paid by the encashment of a sufficient part of his Contract Performance Security or from any sums which may be due or may become due to the Service Provider by the Employer on any account whatsoever and in the event of his CPS being reduced by reasons of any such deductions or sale of aforesaid, the Service Provider shall within ten days thereafter make good in form of bank draft(s)/BG/LC (as the case may be) as aforesaid any sum or sums which may have been deducted from or realised by



encashment of his CPS, or any part thereof. The Service Provider shall pay to the Employer on demand without protest any balance remaining due. In this regard no interest shall be payable by the Employer to Service Provider for such sum deposited as CPS.

2.13.5 The CPS deposit shall cover the entire Contract value including extra jobs/ services. As long as the CPS submitted at the time of award take cares the extra jobs/ services executed and total executed value are within the awarded Contract price, there is no need for additional CPS . As soon as the total executed value is likely to exceed the ceiling of awarded Contract Value, the Service Provider should furnish additional CPS through DD or submit amendment to existing BG/LC to effect the enhancement of CPS.

2.13.6 Failure of the successful bidder to comply with the requirements of Clause 2.13 shall constitute sufficient grounds for the annulment of the award, the forfeiture of CPS and any other actions or remedies available to the Employer.

2.14 FAILURE BY THE SERVICE PROVIDER TO COMPLY WITH THE PROVISIONS OF THE CONTRACT:

2.14.1 If the Service Provider refuses or fails to provide the Service or any part thereof with such diligence as will ensure its performance within the time specified in the Contract or extension thereof or fails to perform any of his obligation under the Contract or in any manner commits a breach of any of the provisions of the Contract it shall be open to the Employer at its option by written notice to the Service Provider:

- a) TO DETERMINE THE CONTRACT in which event the Contract shall stand terminated and shall cease to be in force and effect on and from the date appointed by the Employer on that behalf, whereupon the Service Provider shall stop forthwith any of the Service then in progress, except such Service as the Employer may, in writing, require to be done to safeguard any property or work or installations from damage, and the Employer, for its part, may take over the Service remaining unfinished by the Service Provider and complete the same through another service provider or by other means, at the risk and cost of the Service Provider, and any of his sureties if any, shall be liable to the Employer for any excess cost occasioned by such service having to be so taken over and obtained by the Employer over and above the cost at the rates specified in the schedule of quantities and rate/prices.
- b) WITHOUT DETERMINING THE Contract to take over the Service of the Service Provider or any part thereof and complete the same through other service provider or by other means at the risk and cost of the Service Provider. The Service Provider and any of his sureties are liable to the Employer for any excess cost over and above the cost at the rates specified in the Schedule of Quantities/ rates, occasioned by such services having been taken over and completed by the Employer.

2.14.2 In such events of Clause 2.14.1(a) or (b) above, the following shall be applicable:-



- a) The whole or part of the Contract Performance Security furnished by the Service Provider is liable to be forfeited without prejudice to the right of the Employer to recover from the Service Provider the excess cost referred to in the sub-clause aforesaid. The Employer shall also have the right of taking possession and utilising in completing the services or any part thereof, such as materials, equipment and plants available at service site belonging to the Service Provider as may be necessary and the Service Provider shall not be entitled for any compensation for use or damage to such materials, equipment and plant.
- b) The amount that may have become due to the Service Provider on account of service already executed by him shall not be payable to him until after the expiry of Six (6) calendar months reckoned from the date of termination of Contract or from the taking over of the Service or part thereof by the Employer as the case may be, during which period the responsibility for faulty material or workmanship in respect of such service shall, under the Contract, rest exclusively with the Service Provider. This amount shall be subject to deduction of any amounts due from the Contract to the Employer under the terms of the Contract authorised or required to be reserved or retained by the Employer.

2.14.3 Before taking any action as per Clause 2.14.1(a) or (b) if in the judgment of the Employer, the default or defaults committed by the Service Provider is/are curable and can be cured by the Service Provider if an opportunity given to him, then the Employer may issue Notice in writing calling the Service Provider to cure the default within such time specified in the Notice.

2.14.4 The Employer shall also have the right to proceed or take action as per 2.14.1(a) or (b) above, in the event that the Service Provider becomes bankrupt, insolvent, compounds with his creditors, assigns the Contract in favour of his creditors or any other person(s) or being a company or a corporation goes into voluntary liquidation, provided that in the said events it shall not be necessary for the Employer to give any prior notice to the Service Provider.

2.14.5 Termination of the Contract as provided for in sub- clause 2.14.1(a) above shall not prejudice or affect their rights of the Employer which may have accrued upto the date of such termination.

2.15 SERVICE PROVIDER REMAINS LIABLE TO PAY COMPENSATION IF ACTION NOT TAKEN UNDER CLAUSE 2.14

2.15.1 If in any case in which any of the powers conferred upon the Employer by clause 2.14 thereof shall have become exercisable and the same had not been exercised, the non-exercise thereof shall not constitute a waiver of any of the conditions hereof and such powers shall notwithstanding be exercisable in the event of any further case of default by the Service Provider for which by any clause or clauses hereof he is declared liable to pay compensation amounting to the whole of his Contract Performance Security, and the liability of the Service Provider for past and future compensation shall remain unaffected. In the event of the Employer putting in force the power under above sub-clause 2.14 (a) or 2.14 (b) vested in him under the preceding clause he may, if he so desired, take possession of all or any tools and plants, materials and stores at the site



thereof belonging to the Service Provider or procured by him and intended to be used for the execution of the Service or any part thereof paying or allowing for the same in account at the Contract rates or in case of these not being applicable, at current market rates to be certified by the EIC whose certificate thereof shall be final, otherwise the EIC may give notice in writing to the Service Provider or Service Provider's Representatives requiring him to remove such tools, plant, materials or stores from the premises (within a time to be specified in such notice).

Failure of any action by the Service Provider for removal of material/tools/plant/store etc. within the period mentioned in notice of EIC, the Employer shall also be entitled to recover handling and storage charges @5% of the estimated value of material tools/plant/store for each month or part of a month without relieving the Service Provider from any other related liability. In the event of the Service Provider's failure to remove the same within a period of 6 months or as decided by the EIC, the EIC may take action for removal through auction or private sale on behalf of the Service Provider and at his risk in all respects. The Service Provider shall be liable to pay the Employer the handling & storage charges per month or a part of the month from the date of serving the notice by the EIC to the date of removal of the materials by the Employer plus overhead charges @ 15% of sale value of such materials. In case of negative or zero sale value, the overhead charges shall be applicable on the handling & storage charges. The decision of EIC w.r.t. such removal and the amount of the proceeds shall be final and binding on the Service Provider.

2.16 CHANGE IN CONSTITUTION:

2.16.1 Where the Service Provider is a partnership firm, the prior approval of the Employer shall be obtained in writing, before any change is made in the constitution of the firm. Where the Service Provider is an individual or a Hindu undivided family business concern, such approval as aforesaid shall, likewise be obtained before such Service Provider enters into any agreement with other parties, where under, the reconstituted firm would have the right to carry out the service hereby undertaken by the Service Provider. In either case if prior approval as aforesaid is not obtained, the Contract shall be deemed to have been allotted in contravention of clause 2.23 hereof.

2.17 TERMINATION OF CONTRACT:

2.17.1 TERMINATION OF CONTRACT FOR DEATH

If the Service Provider is an individual or a proprietary concern and the individual or the proprietor dies or if the Service Provider is a partnership concern and one of the partner dies then unless, the Employer is satisfied that the legal representative of the individual or the proprietary concern or the surviving partners are capable of carrying out and completing Contract, the Employer is entitled to cancel the Contract for the uncompleted part without being in any way liable for any compensation payment to the estate of the deceased Service Provider and/or to the surviving partners of the Service Provider's firm on account of the cancellation of Contract. The decision of the Employer/EIC in such assessment shall be final & binding on the parties. In the event of such cancellation, the Employer shall not hold the estate of the deceased Service Provider and/or the surviving partners of Service Provider's firm liable for any damages for non-completion of the Contract.



2.17.2 TERMINATION OF CONTRACT IN CASE OF LIQUIDATION / BANKRUPTCY, ETC.

If the Service Provider shall dissolve or become bankrupt or insolvent or cause or suffer any receiver to be appointed of his business or any assets thereof compound with his Creditors, or being a corporation commence to be wound up, not being a member's voluntary winding up for the purpose of amalgamation or reconstruction, or carry on its business under a Receiver for the benefits of its Creditors any of them, Employer shall be at liberty to terminate the Contract forthwith upon coming to know of the happening of any such event as aforesaid by notice in writing to the Service Provider or to give the Receiver or Liquidator or other person, the option of carrying out the Contract subject to his providing a guarantee up to an amount to be agreed upon by the Employer for due and faithful performance of the Contract.

2.17.3 TERMINATION OF CONTRACT FOR CORRUPT / FRAUDULENT / COLLUSIVE / COERCIVE PRACTICES AND NON-PERFORMANCE

If the Bidder/Service Provider is found to have indulged in Corrupt/ Fraudulent /Collusive/Coercive practices, the Contract shall be terminated and the Bidder/Service Provider shall be banned for future business with GAIL GAS. The detailed procedure for banning including suspension in this regard may be referred as enclosed as Appendix 1.

Due to non-performance of the Service Provider leading to termination of the Contract, the Service Provider initially shall be put on suspension list and thereafter on holiday list of Employer for a period mentioned in the detailed procedure, to be reckoned from the date of communication by Owner/Employer. The detailed procedure for evaluation of performance in this regard may be referred as enclosed as Appendix 2.

2.17.4 TERMINATION FOR CONVENIENCE

Notwithstanding anything contained in the Contract, the Employer may, by 30 (Thirty) days written notice, terminate the Contract in whole or in part. In addition to the payment mentioned at clause 2.18, the Service Provider shall be compensated for de-mobilization and other costs incurred at mutually negotiated terms.

In case of such termination, the obligation of the Employer to pay, shall be limited to the extent of work/job completed by the Service Provider as per provision of the Contract upto the date of termination, subject to the Service Provider complying with other terms of the Contract.

Notwithstanding the termination of the Contract, the parties shall continue to be bound by the provisions of this Contract that reasonably require some action or forbearance after such termination.

2.18 AMOUNT PAYABLE IN CASE OF TERMINATION:



2.18.1 In all cases of termination herein set forth, the obligation of the Employer to pay, shall be limited to the extent of service rendered by Service Provider as per provision of the Contract upto the date of termination, subject to the Service Provider complying with other terms of the Contract. Notwithstanding the termination of the Contract, the parties shall continue to be bound by the provisions of this Contract that reasonably require some action or forbearance after such termination.

2.19 MEMBERS OF THE EMPLOYER NOT INDIVIDUALLY LIABLE:

2.19.1 No Director, or official or employee of the Employer shall in any way be personally bound or liable for the acts or obligations of the Employer under the Contract or answerable for any default or omission in the observance or performance of any of the acts, matters or things which are herein contained.

2.20 EMPLOYER NOT BOUND BY PERSONAL REPRESENTATIONS:

2.20.1 The Service Provider shall not be entitled to any increase on the scheduled rates or any other right or claim whatsoever by reason of any representation, explanation statement or alleged representation, promise or guarantees given or alleged to have been given to him by any person.

2.21 FORCE MAJEURE:

2.21.1 In the event of either party being rendered unable by Force Majeure to perform any obligations required to be performed by them under the Contract the relative obligation of the party affected by such Force Majeure shall upon notification to the other party be suspended for the period during which Force Majeures event lasts. The cost and loss sustained by the either party shall be borne by the respective parties.

The term "Force Majeures" as employed herein shall include:

- (a) act of terrorism;
- (b) riot, war, invasion, act of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection of military or usurped power;
- (c) ionising 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;
- (d) epidemics, earthquakes, flood, fire, hurricanes, typhoons or other physical natural disaster, but excluding weather conditions regardless of severity; and
- (e) freight embargoes, strikes at national or state-wide level or industrial disputes at a national or state-wide level in any country where Works/Services are performed, and which affect an essential portion of the Works/Services but excluding any industrial dispute which is specific to the performance of the Works/Services or the Contract.



For the avoidance of doubt, inclement weather, third party breach, delay in supply of materials (other than due to a nationwide transporters' strike) or commercial hardship shall not constitute a Force Majeure event.

2.21.2 Notification of Force Majeure

The affected party shall notify within 10 (ten) days of becoming aware of or the date it ought to have become aware of the occurrence of an event of Force Majeure giving full particulars of the event of Force Majeure and the reasons for the event of Force Majeure preventing the affected party from, or delaying the affected party in performing its obligations under the Contract.

2.21.3 Right of either party to terminate

If an event of Force Majeure occurs and its effect continues for a period of 180 (one hundred eighty) days or more in a continuous period of 365 (three hundred sixty five) days after notice has been given under this clause, either party may terminate the Contract by issuing a written notice of 30 (thirty) days to the other party.

Further, the Service Provider shall with all reasonable diligence remove from the Site all the Service Provider's equipment and shall give similar facilities to his Sub Service Provider to do so.

2.21.4 Payment in case of termination due to Force Majeure

The Contract Price attributable to the Works/Services performed till the date of the commencement of the relevant event of Force Majeure with effective recovery/retention shall be payable to Service Provider.

The Service Provider has no entitlement and Employer has no liability for:

- a) any costs, losses, expenses, damages or the payment of any part of the Total Contract Price during an event of Force Majeure; and
- b) any delay costs in any way incurred by the Service Provider due to an event of Force Majeure.

2.21.5 Time for performance of the relative obligation suspended by the Force Majeure shall then stand extended by the period for which such cause lasts.

2.21.6 Outbreak of War:

If during the currency of the Contract there shall be an out break of war whether declared or not, in that part of the World which whether financially or otherwise materially affect the execution of the Work, the Service Provider shall unless and until the Contract is terminated under the provisions in this clause continue to use his best endeavour to complete the execution of the Work/Services, provided always that the Employer shall be entitled, at any time after such out break of war to terminate or re-negotiate the Contract by giving notice in writing to the Service Provider and upon such notice being given the Contract shall, save as to the rights of the parties under this clause and to the operation of the clauses entitled settlement of Disputes and



Arbitration hereof, be terminated but without prejudice to the right of either party in respect of any antecedent breach thereof.

2.22 PRICE REDUCTION SCHEDULE:

2.22.1 Time is the essence of the Contract. In case the Service Provider fails to mobilize / deploy the required manpower and the complete equipments so as to commence the Services within Mobilisation Period and complete the Services within the stipulated period, then, unless such failure is due to Force Majeure as defined in Clause 2.21 herein above or due to Employer's defaults, the total Value of Contract shall be reduced by ½ (half) % of the total Value of Contract per complete week of delay or part thereof subject to a maximum of 5 (five) % of the total Value of Contract, by way of reduction in price for delay and not as penalty.

The Employer shall be at liberty to adjust or deduct the said amount from amount due to the Service Provider / it's Contract Performance Security payable on demand.

The decision of the EIC with respect to applicability of Price Reduction Schedule shall be final and binding on the Service Provider.

2.22.2 The parties agree that this is a genuine pre-estimate of the loss/damage which will be suffered by the Employer on account of delay on the part of the Service Provider and the said amount will be adjusted for the amount payable to the Service Provider, without there being any proof of the actual loss or damages having been caused by such delay/breach.

2.22.3 The Price Reduction will be calculated on the basis of total Value of Contract / executed Value of Contract (as the case may be) excluding taxes and duties where such taxes and duties have been shown separately in the Contract.

2.22.4 As mentioned above, in case of delay in execution of Contract, Service Provider will raise invoice for reduced value as per Price Reduction Clause. If Service Provider has raised the invoice for full value, then Service Provider will issue Credit Note towards the applicable Price Reduction Schedule amount.

In case Service Provider fails to submit the invoice for reduced value or does not issue credit note as mentioned above, GAIL GAS will release the payment to Service Provider after effecting the Price Reduction Schedule clause.

In the event any financial implication arises on GAIL GAS due to issuance of invoice without reduction in price or non-issuance of Credit Note, the same shall be to the account of Service Provider.

2.23 ASSIGNMENT/SUBLET:

2.23.1 The Service Provider shall not, save with previous written consent of the Engineer-in-charge, 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 Service Provider from any obligation, duty or responsibility under the Contract.



- 2.23.2 The basic scope of Services cannot be sublet. However, on specific request of the Service Provider and subject to written consent of Employer, the Service Provider may sublet allied/incidental jobs related to the Services. Such consent shall not relieve the Service Provider from any obligation, duty or responsibility under the Contract and Service Provider shall be fully responsible for the Services hereunder and the execution and performance of the Contract.
- 2.23.3 Sub-letting of whole Contract is prohibited. An undertaking to this effect will be given by Service Provider along with each invoice/ bill.

2.24 LIENS:

- 2.24.1 If, at any time there should be evidence of any lien or claim for which the Employer might have become liable and which is chargeable to the Service Provider, the Employer shall have the right to retain out of any payment then due or thereafter to become due an amount sufficient to completely indemnify the Employer against such lien or claim and if such lien or claim be valid, the Employer may pay and discharge the same and deduct the amount so paid from any money which may be or may become due and payable to the Service Provider. If any lien or claim remain unsettled after all payments are made, the Service Provider shall refund or pay to the Employer all money that the latter may be compelled to pay in discharging such lien or claim including all costs and reasonable expenses.
- 2.24.2 The Employer shall have lien on all materials, equipments including those brought by the Service Provider for the purpose of providing service.
- 2.24.3 The final payment shall not become due until the Service Provider delivers to the EIC a complete release or waiver of all liens arising or which may arise out of his agreement or receipt in full or certification by the Service Provider in a form approved by EIC that all invoices for labour, materials, services have been paid in lien thereof and if required by the EIC in any case an affidavit that so far as the Service Provider has knowledge or information the releases and receipts include all the labour and material for which a lien could be filled.
- 2.24.4 Service Provider will indemnify and hold the Employer harmless, for a period of two years after the issue of Completion/Execution Certificate, from all liens and other encumbrances against the Employer on account of debts or claims alleged to be due from the Service Provider or his Sub-Service Provider to any person and on behalf of Employer, the Service Provider will defend at his own expense, any claim or litigation brought against the Employer or the Service Provider including Sub-Service Provider in connection therewith. Service Provider shall defend or contest at his own expense, any fresh claim or litigation against the Employer by any person including his Sub-Service Provider, till its satisfactory settlement even after the expiry of two years from the date of issue of Completion/Execution Certificate.

2.25 DELAYS BY EMPLOYER OR HIS AUTHORISED REPRESENTATIVE:

- 2.25.1 In case the Service Provider's performance is delayed due to any act or omission on the part of the Employer or his authorized Representative, then the Service Provider shall be given due extension of time for the completion of the Service, to the extent



such omission on the part of the Employer has caused delay in the Service Provider's performance of his Services.

- 2.25.2 No adjustment in Contract Price shall be allowed for reasons of such delays and extensions granted except as provided in Tender Document, where the Employer reserves the right to seek indulgence of Service Provider to maintain the agreed Time Schedule of Completion. In such an event the Service Provider shall be obliged to provide Service for additional time beyond stipulated time including Off-days / Holidays or by enhancing resources to achieve the completion date/interim targets.

2.26 NO WAIVER OF RIGHTS:

- 2.26.1 None of the terms and conditions of this Contract shall be deemed waived by either party unless such waiver is executed in writing by the duly authorized representative of both the parties.

2.27 CERTIFICATE NOT TO AFFECT RIGHT OF EMPLOYER AND LIABILITY OF SERVICE PROVIDER:

- 2.27.1 No interim payment certificate(s) issued by the EIC of the Employer, nor any sum paid on account by the Employer, nor any extension of time for execution of the service granted by Employer shall affect or prejudice the rights of the Employer against the Service Provider or relieve the Service Provider of his obligations for the due performance of the Contract, or be interpreted as approval of the Service done and no certificate shall create liability for the Employer to pay for alterations, amendments, variations or additional services not ordered, in writing, by Employer or discharge the liability of the Service Provider for the payment of damages whether due, ascertained, or certified or not or any sum against the payment of which he is bound to indemnify the Employer.

2.28 LANGUAGE AND MEASURES:

- 2.28.1 All documents pertaining to the Contract including Specifications, Schedules, Notices, Correspondence, operating and maintenance Instructions or any other writing shall be written in English/Hindi language. The Metric System of measurement shall be used in the Contract unless otherwise specified.

2.29 RELEASE OF INFORMATION:

- 2.29.1 The Service Provider shall not communicate or use in advertising, publicity, sales releases or in any other medium, photographs, or other reproduction of the Service under this Contract or description of the site dimensions, quantity, quality or other information concerning the Service unless prior written permission has been obtained from the Employer.

2.30 COMPLETION PERIOD, CONTRACT PERIOD AND COMPLETION OF CONTRACT:

- 2.30.1 The Completion Period of Service and Contract Period shall be as mentioned in Special Conditions of Contract.



2.30.2 Unless terminated under the provisions of any other relevant clause, this Contract shall be deemed to have been completed at the expiration of the Defect Liability Period as provided for under the Contract.

2.31 INDEPENDENT CAPACITY

2.31.1 The parties intend that an independent Service Provider relationship will be created by this Contract. The Service Provider and his/her employees or agents performing under this Contract are not employees or agents of the Employer. The Service Provider will neither hold himself/herself out as nor claim to be an officer or employee of the Employer by reasons hereof, nor will the Service Provider make any claim of right, privilege or benefit that would accrue to such employee under law. Conduct and control of work will be solely with the Service Provider.

2.32 NOTICE

2.32.1 **TO THE SERVICE PROVIDER:** Any notice to be given to the Service Provider or his duly authorised representative at the job Site under the terms of the Contract may be served by the Employer by facsimile / e-mail or through registered post/Courier at the address/contact information furnished by the Service Provider. Proof of issue of any such notice could be conclusive of the Service Provider having been duly informed of all contents therein.

2.32.2 **TO THE EMPLOYER:** Any notice to be given to the EIC of the Employer under the terms of the Contract may be served by the Service Provider, by facsimile / e-mail or delivering the same through registered post /Courier at the concerned site office.

2.32.3 Either party may change a nominated address to another address in the country where the Services are being provided by prior notice to the other party, with a copy to EIC and the EIC may do so by prior notice to both the parties. The decision of EIC in this regard shall be final and binding on the parties.

2.33 CONFIDENTIALITY:

The Service Provider, its Sub-Service Provider 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 Service/project, this Contract, or Employer's business or operations without the prior written consent of the Employer.

2.34 INTELLECTUAL PROPERTY RIGHT:

The Service Provider shall retain the copy right and other intellectual property rights in the Service Provider's document and other design documents made by (or on behalf of) the Service Provider.

Subject to the confidentiality obligations, by signing the Contract, within the Contract Price, the Service Provider shall be deemed to give to the Employer a non-terminable, transferable, non-exclusive and royalty-free right to copy, use and communicate the Service Provider's documents for the operation, maintenance, repair of the Service



and Statutory purposes, but not for any other purpose. Such documents of the Service Provider shall not be used, copied or communicated to a third party by or on behalf of the Employer for the purposes other than those permitted, without the Service Provider's Consent.

SECTION - III

3.0 PERFORMANCE OF SERVICE

3.1 EXECUTION OF SERVICES:

- 3.1.1 All Services shall be provided in strict conformity with the provisions of the Contract Documents and with such explanatory detailed specification and instruction as may be furnished from time to time to the Service Provider by EIC. The Service Provider shall undertake to perform all Services under this Contract with all reasonable skill, diligence and care in accordance with sound industry practice or international / national standards, wherever applicable (as the case may be) to the satisfaction of the Employer and accept full responsibility for the satisfactory quality of such services as performed by them.

3.2 CHANGES IN SERVICES:

- 3.2.1 During the performance of the Services, EIC / Employer may make a change in the Services within the general scope of this Contract including, but not limited to, changes in methodology and minor additions to or deletions from the Services and Service Provider shall render the service as changed. Changes of this nature will be affected by a written order (i.e. Amendment) by the Employer. The time of completion of the said job may be extended for the part of the particular job at the discretion of Engineer-In-Charge, for only such alterations or substitutions of the Services, as he may consider just and reasonable.
- 3.2.2 If any change result in an increase in compensation payable to Service Provider or in terms of a credit to be passed on to Employer, Service Provider shall submit to EIC an estimate of the amount of such compensation or credit in a form prescribed by Employer. Such estimates shall be based on the rates shown in the Schedule of Rates. Upon review of Service Provider's estimate, Employer shall establish and set forth in the written order the amount of the compensation or credit for the change or a basis for determining a reasonable compensation or credit for the change.

3.3 ACTION AND COMPENSATION IN CASE OF POOR SERVICE:

- 3.3.1 If it shall appear to the EIC that any service has been rendered with unsound, imperfect or unskilled way, or with materials /manpower of any inferior description, or that any materials / manpower provided by the Service Provider for the execution of the Service are unsound, or of a quality inferior to that Contracted for, or otherwise not in accordance with the Contract, the Service Provider shall on demand in writing from the EIC or his authorized representative specifying the Service, materials or manpower complained of notwithstanding that the same may have been inadvertently passed, certified and paid for, forthwith rectify the service so specified and at his own cost and in the event of failure to do so within the period specified by the EIC in his demand aforesaid, the Service Provider shall be liable to pay compensation at the rate



of 1 % (One percent) of the estimated cost of the whole Service, for every week limited to a maximum of 10% (ten percent) of the value of the whole Service, in event of his failure to do so the EIC may on expiry of notice period rectify/re-execute the Service as the case may be at the risk and expense in all respects of the Service Provider or may terminate the contract due to non-performance. The decision of the EIC as to any question arising under this clause shall be final and conclusive.

3.4 SUSPENSION OF SERVICES:

3.4.1 Subject to the provisions of sub-para 3.4.2 of this clause, the Service Provider shall, if ordered in writing by the EIC, temporarily suspend the Services or any part thereof for such written order and not proceed with the Service therein ordered to be suspended until, he shall have received a written order to proceed therewith. The Service Provider shall not be entitled to claim compensation for any loss or damage sustained by him by reason of temporary suspension of the Services aforesaid. An extension of time for completion, corresponding with the delay caused by any such suspension of the Services as aforesaid will be granted to the Service Provider should he apply for the same provided that the suspension was not consequent to any default or failure on the part of the Service Provider.

3.4.2 In case of suspensions of entire Service, ordered in writing by EIC, for a period of more than two months, the Service Provider shall have the option to terminate the Contract.

3.5 DEFECTS LIABILITY PERIOD:

3.5.1 The Service Provider unless otherwise specified elsewhere in the tender document shall guarantee the installation/Service for a period of 12 months from the date of completion of Service mentioned in the Completion Certificate issued by the EIC. Any damage or defect that may arise or lie undiscovered at the time of issue of Completion Certificate, connected in any way with the equipment or materials supplied by him or in the workmanship, shall be rectified or replaced by the Service Provider at his own expense as deemed necessary by the EIC. In case of default, the EIC may carry out such services by other service provider(s) and deduct actual cost incurred towards labour, supervision and materials consumables or otherwise plus 15% towards overheads from any sums that may then be or at any time thereafter, become due to the Service Provider or from his Contract Performance Security, or the proceeds of sale thereof or a sufficient part on thereof. The decision of EIC in this regard shall be final and binding.

3.5.2 If the Service Provider feels that any variation in Service or in quality of materials or proportions would be beneficial or necessary to fulfill the guarantees called for, he shall bring this to the notice of the EIC in writing. If during the period of liability any portion of the Service/Equipment, is found defective and is rectified/ replaced, the period of liability of 12 months for such equipment/ portion of Service shall be operative from the date such rectification/ replacement are carried out and Contract Performance Guarantee shall be furnished separately for the extended period of liability for that portion of Service/ Equipment only. However, in no such case extension will exceed 24 months from the date of initial DLP. Notwithstanding the above provisions the supplier's, guarantees/warranties for the replaced/rectified Equipment/Service shall also be passed on to the Employer.



3.6 COMPLETION CERTIFICATE:

3.6.1 APPLICATION FOR COMPLETION CERTIFICATE: When the Service Provider fulfills his obligation under the Contract he shall be eligible to apply for Completion Certificate. The EIC shall normally issue to the Service Provider the Completion Certificate within one month after receiving any application thereof from the Service Provider after verifying from the completion documents and satisfying himself that the Service has been rendered in accordance with and as set out in the Contract Documents. The Service Provider, after obtaining the Completion Certificate, is eligible to present the final bill for the Service executed by him under the terms of Contract.

Completion of jobs/services for issuance of completion certificate shall constitute completion of jobs/ services as per provisions of LOA/Contract duly accepted and certified by EIC.

3.6.2 COMPLETION CERTIFICATE: Within one month from receipt of application from Service Provider after the completion of the Service in all respects as specified above at clause no. 3.6.1, the Service Provider shall be furnished with a certificate by the EIC of such completion, but no certificate shall be given nor shall the Service be deemed to have been rendered until all scaffolding, Equipment(s) & machine(s), surplus materials and rubbish brought for/ generated during execution of service is cleared off the Site completely. EIC's certification about completion of service in all aspects shall be binding and conclusive.

3.6.3 COMPLETION CERTIFICATE DOCUMENTS: For the purpose of Completion, the following documents will be deemed to form the completion documents:

- i) The technical documents according to which the Service was carried out.
- ii) Material appropriation, Statement for the materials issued by the Employer for the Service and list of surplus materials returned to the Employer's store duly supported by necessary documents

3.6.4 EXECUTION CERTIFICATE:

Execution Certificate against Rate/ Maintenance contract shall be issued by EIC against written request from Service Provider.

3.7 FINAL DECISION & FINAL CERTIFICATE:

3.7.1 Upon expiry of the period of liability and subject to the Engineer-in-Charge being satisfied that the Service Provider has in all respect duly made-up any shortfall and performed all his obligations under the Contract, the Engineer-in- Charge shall (without prejudice to the rights of the Employer to retain the provisions of relevant Clause hereof) otherwise give a certificate herein referred to as the Final Certificate to that effect. The Service Provider shall not be considered to have fulfilled the whole of his obligations under Contract until Final Certificate shall have been given by the Engineer-In- Charge.

3.8 LIMITATION OF LIABILITY



3.8.1 Notwithstanding anything contrary contained herein, the aggregate total liability of Service Provider to Employer under the Contract shall not exceed the Total Contract Value, except that this clause shall not limit the liability of the Service Provider for following:

- (a) In the event of breach of any Applicable Law;
- (b) In the event of fraud, willful misconduct or illegal or unlawful acts, or gross Negligence of the Service Provider or any person acting on behalf of the Service Provider; or
- (c) In the event of acts or omissions of the Service Provider which are contrary to the most elementary rules of diligence which a conscientious Service Provider would have followed in similar circumstances; or
- (d) In the event of any claim or loss or damage arising out of infringement of Intellectual Property; or
- (e) For any damage to any third party, including death or injury of any third party caused by the Service Provider or any person or firm acting on behalf of the Service Provider in executing the Works/Services.

However, neither party shall be liable to the other Party for any indirect nor consequential loss or damage like loss of use, loss of profit, loss of production or business interruption which is connected with any claim arising under the Contract.

3.9 INDEMNITY:

3.9.1 If any action is brought before a Court, Tribunal or any other Authority against the Employer or an officer or agent of the Employer, for the failure, omission or neglect on the part of the Service Provider to perform any acts, matters, covenants or things under the Contract, or damage or injury caused by the alleged omission or negligence on the part of the Service Provider, his agents, representatives or his Sub-Service Provider's, or in connection with any claim based on lawful demands of Sub-Service Provider's servicemen suppliers or employees, the Service Provider, shall in such cases indemnify and keep the Employer and/or their representatives harmless from all losses, damages, expenses or decrees arising out of such action.

SECTION – IV

4.0 PAYMENT, INSURANCE AND TAXES

4.1 DEDUCTION FROM THE CONTRACT PRICE:

4.1.1 All costs, damages or expenses which Employer may have paid or incurred, which under the provisions of the Contract, the Service Provider is liable to pay to the Employer. All such claims shall be claimed by the Employer from the Service Provider regularly as and when they fall due. Such claims shall be paid by the Service Provider within 15 (fifteen) days of the receipt of the corresponding bills/ claims and if not paid by the Service Provider within the said period, the Employer may, then, deduct the amount from any immediate moneys due to the Service Provider like R.A Bills, Final Bills, Contract Performance Security or any payment becoming due to the Service Provider under the Contract or may be recovered by actions of law or otherwise, if the Service Provider fails to satisfy the Employer of such claims.

4.2 SCHEDULE OF RATES AND PAYMENTS:

4.2.1 SERVICE PROVIDER'S REMUNERATION:

The price to be paid by the Employer to Service Provider for the whole of the Service to be done and for the performance of all the obligations undertaken by the Service Provider under the Contract Documents shall be ascertained by the application of the respective Schedule of Rates (the inclusive nature of which is more particularly defined by way of application but not of limitation, with the succeeding sub-clause of this clause) and payment to be made accordingly for the Services actually executed and approved by the Engineer-in-Charge. The sum so ascertained shall (except only as and to the extent expressly provided herein) constitute the sole and inclusive remuneration of the Service Provider under the Contract and no further or other payment whatsoever shall be or become due or payable to the Service Provider under the Contract.

4.2.2 SCHEDULE OF RATES TO BE INCLUSIVE:

The prices/rates quoted by the Service Provider shall remain firm till the issue of Final Certificate and shall not be subject to escalation. Schedule of Rates shall be deemed to include and cover all costs, expenses and liabilities of every description and all risks of every kind to be taken in rendering the services to the Employer by the Service Provider. The Service Provider shall be deemed to have known the nature, scope, magnitude and the extent of the service though the Contract Document may not fully and precisely furnish/specify them. The Tenderer shall be deemed to include the requisite services as may be required to complete the Services properly including remedying of any defect therein.

4.2.3 SCHEDULE OF RATES TO COVER CONSTRUCTION EQUIPMENTS, MATERIALS, LABOUR ETC.:

Without in any way limiting the provisions of the preceding sub-clause the Schedule of Rates shall be deemed to include and cover the cost of all construction equipment, temporary work (except as provided for herein), pumps, materials, labour, insurance, fuel, consumables, stores & appliances and such other items / equipments / materials as required for carrying out the services by the Service Provider and all other matters in connection with each item in the Schedule of Rates and the execution of the Service or any portion thereof finished, complete in every respect and maintained as shown or described in the Contract Documents or as may be ordered in writing during the continuance of the Contract.

4.2.4 SCHEDULE OF RATES TO COVER ROYALTIES, RENTS AND CLAIMS:

The Schedule of Rates (i.e., Value of Contract) shall be deemed to include and cover the cost of all royalties and fees for the articles and processes, protected by letters, patent or otherwise incorporated in or used in connection with the Service, also all royalties, rents and other payments in connection with obtaining materials of whatsoever kind for the Service and shall include an indemnity to the Employer which the Service Provider hereby gives against all actions, proceedings, claims, damages,



costs and expenses arising from the incorporation in or use in the Service of any such articles, processes or materials, octroi or other municipal or local Board Charges, if levied on materials, equipment or machineries to be brought to site for use for Services shall be borne by the Service Provider.

4.2.5 SCHEDULE OF RATES TO COVER TAXES AND DUTIES:

No exemption or reduction of Customs Duties, GST, Works Contract Tax or any port dues, transport charges, stamp duties or Central or State Government or local Body or Municipal Taxes or duties, taxes or charges (from or of any other body), entry tax, whatsoever, will be granted or obtained, all of which expenses shall be deemed to be included in and covered by the Schedule of Rates, unless mentioned specifically elsewhere in the Tender Document. The Service Provider shall also obtain and pay for all permits/licenses or other privileges necessary to complete the Service.

4.2.6 SCHEDULE OF RATES TO COVER RISKS OF DELAY:

The Schedule of Rates shall be deemed to include and cover the risk of all possibilities of delay and interference with the Service Provider's conduct/performance of Services which occurs from any causes including orders of the Employer in the exercise of his power and on account of extension of time granted due to various reasons and for all other possible or probable causes of delay.

4.2.7 SCHEDULE OF RATES CANNOT BE ALTERED:

For Service under unit rate basis, no alteration will be allowed in the Schedule of Rates by reason of services or any part of them being modified, altered, extended, diminished or committed. The Schedule of Rates are fully inclusive of rates which have been fixed by the Service Provider and agreed to by the Employer and cannot be altered. For lumpsum Contracts, the payment will be made according to the Service actually carried out, for which purpose an item wise, or work wise Schedule of Rates shall be furnished, suitable for evaluating the value of Service provided and preparing running account bill. Payment for any additional Service which is not covered in the Schedule of Rates shall only be released on issuance of Amendment to LOA/Contract by the Employer.

4.3 PROCEDURE FOR BILLING OF SERVICES:

4.3.1 BILLING PROCEDURE:

Following procedures shall be adopted for billing of services executed by the Service Provider.

4.3.1.1 The Bill(s) complete in all respect with details and enclosure(s) is to be submitted by Service Provider in line with terms of the Contract. Employer shall make all endeavour to release payments of undisputed amount of the bills submitted within 15 (Fifteen) days from the date of certification by the Engineer-in-Charge.

4.3.1.2 **COMPUTERISED BILLING SYSTEM:** GAILGAS Limited has introduced Computerised Billing System whereby whenever the Bill(s) are submitted in GAIL



GAS by a Service Provider, a receipt number is usually generated. The Service Provider may also know the status of the Bill through GAIL GAS's website.

4.3.2 MODE OF MEASUREMENT:

The payment shall be made based on the mode of measurement as specified in the Contract. Otherwise, the mode of measurement shall be adopted as per latest Indian Standard Specifications.

4.4 NOTICE OF CLAIMS FOR ADDITIONAL PAYMENTS:

4.4.1 Should the Service Provider consider that he is entitled to any extra payment for any extra/additional Job(s)/Service(s) or material change in original Specifications carried out by him in respect of job, he shall forthwith give notice in writing to the Engineer-in-Charge that he claims extra payment. Such notice shall be given to the Engineer-in-Charge upon which Service Provider bases such claims and such notice shall contain full particulars of the nature of such claim with full details of amount claimed. Irrespective of any provision in the Contract to the contrary, the Service Provider must intimate his intention to lodge claim on the Employer within 10 (ten) days of the commencement of happening of the event and quantify the claim within 30 (thirty) days, failing which the Service Provider will lose his right to claim any compensation/reimbursement/damages etc.. Failure on the part of Service Provider to put forward any claim without the necessary particulars as above within the time above specified shall be an absolute waiver thereof. No omission by Employer to reject any such claim and no delay in dealing therewith shall be waiver by Employer of any of these rights in respect thereof.

4.4.2 Engineer-in-Charge shall review such claims within a reasonable period of time and cause to discharge these in a manner considered appropriate after due deliberations thereon. However, Service Provider shall be obliged to carry on with the Jobs/services during the period in which his claims are under consideration by the Employer, irrespective of the outcome of such claims, where additional payments for Services considered extra are justifiable in accordance with the Contract provisions, Employer shall arrange to release the same in the same manner as for normal job payments. Such of the extra services so admitted by Employer shall be governed by all the terms, conditions, stipulations and specifications as are applicable for the Contract. The rates for extra services shall generally be the unit rates provided for in the Contract. In the event unit rates for extra services so executed are not available as per Contract, payments may either be released on day work basis for which daily/hourly rates for workmen and hourly rates for equipment rental shall apply, or on the unit rate for Services executed shall be derived by interpolation/ extrapolation of unit rates already existing in the Contract. In all the matters pertaining to applicability of rate and admittance of otherwise of an extra service claim(s) of Service Provider, the decision of Engineer-in-Charge shall be final and binding on the Service Provider.

4.5 INSURANCE:

4.5.1 Service Provider shall, at his own expense, arrange appropriate insurance to cover all risks assumed by the Service Provider under this Contract in respect of its personnel deputed under this Contract as well as Service Provider's equipment, tools and any



other belongings of the Service Provider or their personnel during the entire period of their engagement in connection with this Contract. Employer will have no liability on this account. The Personnel covered must be covered to meet the liability under Employee Compensation Act.

4.5.2 The provisions of this Clause shall in no way limit the liability of the Service Provider under the Contract.

4.5.3 If the Service Provider neglects, fails, or refuses to obtain or maintain insurances required to be effected, or fails to provide certification etc., the Employer has the right to procure and maintain policies at Service Provider's expense plus administrative cost of 10% of the amount of Insurance premium.

4.5.4 INSURANCE TYPES:

Service Provider shall at all time during the currency of the Contract provide, pay for and maintain the following insurance amongst others:

- a. Employee Compensation and Employer's common law liability insurance covering liability to employees of the Service Provider under the laws of their place or employment or place or injury, arising out of injury sustained in connection with any of the services. This insurance will be extended where submitted by law, to indemnify the Employer against any statutory liability which it may incur towards injured employees of the Service Provider. A proof of the same should be submitted to EIC for liability in line with Employees Compensation Act.
- b. General Public Liability Insurance covering liabilities including contractual liability for bodily injury, including death of persons, and liabilities for damage of property. This insurance must cover all operations of Service Provider required to fulfill the provisions under this Contract.
- c. Service Provider's Equipment/Materials/Goods used for execution of the work hereunder shall have an insurance cover with a suitable limit (as per international standards).
- d. Automobile Public Liability Insurance covering owned, non-owned and hired automobiles used in the performance of the work hereunder, with bodily injury limits and property damage limits as governed by Indian Insurance regulations.
- e. Public Liability Insurance as required under Public Liability Insurance Act 1991.

4.5.5 Service Provider shall obtain additional insurance or revise the limits of existing insurance as per Employer's request in which case additional cost shall be to Service Provider's account.

Further, the Service Provider shall ensure the adequacy of Insurance at all time in accordance with the nature of the Service(s), terms of the Contract and Statutory requirements.



4.5.6 CERTIFICATE OF INSURANCE:

Before commencing performance of the services, Service Provider shall on request furnish EIC/Employer with certificates of insurance indicating:

- i) type and amounts of insurance as required herein;
- ii) insurance company or companies carrying the aforesaid coverage;
- iii) effective and expiry dates of policies;
- iv) that the Employer may give advance notice for any material change in the policy. waiver of subrogation endorsement has been attached to all policies; and
- v) the territorial limits of all policies.

4.5.7 If any of the above policies expire or are cancelled during the terms of the service, and Service Provider fails for any reason to renew such policies, the Employer may replace same and recover the charges towards premium plus administrative charges from Service Provider. Should there be a lapse in any insurance required to be carried out by the Service Provider hereunder for any reason, losses & penalty, if any resulting there from shall be to the sole account of the Service Provider.

4.5.8 Service Provider shall require all its Sub-Service Providers to provide such foregoing insurance cover as the Service Provider is obligated to provide under the Contract.

4.5.9 **WAIVER OF SUBROGATION:** All insurance policies of the Service Provider with respect to the operations conducted hereunder, shall be endorsed by the underwriter in accordance with the following policy wording:“ The insurers hereby waive their rights of subrogation against any individual, Employer, affiliates or assignees for whom or with whom the assured may be operating to the extent of the Contractual indemnities undertaken by the Service Provider”.

4.5.10 **Deductible:** That portion of any loss not covered by insurance provided for in this article solely by reason of deductible provision in such insurance policies shall be to the account of the Service Provider.

4.6 TAXES AND DUTIES:

4.6.1 The Service Provider, unless specified otherwise elsewhere in the Contract agrees to and does hereby accept full and exclusive liability for the payment of any and all Taxes, Duties, including GST now or hereafter imposed, increased, modified from time to time in respect of Services and materials and all contributions and taxes for unemployment compensation, insurance and old age pensions or annuities now or hereafter imposed by any Central or State Government authorities which are imposed with respect to or covered by the wages, salaries, or other compensations paid to the persons employed by the Service Provider and the Service Provider shall be responsible for the compliance of all Sub-Service Providers, with all applicable Central, State, Municipal and local law and regulation and requirement of any Central, State or local Government agency or authority. Service Provider further agrees to defend, indemnify and hold Employer harmless from any liability or penalty which may be imposed by the Central, State or Local authorities by reason or any



violation by Service Provider or Sub- Sub-Service Provider of such laws, suits or proceedings that may be brought against the Employer arising under, growing out of, or by reason of the service provided for by this Contract, by third parties, or by Central or State Government authority or any administrative sub-division thereof. Tax deductions will be made as per the rules and regulations in force in accordance with acts prevailing from time to time.

- 4.6.2 Service Provider shall ensure timely submission of correct invoice(s) with all required supporting document(s) as per Contract within a period specified in Contracts to enable Employer to avail Input Tax Credit.

If Input Tax credit with respect to GST is not available to Employer for any reason which is not attributable to Employer, then Employer shall not be obligated or liable to pay or reimburse GST charged in the invoice(s) and shall be entitled to / deduct/ setoff /recover the such GST together with all penalties and interest if any, against any amounts paid or payable by Employer to Service Provider.

- 4.6.3 Where Employer has the obligation to discharge tax liability under reverse charge mechanism and Employer has paid or is /liable to pay GST to the Government on which interest or penalties becomes payable as per rules (as amended from time to time) for any reason which is not attributable to Employer or Input Tax credit with respect to such payments is not available to Employer for any reason which is not attributable to Employer, then Employer shall be entitled to deduct/ setoff / recover such amounts against any amounts paid or payable by Employer to Service Provider.

4.7 INCOME TAX:

- 4.7.1 Income Tax deduction shall be made from all payments of the Service Provider as per rules and regulation in force in accordance with the Income Tax Act prevailing from time to time. As per the provisions of the income Tax Act, 1961, Permanent Account No. (PAN) is compulsorily required to be mentioned in Tax Deduction at Source (TDS) certificate issued to the payee. Therefore, the bidder must submit the details of PAN / the copy of application filed for allotment of PAN (if PAN no. not available) to EIC immediately on receipt of FOA/Contract Document, failing which, TDS will be applied as per applicable law and TDS certificate will not be issued. Therefore, in case the Service Provider does not furnish PAN, EMPLOYER shall deduct at source as provided in the Income Tax Act 1961, or in the relevant Finance Act, or as directed in the orders u/s 195(3) or 197 or 195(2), as the case may be, or at such higher rate as may be required by Section 206AA of Income Tax Act 1961, from time to time.
- 4.7.2 In case of foreign bidder, the Service Provider must apply through the local embassy / consulate of India for obtaining PAN card. In case, foreign Service Provider don't have the PAN, then amount will be deducted and deposited as per law and TDS certificate will also not be provided. Further, such Service Provider shall comply all other provisions mentioned elsewhere in the Tender Document related to making remittances to non-residents including Permanent Establishment, Tax Residency Certificate (TRC) if non-resident desire to avail benefits available under Double Tax Avoidance Agreement (DTAA), Withholding Tax etc., as per Income Tax Act, 1961 (as amended from time to time).

4.8 STATUTORY VARIATIONS:

- 4.8.1 All duties, taxes (except where otherwise expressly provided in the Contract) as may be levied / imposed in consequences of execution of the Jobs/Services or in relation thereto or in connection therewith as per the Acts, Laws, Rules, Regulations in force on the due date of submission of Bid for this Contract shall be to Service Provider's account. Any increase / decrease in such duties, taxes after the due date of submission of bid but within the Contractual completion date as stipulated in the Contract will be to the account of Employer subject to submission of documentary proof to the satisfaction of Employer.
- 4.8.2 Any increase in the duties and taxes after the Contractual completion period will be to the Service Provider's account, where delay in completion /mobilization period is attributable to the Service Provider and the taxes & duties are not cenvatable (i.e. Input Tax Credit (ITC) not available). In case of applicability of ITC / cenvatable taxes & duties, payment shall be made as per the prevailing rates during the currency of the Contract. However, any benefit of decrease in duties and taxes after the Contractual completion will be passed on to the Employer.
- 4.8.3 In the event of introduction of any new legislation or any change or amendment or enforcement of any Act or Law, rules or regulations of Government of India or State Government(s) or Public Body which becomes effective after the due date of submission of Bid for this Contract but within the Contractual completion period (including extended period allowed due to reasons attributed to Employer) and which results in increased cost of the jobs/services under the Contract through increased liability of taxes, (other than personnel and Corporate taxes), duties, the Service Provider shall be indemnified for any such increased cost by the Employer subject to the production of documentary proof to the satisfaction of the Employer to the extent which directly is attributable to such introduction of new legislation or change or amendment as mentioned above and adjudication by the competent authority & the courts wherever levy of such taxes / duties are disputed by Employer.
- 4.8.4 Similarly, in the event of introduction of new legislation or any change or amendment or enforcement of any Act or Law, rules or regulations of Government of India or State Government(s) or Public Body which becomes effective after the due date of submission of Bid for this Contract and which results in any decrease in the cost of the services/ jobs through reduced liability of taxes, (other than personnel and Corporate taxes) duties, the Service Provider shall pass on the benefits of such reduced cost, taxes or duties to the Employer, to the extent which is directly attributable to such introduction of new legislation or change or amendment as mentioned above.

4.9 DAMAGES TO PROPERTY, ANY PERSON AND THIRD PARTY

- i) Service Provider shall be responsible for making good to the satisfaction of the Employer any loss or any damage to structures and properties belonging to the Employer or being executed or procured or being procured by the Employer or of other agencies within in the premises of the Employer, if such loss or damage is due to fault and/or the Negligence or Willful Misconduct or



omission of the Service Provider, his employees, agents, representatives or Sub-Service Providers.

- ii) The Service Provider shall take sufficient care in moving his equipments and materials from one place to another so that they do not cause any damage to any person or to the property of the Employer or any third party including overhead and underground cables and in the event of any damage resulting to the property of the Employer or of a third party during the movement of the aforesaid equipment or materials the cost of such damages including eventual loss of production, operation or services in any plant or establishment as estimated by the Employer or ascertained or demanded by the third party shall be borne by the Service Provider. Third party liability risk shall be Rupees One lakh for single accident and limited to Rupees Ten lakhs.
- iii) The Service Provider shall indemnify and keep the Employer harmless of all claims for damages to property other than Employer's property arising under or by reason of this agreement, if such claims result from the fault and/or Negligence or Willful Misconduct or omission of the Service Provider, his employees, agents, representative of Sub-Service Provider.

SECTION – V

5.0 LAWS, HEALTH, SAFETY & ENVIRONMENT

5.1 LABOUR LAWS:

- i) No labour below the age of 18 (eighteen) years shall be employed on the Job.
- ii) The Service Provider shall not pay less than what is provided under law to labourers engaged by him on the Job.
- iii) The Service Provider shall at his expense comply with all labour laws and keep the Employer indemnified in respect thereof.
- iv) The Service Provider shall pay equal wages for men and women in accordance with applicable labour laws.
- v) If the Service Provider is covered under the Contract labour (Regulation and Abolition) Act, he shall obtain a license from licensing authority (i.e. office of the labour commissioner) by payment of necessary prescribed fee and the deposit, if any, before starting the Job under the Contract. Such fee/deposit shall be borne by the Service Provider.
- vi) The Service Provider shall employ labour in sufficient numbers either directly or through Sub- Service Provider's to maintain the required rate of progress and of quality to ensure workmanship of the degree specified in the Contract while also ensuring that workman is not stressed due to long hour of working and to the satisfaction of the EIC.



- vii) The Service Provider shall furnish to the EIC the distribution return of the number and description, by trades of the service people employed on the services. The Service Provider shall also submit on the 4th and 19th of every month to the EIC a true statement showing in respect of the second half of the preceding month and the first half of the current month (1) the accidents that occurred during the said fortnight showing the circumstances under which they happened and the extent of damage and injury caused by them and (2) the number of female workers who have been allowed Maternity Benefit as provided in the Maternity Benefit Act 1961 on Rules made thereunder and the amount paid to them.
- viii) The Service Provider shall comply with the provisions of the payment of Wage Act 1936, Employee Provident Fund Act 1952, Minimum Wages Act 1948, Employers Liability Act 1938, Servicemen's Compensation Act 1923, Industrial Disputes Act 1947, the Maternity Benefit Act 1961 and Contract Labour Regulation and Abolition Act 1970, Employment of Children Act 1938 or any modifications thereof or any other law relating thereto and rules made thereunder from time to time.
- ix) The EIC shall on a report having been made by an Inspecting Officer as defined in Contract Labour (Regulation and Abolition) Act 1970 have the power to deduct from the money due to the Service Provider any sum required or estimated to be required for making good the loss suffered by a worker or workers by reason of non- fulfilment of the Conditions of the Contract for the benefit of workers, non-payment of wages or of deductions made from his or their wages which are not justified by the terms of the Contract or non-observance of the said regulations.
- x) The Service Provider shall indemnify the Employer against any payments to be made under and for the observance of the provisions of the aforesaid Acts without prejudice to his right to obtain indemnity from his Sub-Service Provider's. In the event of the Service Provider committing a default or breach of any of the provisions of the aforesaid Acts as amended from time to time, of furnishing any information or submitting or filling and Form/ Register/ Slip under the provisions of these Acts which is materially incorrect then on the report of the inspecting Officers, the Service Provider shall without prejudice to any other liability pay to the Employer a sum not exceeding Rs.10000.00 as Liquidated Damages for every default, breach or furnishing, making, submitting, filling materially incorrect statement as may be fixed by the EIC and in the event of the Service Provider's default continuing in this respect, the Liquidated Damages may be enhanced to Rs.5000.00 per day for each day of default subject to a maximum of one percent of the estimated cost of the Services put to the Contract. The EIC shall deduct such amount from bills or Contract Performance Security of the Service Provider and credit the same to the Welfare Fund constitute under these acts. The decision of the EIC in this respect shall be final and binding.

5.2 SAFETY REGULATIONS:



- i) In respect of all labour, directly employed in the Service for the performance of Service Provider's part of this agreement, the Service Provider shall at his own expense arrange for all the safety provisions as per safety codes of C.P.W.D., Indian Standards Institution. The Electricity Act, The Mines Act and such other acts as applicable.
- ii) The Service Provider shall observe and abide by all fire and safety regulations of the Employer. Before starting service, Service Provider shall consult with Employer's safety Engineers or EIC and must make good to the satisfaction of the Employer any loss or damage due to fire to any portion of the service done or to be done under this agreement or to any of the Employer's existing property.

5.3 FIRST AID AND INDUSTRIAL INJURIES:

- i) Service Provider shall maintain first aid facilities for its employees and those of its Sub-Service Provider.
- ii) Service Provider shall make outside arrangements for ambulance service and for the treatment of industrial injuries. Names of those providing these services shall be furnished to Employer prior to start and their telephone numbers shall be prominently posted in Service Provider's field office.
- iii) All critical industrial injuries shall be reported promptly to Employer, and a copy of Service Provider's report covering each personal injury requiring the attention of a physician shall be furnished to the Employer.

5.4 GENERAL RULES:

- 5.4.1 Smoking within the battery area, tank farm, dock limits or any such area identified by EIC or mentioned in SCC or any guideline, is strictly prohibited. Violators of the no smoking rules shall be discharged immediately after imposing the applicable penalty(ies). Decision of EIC in the matter shall be final and binding on the Service Provider.

5.5 CARE IN HANDLING INFLAMMABLE GAS:

- 5.5.1 The Service Provider has to ensure all precautionary measures and exercise utmost care in handling the inflammable gas cylinder/inflammable liquids/paints etc. as required under the law and/or as advised by the fire Authorities of the Employer.

5.6 PRESERVATION OF PLACE:

- 5.6.1 The Service Provider shall take requisite precautions and use his best endeavors to prevent any riotous or unlawful behavior by or amongst his worker / personnel employed for the services and for the preservation of peace and protection of the inhabitants and security of property in the neighborhood of the Site. In the event of the Employer requiring the maintenance of a Special Police Force at or in the vicinity of the site during the tenure of services, the expenses thereof shall be borne by the



Service Provider and if paid by the Employer shall be recoverable from the Service Provider.

5.7 ENVIRONMENT:

- 5.7.1 Employer acknowledges their commitment to conduct their respective operations in a manner which not only complies with all relevant environmental protection and pollution control legislation but also such operations do not cause environmental damage or pollution and in a manner which acknowledges other cultural and associated considerations. In recognition of this commitment, the Service Provider shall perform the services in such a way as to avoid or minimize environmental damage or pollution and fully recognize the special aspects of the environment as communicated by Employer or as applicable. Service Provider shall comply with, and the Service Provider shall ensure compliance with all applicable environmental protection and pollution control legislation as it relates to the services.
- 5.7.2 In the furtherance of any laws, regulations and rules promulgated by the Government of India, Service Provider shall:
- Employ good international oil & gas industry practices, including as required, advanced techniques, practices and methods of operation for the prevention of environmental damage in conducting the job;
 - Take necessary and adequate steps to prevent environmental damage and, where some adverse impact on the environment is unavoidable, minimize such damage and the consequential effects thereof of property and people; and
 - Adhere to the guidelines, limitations or restrictions, if any, imposed by the environmental clearance as applicable.
- 5.7.3 If during the Service Provider's performance of the services, the Employer is of the opinion that the Service Provider is either not conducting the services in strict compliance with this Contract or is conducting the services in such a way as to endanger the environment or in such a way as to risk being in breach of any environmental protection or pollution control legislation, then the Employer shall notify the Service Provider in writing of the conduct involved and the Service Provider shall initiate corrective action to the reasonable satisfaction of the Employer within twenty four (24) hours of the conduct so notified or as decided by EIC. Employer may, require Service Provider to discontinue the Service in whole or in part until Service Provider has taken such action.
- 5.7.4 The Service Provider shall notify the Employer as soon as reasonably practicable of any spillage or potential spillage of petroleum or any act of pollution or potentially polluting event. For each and any such event the Service Provider shall record the relevant information on the incident report form and shall deliver the completed form to the Employer forthwith.
- 5.7.5 After completion of the entire job as per this Contract and prior to Demobilization, Service Provider shall at its expense satisfactorily dispose off all rubbish, remove all temporary work, equipment and materials belonging to Service Provider and return to



Employer warehouse all surplus spares and salvageable Employer supplied materials. Further, the Service Provider can take away the brought out Service Provider supplied surplus Material (i.e. Materials brought by the Service Provider for work/Services at site under Contract, not used by them for work/Services and leftover at the Site) subject to prior written consent of the EIC. The payment made, if any, towards such surplus Material will be recovered from the payment of Service Provider.

Service Provider shall leave the premises in a neat and safe condition. Service Provider shall be required to leave all, sites and surrounding area as it existed at the commencement of Contract.

5.7.6 Service Provider shall:

Ensure that the pertinent completed environmental impact studies including the Rapid Environmental Impact Assessment carried out by Employer are made available to its Personnel and to its Sub-Service Providers to develop adequate and proper awareness of the measures and methods of environmental protection to be used in carrying out the job;

Ensure and maintain at his own cost all lights, guards, fencing, warning signs and watching, when and where necessary or required by the EIC, for the protection of the Services or for the safety and convenience of the public or others.

Ensure that the Contracts entered into between Service Provider and its Sub Service Providers (if allowed) relating to the Services shall include the provisions stipulated herein;

- be responsible for the removal from the Site or for otherwise making safe in accordance with applicable Indian laws and directives any materials generated or released by Service Provider during its activities at the Site which are toxic or similarly hazardous to the health or safety of persons or to the environment;
- be liable for and shall indemnify, protect, defend and hold harmless Employer from and against any and all demands, claims, suits and causes of action and any and all liability, costs, expenses, settlements and judgments incurred in connection therewith (including court costs and attorney's fees incurred by Employer) arising out of such toxic or hazardous materials for which the Service Provider is responsible pursuant to this Clause.

SECTION – VI

6.0 DISPUTE RESOLUTION AND ARBITRATION:

6.1 DISPUTE RESOLUTION:

- 6.1.1 GAIL GAS Limited has framed the Conciliation Rules 2013 in conformity with supplementary to Part – III of the Indian Arbitration and Conciliation Act 1996 for speedier, cost effective and amicable settlement of disputes through conciliation. A copy of the said rules made available on GAIL GAS's web site <https://gailgas.com/> for reference. Unless otherwise specified, the matters where decision of the Engineer-in-Charge is deemed to be final and binding as provided in the Contract and the



issues/disputes which cannot be mutually resolved within a reasonable time, all disputes shall be settled in accordance with the Conciliation Rules 2013.

- 6.1.2 Any dispute(s)/difference(s)/issue(s) of any kind whatsoever between/amongst the Parties arising under/out of/in connection with this Contract shall be settled in accordance with the aforesaid rules.
- 6.1.3 In case of any dispute(s)/difference(s)/issue(s), a Party shall notify the other Party (ies) in writing about such a dispute(s) / difference(s) / issue(s) between / amongst the Parties and that such a Party wishes to refer the dispute(s)/ difference(s)/issue(s) to Conciliation. Such Invitation for Conciliation shall contain sufficient information as to the dispute(s)/difference(s)/issue(s) to enable the other Party (ies) to be fully informed as to the nature of the dispute(s)/ difference(s) /issue(s), the amount of monetary claim, if any, and apparent cause(s) of action.
- 6.1.4 Conciliation proceedings commence when the other Party(ies) accept(s) the invitation to conciliate and confirmed in writing. If the other Party (ies) reject(s) the invitation, there will be no conciliation proceedings.
- 6.1.5 If the Party initiating conciliation does not receive a reply within thirty days from the date on which he/she sends the invitation, or within such other period of time as specified in the invitation, he/she may elect to treat this as a rejection of the invitation to conciliate. If he/she so elects, he/she shall inform the other Party(ies) accordingly.
- 6.1.6 Where Invitation for Conciliation has been furnished, the Parties shall attempt to settle such dispute(s) amicably under Part-III of the Indian Arbitration and Conciliation Act, 1996 and GAIL GAS Limited Conciliation Rules, 2013. It would be only after exhausting the option of Conciliation as an Alternate Dispute Resolution Mechanism that the Parties hereto shall go for Arbitration in terms of clause no. 6.2. 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.
- 6.1.7 The cost of Conciliation proceedings including but not limited to fees for Conciliator(s), Airfare, Local Transport, Accommodation, cost towards conference facility etc. shall be borne by the Parties in equal share.
- 6.1.8 The Parties shall freeze claim(s) of interest, if any, and shall not claim the same during the pendency of Conciliation proceedings. The Settlement Agreement, as and when reached/agreed upon, shall be signed between the Parties and Conciliation proceedings shall stand terminated on the date of the Settlement Agreement.

6.2 ARBITRATION:

- 6.2.1 If the issues/disputes which cannot be resolved through dispute resolution mechanism pursuant to clause no. 6.1, all disputes such shall be referred to arbitration by Sole Arbitrator. The Employer shall suggest a panel of three independent and distinguished persons to the /Service Provider to select any one among them to act as the Sole Arbitrator. In the event of failure of the other parties to select the Sole Arbitrator within 30 days from the receipt of the communication suggesting the panel of arbitrators, the right of selection of the sole arbitrator by the other party shall stand forfeited and the Employer shall have discretion to proceed with the appointment of the Sole Arbitrator. The decision of Employer on the appointment of the sole



arbitrator shall be final and binding on the parties. The award of sole arbitrator shall be final and binding on the parties and unless directed/awarded otherwise by the sole arbitrator, the cost of arbitration proceedings shall be shared equally by the parties. The Arbitration proceedings shall be in English language and seat/venue shall be New Delhi, India. Subject to the above, the provisions of Indian Arbitration & Conciliation Act 1996 and the Rules and amendment thereof shall be applicable. All matter relating to this Contract are subject to the exclusive jurisdiction of the court situated in the state of Delhi.

Contractor may please note that the Arbitration & Conciliation Act 1996 was enacted by the Indian Parliament and is based on United Nations Commission on International Trade Law (UNCITRAL model law), which were prepared after extensive consultation with Arbitral Institutions and centers of International Commercial Arbitration. The United Nations General Assembly vide resolution 31/98 adopted the UNCITRAL Arbitration rules on 15 December 1976.

Notwithstanding anything contained contrary in GCC and other Contract Documents, in case it is found that the Bidder/Service Provider indulged in fraudulent/ coercive practices at the time of bidding or during execution of the contract as mentioned in "Procedure for action in case of Corrupt/ Fraudulent/ Collusive /Coersive Practices", the Service Provider / Bidder shall be banned (in terms of aforesaid procedure) from the date of issuance of such order for banning.

The Bidder/Service Provider understands and agrees that in such cases of banning, the decision of Employer shall be final and binding on such Bidder/Service Provider and the Arbitration Clause mentioned in the GCC and other Contract Documents shall not be applicable for any issue /dispute arising in the matter.

6.2.2 SETTLEMENT OF COMMERCIAL DISPUTES BETWEEN PUBLIC SECTOR ENTERPRISE(S) INTER SE AND PUBLIC SECTOR ENTERPRISE(S) AND GOVERNMENT DEPARTMENT (S) THROUGH ADMINISTRATIVE MECHANISM FOR RESOLUTION OF CPSEs DISPUTES (AMRCD) IN THE DEPARTMENT OF PUBLIC ENTERPRISES:

In the event of any dispute or difference relating to the interpretation and application of the provisions of commercial contract(s) between Central Public Sector Enterprises (CPSEs) inter se and also between CPSEs and Government Departments / Organizations (excluding disputes concerning Railways, Income Tax, Customs & Excise Departments), such dispute or difference shall be taken up by either party for resolution through AMRCD as mentioned in DPE OM No. 4(1)/2013-DPE (GM) / FTS-1835 dated 22.05.2018.

6.3 JURISDICTION:

- 6.3.1 The Contract shall be governed by and constructed according to the laws in force in India. The Service Provider hereby submits to the jurisdiction of the Courts situated at New Delhi/Delhi only for the purposes of disputes, actions and proceedings arising out of the Contract and it is agreed that the Courts at New Delhi/Delhi only will have the exclusive jurisdiction to hear and decide such disputes, actions and proceedings.

6.4 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 Services in accordance with the provisions under this Contract.

PROCEDURE FOR ACTION IN CASE OF 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/ 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 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” is herein after referred as “Agency”
- A.6 “Appellate Authority” shall mean Committee of Directors, GAIL Gas
- 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)
- 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 GAS investigating into the conduct of Agency/ party and shall include the Vigilance Department of the GAIL GAS, 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 GAS'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 GAS 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 GAS.

During suspension, Contractor/ Service Providers will be allowed to visit the plant/ site for upkeep of their items/ equipment, GAIL GAS'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 GAS for a period specified in para B 2.2 below from the date of issue of banning order.

Further, the Contract cum Performance Bank Guarantee (CPBG)/Contract Performance Security (CPS) submitted by agency against such order (s)/ contract (s) shall be forfeited.

(iii) After expiry of Defect liability period (DLP)/ Warranty/Guarantee Period

If an agency is found to have indulged in corrupt/fraudulent/ collusive/coercive practices, after expiry of Defect liability period (DLP)/ Warranty/Guarantee Period, the agency shall be banned for future business with GAIL GAS 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 GAS/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 GAS	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 by Corporate C&P Department when

- (i) Corporate Vigilance Department based on the fact of the case gathered during investigation by them recommend for specific immediate action against the agency.
- (ii) Corporate Vigilance Department 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 is to 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 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 If a prima-facie, case is made out that the agency is guilty on the grounds which can result in banning of business dealings, proposal for issuance of suspension order and show cause notice shall be put up to the Competent Authority. 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 GAS. The competent authority to approve the suspension will be same as that for according approval for banning.

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 Tenders invited for procurement of goods, works and services shall have provision that the bidder shall submit a undertaking to the effect that (i) neither the bidder themselves



nor their allied agency/(ies) are on banning list of GAIL GAS 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' shall prevail.



Appendix 2

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 GAS 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**
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 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 GAS.



- 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 Performance Rating Data Sheet (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 Vendor/ Supplier/Contractor/ Consultant shall be examined. In case of satisfactory reply, Performance Rating data Sheet 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. 2.17.3 of GCC-Services)
- (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 Performance Rating Data Sheet (Format at Annexure-2) 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 shall be initiated by EIC:

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, Performance Rating data Sheet 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. 2.17.3 of GCC-Services)
- (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) Year.
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 Vendors/Contractors/Consultants 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 shall not be considered in ongoing tenders / 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 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, the bid submitted by the party shall be ignored.
- 7.3.2 after opening Technical bid but before opening the Price bid, the Price bid of the party shall not be opened and BG/EMD submitted by the party shall be returned to the party.
- 7.3.3 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.
- 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 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 GAS 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 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 of GAIL Gas

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 GAS 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.

13. In case CBIC (Central Board of Indirect Taxes and Customs)/ any tax authority / any equivalent government agency brings to the notice of GAIL GAS that the Supplier has not remitted the amount towards GST (CGST & SGST/UTGST or IGST) collected from GAIL GAS to the government exchequer, then, that Supplier shall be put under Holiday list of GAIL GAS 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 GAS.



Annexure-1

GAIL GAS Limited
PERFORMANCE RATING DATA SHEET
(FOR PROJECTS/ CONSULTANCY JOBS)

- i) Project/Work Centre :
 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/ Completion Performance	Quality Performance	Reliability Performance#	Total
Maximum Marks	40	40	20	100
Marks Allocated				

Note:

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	Signature of Authorised Signatory:
1	60 & below	POOR	
2	61-75	FAIR	Name:
3	76-90	GOOD	
4	More than 90	VERY GOOD	Designation:

Instructions for allocation of marks

1. Marks are to be allocated as under :

1.1 DELIVERY/ COMPLETION PERFORMANCE

40 Marks**Delivery Period/****Delay in Weeks****Marks****Completion Schedule**

a) Upto 3 months

Before CDD

40

Delay upto 4 weeks

35

" 8 weeks

30

Tender No.: GAIL GAS/NOIDA/5763/RS/2022-23/96 for Hiring internal audit services as per requirement of company for fy 2023-24 to 2025-26 ; GeM BID NO.: GEM/2023/B/3288556

Page 166 of 195



” 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
marks	ii) When quality	Failure of severe nature	0
marks	failure endanger	- Moderate nature	5
	system integration and safety of the system	- low severe nature	10-25 marks
marks	iii) Number of	1. No deviation	5
marks	deviations	2. No. of deviations ≤ 2	2
marks		3. No. of deviations > 2	0

1.3 RELIABILITY PERFORMANCE 20 Marks

A.	FOR WORKS/CONTRACTS	
i)	Submission of order acceptance, agreement, 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	4 marks



	of Consultancy jobs	
v)	Timely submission of estimates and other documents for Extra, Substituted & AHR items	4 marks
B.	FOR SUPPLIES	
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 GAS Limited
PERFORMANCE RATING DATA SHEET
(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/****Delay in Weeks****Marks****Completion Schedule**

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

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
marks	ii) When quality	Failure of severe nature
marks	failure endanger	- Moderate nature
25 marks	system integration	- low severe nature
	and safety of the system	
marks	iii) Number of	1. No deviation
marks	deviations	2. No. of deviations ≤ 2
marks		3. No. of deviations > 2

1.3 RELIABILITY PERFORMANCE

20 Marks

A.	FOR WORKS/CONTRACTS	
i)	Submission of order acceptance, agreement, 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, 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 3

PROFORMA FOR CONTRACT AGREEMENT

[To be executed on non-judicial stamp paper of appropriate value]

LOA No. GAIL GAS /

dated -----

Contract Agreement for the Services of ----- of GAIL GAS Ltd. made on ----- between (Name and Address)-----, hereinafter called the “Service Provider” (which term shall unless excluded by or repugnant to the subject or context include its successors and permitted assignees) of the one part and GAIL GAS Limited hereinafter called the “Employer” (which term shall, unless excluded by or repugnant to the subject or context include its successors and assignees) of the other part.

WHEREAS

- A. The Employer being desirous of having provided and executed certain services mentioned, enumerated or referred to in the Tender Documents including Letter Inviting Tender, General Tender Notice, General Conditions of Contract, Special Conditions of Contract, Specifications, Drawings, Plans, Time Schedule of completion of jobs, Schedule of Rates, Agreed Variations, other documents has called for Tender.
- B. The Service Provider has inspected the Site and surroundings and nature of Services specified in the Tender Documents and has satisfied himself by careful examination before submitting his tender as to the form and nature of Site and local conditions, the quantities, nature and magnitude of the Services, the availability of labour and materials necessary for the execution of Services, the means of access to above said place, the supply of power and water thereto and the accommodation he may require and has made local and independent enquiries and obtained complete information as to the matters and thing referred to, or implied in the Tender Documents or having any connection therewith and has considered the nature and extent of all probable and possible situations, delays, hindrances or interferences to or with the execution and completion of the Services to be carried out under the Contract, and has examined and considered all other matters, conditions and things and probable and possible contingencies, and generally all matters incidental thereto and ancillary thereof affecting the execution and completion of the Services and which might have influenced him in making his tender.
- C. The Tender Documents including the Notice Letter Inviting Tender, General Conditions of Contract, Special Conditions of Contract, Schedule of Rates, General Obligations, Specifications, Drawings, Plans, Time Schedule for completion of Services, Letter of Acceptance of Tender and any statement of agreed variations with its enclosures copies of which are hereto annexed form part of this Contract though separately set out herein and are included in the expression “Contract” wherever herein used.

AND WHEREAS



The Employer accepted the Tender of the Service Provider for the provision and the execution of the said Services at the rates stated in the Schedule of Rates of the Services and finally approved by Employer (hereinafter called the "Schedule of Rates") upon the terms and subject to the conditions of Contract.

NOW THIS AGREEMENT WITNESSETH AND IT IS HEREBY AGREED AND DECLARED AS FOLLOWS:-

1. In consideration of the payment to be made to the Service Provider for the Services to be executed by him, the Service Provider hereby covenants with Employer that the Service Provider shall and will duly provide, execute and complete the said Services and shall do and perform all other acts and things in the Contract mentioned or described or which are to be implied there from or may be reasonably necessary for the completion of the said Services and at the said times and in the manner and subject to the terms and conditions or stipulations mentioned in the Contract.
2. In consideration of the due provision execution and completion of the said Services, Employer does hereby agree with the Service Provider that the Employer will pay to the service provider the respective amounts for the Services actually done by him and approved by the Employer at the Schedule of Rates and such other sum payable to the Service Provider under provision of Contract, such payment to be made at such time in such manner as provided for in the Contract.

A N D

3. In consideration of the due provision, execution and completion of the said Services the Service Provider does hereby agree to pay such sums as may be due to the Employer for the services rendered by the Employer to the Service Provider, such as power supply, water supply and others as set for in the said Contract and such other sums as may become payable to the Employer towards the controlled items of consumable materials or towards loss, damage to the Employer's equipment, materials construction plant and machinery, such payments to be made at such time and in such manner as is provided in the Contract.

It is specifically and distinctly understood and agreed between the Employer and the Service Provider that the Service Provider shall have no right, title or interest in the Site made available by the Employer for execution of the Services or in the goods, articles, materials etc., brought on the said Site (unless the same specifically belongs to the Service Provider) and the Service Provider shall not have or deemed to have any lien whatsoever charge for unpaid bills will not be entitled to assume or retain possession or control of the Site or structures and the Employer shall have an absolute and unfettered right to take full possession of Site and to remove the Service Provider, their servants, agents and materials belonging to the Service Provider and lying on the Site.

The Service Provider shall be allowed to enter upon the Site for execution of the Services only as a licensee simpliciter and shall not have any claim, right, title or



interest in the Site or the structures erected thereon and the Employer shall be entitled to terminate such license at any time without assigning any reason.

The materials including sand, gravel, stone, loose, earth, rock etc., dug up or excavated from the said Site shall, unless otherwise expressly agreed under this Contract, exclusively belong to the Employer and the Service Provider shall have no right to claim over the same and such excavation and materials should be disposed off on account of the Employer according to the instruction in writing issued from time to time by the Engineer-In-Charge.

In Witness whereof the parties have executed these presents in the day and the year first above written.

Signed and Delivered for and on
on behalf of Employer.
GAIL GAS Limited

Date : _____
Place: _____

Signed and Delivered for and
on behalf of the Service Provider
Name of the Service Provider

Date : _____
Place: _____

IN PRESENCE OF TWO WITNESSES

1. _____

2. _____

1. _____

2. _____



Section-V- Special Conditions of Contract (SCC)

Special Conditions of Contract (SCC)

(Section-V)



SPECIAL CONDITIONS OF CONTRACT

A. Deployment of Manpower

The minimum Man power deployed for Internal Audit shall include all of the followings: -

Particulars	Number
Qualified Chartered Accountant having minimum 10 Years post qualification experience	1
Qualified Chartered Accountant / Cost Accountant having minimum 5 years post qualification experience	1
Qualified Engineer with BE / B.Tech degree in Chemical / Petroleum / Mechanical / Electrical/Civil/Instrumentation having minimum 05 years post qualification experience	1
CA/CMA/CS (Inter) having minimum 1-year experience.	2

Note: -

1. It is mandatory for Chartered Accountant / Cost Accountant to present in the Kick off and Exit Meeting with each department. Further, they have to involve during the Internal Audit and must be available in the office / unit at least 2 days for Internal Audit of each department and / or GAs.
2. Name of the team member is to be declared before start of the audit and any change of team member needs prior consent of EIC.
3. Internal Audit is to be carried only by the regular employees/partners (on payroll or full-time employee/ partner) of your organization.
4. Documents in support of availability of above stated manpower to be submitted along with the bid.
5. Annual Internal Audit Plans along with Man-power deployment Schedule shall be required to submit for review and approval of Audit Committee / Management.
6. All the Internal Audit Reports will be put up to the Audit committee for its review on Halfyearly basis.

B. Period of Contract



The duration of the service contract shall be 3 years w.e.f 01.04.2023 to 31.03.2026 i.e. FY 2023-24 to FY 2025-26, which may be extended for a further period of 1 year, if mutually agreed, on the same terms and conditions. The company reserves the right to short close the contract whenever required with 30 days' notice period.

C. Submission of Bills

The bidder will submit the bills along with supporting documents (like proof of Entry Meeting and Exit Meeting, Certification of Manpower Deployment) within 30 days as per SOR in the name of M/s GAIL Gas Ltd. after submission of Internal Audit Reports (which includes Promoters Audit Reports in case of JVs companies) and after reviewing of audit reports along with management replies by the Audit Committee for each Half year or year as applicable.

D. Terms of Payment

M/s GAIL Gas Ltd. would release the payment as per SOR along with other reimbursement claims as per tender. The payment would be released within 30 days from receipt of complete invoice. The details of terms of payment are as under: -

1. 50% of the Quoted Rates for Serial No. 1 of SOR along with reimbursement claims if any, would be paid after submission of Internal Audit Report for April to September of FY 2023-24.
2. 50% of the Quoted Rates for Serial No. 1 of SOR along with reimbursement claims if any, would be paid after submission of Internal Audit Report for October to March of FY 2023-24.
3. 50% of the Quoted Rates for Serial No. 2 of SOR along with reimbursement claims if any, would be paid after submission of Internal Audit Report for April to September of FY 2024-25.
4. 50% of the Quoted Rates for Serial No. 2 of SOR along with reimbursement claims if any, would be paid after submission of Internal Audit Report for October to March of FY 2024-25.
5. 50% of the Quoted Rates for Serial No. 3 of SOR along with reimbursement claims if any, would be paid after submission of Internal Audit Report for April to September of FY 2025-26.
6. 50% of the Quoted Rates for Serial No. 3 of SOR along with reimbursement claims if any, would be paid after submission of Internal Audit Report for October to March of FY 2025-26.



7. 100% of the Quoted Rates for Serial No. 4 to 21 of SOR along with reimbursement claims if any, would be paid after submission of Promoters Audit Report for Respective Year. In case, Promoters Audit not done for any year then no fees in respect of that year will be payable.

Fees along with Out of Pocket Expenses will be released within 30 days after submission of invoice by the bidder. Further, payments will be released by the company after review of the reports by the Audit Committee for each Half Year or year as applicable.

E. Details of Out of Pocket Expenses

1. No local conveyance, travel expenses and any other charges would be payable for conducting the Internal Audit in Delhi and Noida.
2. For conducting the Internal Audit/Promoter Audit at other places, following out of pocket expenses would be payable by the company:
 - a. Outstation Journey for conducting the work as per scope of work at sites / JV offices / attending the meetings as per requirement of GAIL Gas Ltd will be arranged by the bidder which will be reimbursed to the bidder limited to 10% of the contract value plus taxes subject to submission of actual supporting bills.

Short closure of Contract

In case of short closure of the contract, the obligation of the company to pay, shall be limited to the extent of the service rendered by Service Provider as per provision of the contract up to the date of short closure subject to the Service Provider complying with the terms of the contract.



Section-VI- Scope of Work (SOW)



Scope of Work & Deliverables

The scope of work for the consultant includes but not limited to following:

A. Internal Audit

The company intends to engage a reputed consultant to carry out the Internal Audit including systems and procedures of M/s GAIL Gas Limited (GGL) and its Joint Venture Companies based on the following Scope of Work.

1. Contract & Procurement:

- a. It includes but not limited to checking of Work/Purchase Orders starting from indent to award including tendering process, extension, and closures of contracts as per Contract & Procurement Procedure, Delegation of Power and Office Orders/Circulars issued by the company from time to time and checking of documents like indemnity bond, bank guarantee etc., review the cases of full and final payment as per policy of the company. Further, 100% cases of works/purchase orders valuing above Rs. 5 crores and 20% cases on random basis for works/purchase orders below Rs. 5 crores shall be covered for Internal Audit.
- b. Further, in case of purchase orders, 30% cases valuing above Rs.10 lacs on random basis to review the receipt of material as per PO, storage availability for keeping the material, documentation like Inspection Note, GRV, SIV, MIT, MTN, review of physical verification report of material and accounting in MM Module of SAP. Visit the storage yard, review the level of material, requisition before issue of material, factors considered before purchase of material, Review of inventory reconciliation process, handing and taking over of material process after completion of projects including accounting treatment, aging of inventories, identification & monitoring process of slow/non-moving, disposable, and obsolete inventories, scrap material and sales process thereon, process of write off of inventories, physical verification process and process of adjustment/write-off and accounting thereof, if any. Review of Nomination orders during the audit period.

2. Project including Civil Construction Contracts: -

- a. It includes but not limited to review of material received and recorded as per contract, material issue process including free issue material, bills raised by contractors, certification of bills process, measurement and physical verification process before certification by EIC for payment, payments to contractors as per contracts after adhering all the applicable laws, material reconciliations with contractors including free issue material, recoveries from



contractors, applicability of PRS, deduction of applicable taxes, compliance with contractual terms, review of adherence of Defect Liability Period, refund of security deposits, receipt and release of BG, review of all on-going project activities and their timely completion schedule etc. In case there is a delay then its impact on cost and its implications, if any.

- a) Review of contract closure process, analysis of open contracts, adherence of time line for contract closure and timely action for contract closure.
- b) It includes but not limited to review of process of accounting including amount lying in Capital Work in Progress, aging of CWIP, process of write off as per DOP, review of process of capitalization, Review of inventory reconciliation process, handing and taking over of material process after completion of projects including accounting treatment etc.
- c) It includes but not limited to review of process for planning of CNG Stations and Domestic/Industrial/Commercial Connections, Land acquisition process, statutory permission process and availability of all the permission before start of project and/or commissioning activities, installation of equipment's, review of project monitoring mechanism for timely completion of projects etc.
- d) In case of work orders, 30% cases valuing above Rs.10 lacs on random basis to review the cases of services as per work orders, documentations, measurement and verification of services provided as per policy of the company, payment procedures and accounting thereon including capitalization of services, process of write off etc.

3. Operations & Maintenance

- a. It includes but not limited to review of system and procedure of surveillance of the pipelines, maintenance of network pressure, transportation of gas to DBS, Odourisation of Gas, complaint redressal system and emergency handling response system, loss on unaccounted Gas including comparison with industry practice, and reconciliation of gas process and third-party damages etc.
- b. It includes but not limited to review of records maintained at control room, internal control for inventory lying at control room, verification of material issued to contractors, maintenance of records and handling of discrepancies thereon and review the records and practice for damaged / scrap material, contract compliances etc.
- c. It includes but not limited to review of repairs & maintenance process of Plant & Machinery, installation & monitoring of various equipment's at CNG Stations and Customers premises, its maintenance & calibrations schedule, preparation and periodicity of maintenance schedule, compliance to contract terms and conditions of maintenance contracts, measurement and physical



verification of services by EIC, payment to the contractor after adherence to all applicable laws, deduction of applicable taxes, adherence of the maintenance schedules, preventive maintenance schedules for CNG outlets, PNG network, Steel and MDPE network and Domestic/Industrial/Commercial connections, review of cases related to breakdown of machinery and its consequences and availability of alternative equipment's etc.

- d. It includes but not limited to review of services of Third-Party Inspectors (TPI) process, process of service record maintenance, reporting hierarchy, bills processing, measurement and payment, Inspection Report and QA/QC Report etc.
- e. It includes but not limited to review of repair & maintenance of Offices/Warehouse, compliance to contract terms and conditions for maintenance contracts, adherence to the maintenance schedules, measurement and physical verification of services by EIC, deduction of applicable taxes, payment to the contractor after adherence to all applicable laws and preventive and periodicity of maintenance schedules etc.
- f. In case of work orders, 30% cases valuing above Rs.10 lacs on random basis to review the cases of services as per work orders, documentations, measurement and verification of services provided as per policy of the company, payment procedures and accounting thereon.
- g. It includes but not limited to review of gas reconciliation including captive consumption, verification of stock of CNG/LNG, normal and abnormal loss, third party losses, comparison with industry practice, suggesting remedial measures to minimize the losses wherever appropriate, accounting of gas loss, analysis of unaccounted gas etc.
- h. Review of Standard operating procedure (SoP) for Operation & Maintenance.
- i. Analysing the Reason of Gas loss in the GA's where benchmark is above company limit.

4. **Sales & Billing:**

- a. It includes but not limited to review of Daily Nominated Quantity (DNQ), allocation/sale of gases as per norms of GOI, actual drawl, applicability of MGO/OD/Imbalances Charges and consequential MGO/OD/ Imbalances Charges invoicing with respect to GSA, review of MGO/OD/ Imbalances Charges for purchase of gases and back to back provisions with customers, review of compliance of GSA, review of adequacy of security deposit/opening of LC as per GSA, review of mechanism for payment/encashment of instrument, review of Debit/Credit Notes for interest, etc. as per approval and accounting thereof etc.



- b. It includes but not limited to review of system and procedure starting from allocation of BP No and conversion to Domestic Connection, start of gas to domestic customer, review of CNG/PNG billing starting from Joint Meter/Ticket Reading to raising of timely invoices to customers as per approved procedure and pricing, delivery of invoices, collection and accounting thereof, review of interest calculation for delay in payment and actual realization from customers, creating the exceptional report for any irregularities/delay in invoices and payments, review of fixation of pricing mechanism, approval process and verification of approved pricing and pricing available in the SAP system, review of at least 20% physical checking of Joint Meter Reading once in a Half Yearly on random basis in respect of billing for each city for CNG as well as PNG, review of ageing of debtors, review of recovery/write-off process, review of availability of security deposit as per contracts, its refund procedure and disconnection procedure etc. in respect of each city.
- c. It includes but not limited to review of gas sourcing process for APM/ Non APM and RLNG gases, pricing mechanism, raising purchase orders, ascertaining the quantity and quality (calorific value) of gas supplied by the vendor, fulfilment of nominated quantity, joint ticketing of gases, bills payment and adjustment of foreign exchange differences, reconciliation of gas with vendors, review of compliance with the agreement / MOU and GOI guidelines regarding allocation of gases, raising of debit and credit notes, reconciliation and balance confirmation etc.
- d. Review of CNG Billing mechanism under DODO, RO and COCO Model, review of pricing available in the system vis a vis approved pricing, cash availability at CNG Station and its timely deposition in Bank Account, in case of delay in deposition, timely issue of interest debit note, review of invoicing of service charges under which services are being provided by Company for conversion of CNG to third party as per agreement, adherence of contractual terms and conditions etc.
- e. It includes but not limited to review of process of registration & refund in respect of Domestic, Commercial and Industrial consumers, review of nature of customers complaints and its redressal system process, periodicity of redressal of complaints, review of feedback from customers, systems to address varied information needs and review of documents and to provide the suggestions for improvement in customer grievances along with timelines etc.
- f. It includes but not limited to review of procedure for assessing the customers' needs, marketing opportunities, preparation of marketing tools and strategies, Implementation of strategy and Monitoring & Control etc.

- g. Review of debtors and its aging analysis, timely action for debtor's recovery, remedial action for fast recovery of debtors, provisions of bad debts in case of non-recovery including write off etc.
- h. It includes but not limited to review all the BP Nos. generated in the SAP along with physical verification of BP Nos. during the audit period, review of BP Nos. converted into Domestic Connections and difficulties and periodicity of such conversions, review of BP Nos. which has not been converted into Domestic Connections along with the reasons and / or difficulties for non-conversion, review of reasons for non-conversions into Domestic Connections with controllable or non-controllable factors along with recommendation for improvements, if any, review of Domestic Connections being billed regularly, its physical verification along with reasons for any delay in the billing and recommendation for reducing the delays, if any, review of gap in connectivity of domestic connections and billing to be analysed and its reporting, review of accuracy of billing of Domestic Connections for correctness and effectiveness of billing system along with areas of improvement, review of payment mechanism of Domestic Connection after billing and any difficulties faced by customers for payment, review of introducing any incentive schemes early conversions into Domestic Connections, review and development of credit policy of the company for Domestic Connections to enhance the nos. of Domestic Connections.
- i. It includes but not limited to review the existing Customers Grievance Redressal System of the company and provide the suggestions considering the best industry practice and give suggestions for formulation of a robust Complaint redressal system of the company along with resources required for implementation.

5. Finance and Accounts

- a. It includes but not limited to review of payment, receipts & journal vouchers along with supporting vouchers and checker and makers system, review of General Ledgers, bill processing mechanism (100% cases for each item of Rs.10/- lacs and above and 30% cases on random basis of items of below Rs. 10 lacs) as per company policy and accounting principles, review of deduction of PRS and retention of money as per contract and its accounting as per policy of the company, review of accounting of Debit/Credit Notes, review of Bank Guarantees/LCs and its confirmation from Banks etc.,
- b. It includes but not limited to review of accounting policies of the company in compliance with IND AS and its accounting, adherence of accounting policies and suggestions for best accounting policies to be adopted, review of audit trail, review of joint venture accounting, review of inter control/check systems, review of stand-alone and consolidated financial statements disclosures in compliance to IND AS and other Statutory Guidelines.

- c. It includes but not limited to review of Sundry Debtors and Creditors along with its aging with respect to industry practice, review of capitalization of assets, Depreciation and CWIP as per IND-AS, review of provisions, liabilities, current assets and current liabilities and review for compliance of Govt. Audit Paras and Statutory Auditors Comments, if any, etc.
- d. It includes but not limited to review of closing of annual accounts process including Standalone and Consolidated Financial Statements, review of bank reconciliation process, review of reconciliation of cash including POS and Paytm, review of reconciliation of provisions, review of Debtors, Creditors, its aging and balance confirmation, review of requirement of CARO, review of all expense and incomes as per IND-AS, review of physical fixed assets and stores & spares verification process and its accounting as per IND-AS, review of related party transactions, review the contingent liabilities.
- e. It includes but not limited to review of budget preparation and its approval, review of expenses with regard to approved budget, review the appropriation of budget cases, review of variance analysis and all relevant physical and financial ratio analysis and suggest the areas for improvements etc.
- f. It includes but not limited to review of insurance coverage of assets, Identification of insurable assets, selection of policies, finalization of policies through tendering, monitoring of policies, renewal of policies, submission of claims, pendency of claims, review the policy administration etc. and suggest areas of improvements.
- g. It includes but not limited to review of investment of idle/surplus funds as per investment policy and DPE Guidelines, approvals of investment, selection of banks process for investment, timely interest and principal payments by banks on investments, TDS compliance, review of loans agreements, adherence of loan agreement terms and conditions, review of interest payments and its capitalization as per IND-AS, receipt of NOC, charge creation, modification and satisfaction of charges process and its compliances as per Board Approvals etc.
- h. It includes but not limited to review the cash collection at CNG Stations, cash reconciliation at POS and Paytm, review the issue of cheques/authorisation by authorized signatories, physical verification of cash at CNG Stations, review of online payment mechanism and suggest measures for reducing the cash collection to encourage the online transaction etc.
- i. It includes but not limited to review of all statutory tax payments i.e. VAT, Excise & CENVAT, Service Tax, GST, Income Tax, review of tax compliances in respect of various return filling, refunds, advance taxes, timely issue of TDS Certificates etc.

- j. It includes but not limited to review all the projects and O&M payments after deducting all the statutory taxes and duties, adherence with all the statutory compliances and tender and PO / WO conditions, review of accounting of all projects and O&M payments, review of BG related to Projects and O&M, review the contract workers payments as per contract etc.

6. HR and Security

It includes but not limited to review of hiring of offices and accommodations, arrangement of security services at offices and CNG Stations, review of Security contracts, land records and its registration, physical verification of fixed assets, review of compliances pertaining to all labour laws and regulations in respect of Employee's State Insurance Act, Employee's Provident Funds & Miscellaneous Provisions Act, Contract Labour (R&A) Act, Equal Remuneration Act, Minimum Wages Act, Payment of Bonus Act, Payment of Gratuity Act, Payment of Wages Act, Workmen's compensation Act etc., review of compliances of terms and conditions of various contracts pertaining to HR etc

7. HSE (Health, Safety and Environment)

It includes but not limited to review of compliance to various HSE Policies, Incident analysis, reporting of fire incidence to management, compliance to safety audit procedures, Compliance to Environment Regulations, compliances of safety standards particularly at CNG Stations, review of safety mechanism for PNG and Industrial, Commercial and Domestic Household Connection, review of pipeline safety mechanism, compliances of safety of CGD network as per PNGRB etc

8. Information Technology General Controls

It includes but not limited to review of process for Data Safety (SAP), Access to Data Servers, Infrastructure Maintenance and Safety, Process of physical verification of IT assets, Compliance to Internal Guidelines on IT process, SAP System Audit etc.

9. Statutory Compliances

It includes but not limited to review of adherence to the various rules, regulation and standards issued by PNGRB in respect of Code of Practice for quality of service standards, Code of Practices for Emergency Response, review of process followed for following the legal compliances, Labour laws, Tax Compliances and PESO Compliances, review of legal cases and its implication on the company, process of updating, reporting of non-compliances and reporting the deficiencies and suggestion for improvements and check the



compliance of applicable laws to the company and its adherence and preparedness of the company.

10. Internal Financial Controls (IFC)

Review, Testing and Documentation of design and operative effectiveness of key Internal Financial Controls of the company to comply with the requirements of Company's Act 2013 under audit of each year and to provide assistance for preparation of replies on IFC to management and auditors along with supporting data, excel sheet, basis and other back up papers etc.

11. Any Other Work assigned by Management / Audit committee / Board

Internal Audit Plan at each year shall be approved by Audit Committee and Internal Audit shall be conducted as per approved plan in respect of each GAS.

Management / Audit committee / Board of the Company desire to carry out any specific/special assignment which is to be completed by Internal Auditor and the report is to be submitted to them for their consideration. In that case Internal Auditor shall be required to complete that specific/special assignment within time frame and submit their report without any extra cost and / or financial implications.

12. Joint Ventures

It includes but not limited to do the promoter audit in respect of all existing joint venture companies of the company, subsidiary companies, step down joint venture companies and all new joint venture companies proposed to be formed during the operation of this contract. Auditors are required to conduct the audit and submit their report indicating suggestion wherever required within a reasonable specified time as advised time to time. The details of existing Joint Venture Companies as on 15.01.2023 are as under: -

- a. Andhra Pradesh Gas Distribution Corporation Ltd, Hyderabad, A.P
- b. Vadodara Gas Limited, Vadodara, Gujarat
- c. Rajasthan State Gas Limited, Jaipur, Rajasthan
- d. Goa Natural Gas Pvt Limited, North Goa
- e. Haridwar Natural Gas Pvt. Limited, Uttarakhand
- f. Purba Bharti Gas Pvt. Ltd.

Further, any other Joint Venture/subsidiary/associates companies which are formed during the period of contracts, the management reserves the right to advise the Internal Auditor to carry out the Promoter Audit of that Joint Venture/Subsidiary/Associates companies on the same terms and conditions for which additional fees as quoted for other Joint Venture/subsidiary/associates companies shall be payable.



The audit of Joint Venture companies to be conducted on yearly basis. The broad scope of works (area) which are only indicative and are not exhaustive is listed below:

Sl.	Particulars
1	Review of maintenance of Books of Accounts, various statutory and financial records, compliance of IND AS, IFC, Risk Management Strategy etc.
2.	Review of System of Procurement Procedure starting from indenting to award of all type of Contracts and its Execution, Status of achievement of MWP Targets
3	Review of Arrangement and Utilization of Funds,
4	Review of Budgetary Control Mechanism and MOU compliance.
5	Review of Treasury Management, adherence with Loan Agreement, DPE Guidelines for investment
6	Review of Capital as well as Revenue Expenditure with detailed analysis and reasons of any increase in expenditure
7	Review of Payments to vendors as per terms of PO /WO, accounting, compliances of Statutory Taxes and Duties and its compliances.
8	Review of All type of Statutory Compliances including Tax Compliances. Status of disputes of tax liabilities etc.
9	Review of all legal and PNGRB Compliances, Safety mechanism and its compliances
10	Review of Billing of CNG, PNG system and procedure, realisation of debtors, its aging, provision of bad debts etc.
11	Review of Project activities, timely completion of projects, payment to contractors as per terms of contracts, status of closure of contracts and its aging, action plan for timely closure of contracts etc.
11	Review of Internal Control Systems and Procedures
12	Review of Insurance of Assets, Renewals, Claims, refund etc.
13	Review of Physical verification of Assets, Stores and Spares, write off procedure etc.
14	Review of system and procedure of the company and its adherence, reporting of any failure.
15	Review of Statutory Auditor, internal Auditors, CAG Observations and action taken by the company for its compliances.
15	Compliances of Audit Committee, Board and AGM Minutes, Internal Audit Reports, and other Statutory Authorities directives etc.
16	Review of Any other area/aspect of importance.

Further, Internal Auditor will also follow up the respective JV Companies for submission of reply / action taken on the Internal Audit report.



Periodicity and Deliverables

The periodicity and deliverables of various areas for Internal Audit is as under: -

SL. No.	Area	Period of Audit	Deliverables
1.	Sales and Billing, F&A, O&M, Projects, and C&P	Half yearly Audit	Half Yearly Audit Report within 30 days from the end of respective half year in respect of each area.
2.	HR, HSE, Statutory Compliances and IT	Yearly Audit	Yearly Audit Report within 30 days from the end of financial year.
3.	Internal Financial Controls,		
4.	Audit of JV Companies		Audit Report within 30 days from completion of audit in respect of each JV.

Notes :-

- a. The Audit Plan for each financial year shall be approved by Audit Committee based on which Internal Audit shall be done.
- b. The scope as defined in the Scope of Work is to be covered entirely in each financial year. The above periodicity may be amended / changed as per requirement and / or audit plan as approved by Audit Committee. In case, Audit Committee changes the Scope of Work, Periodicity of Audit etc., The bidder has to carry out the Internal Audit as per approved Audit Plan without any financial implication. Further, a Presentation on the Internal Audit Report shall also be given to Management of GAIL Gas Ltd, including Audit Committee and Board of Directors of the company.
- c. The bidder shall be required to critically review the functions of various departments, control systems, administrative Practices, adherence to company policies & procedures for carrying out the work as per Scope of Work. In case, any follow up action is required for completing the work and / or action taken note is required for any audit observations, it should be taken from the concerned department for submitting to Audit Committee.
- d. **Internal Auditor shall abstract the data required for audit from the system (SAP/SAHAJ etc..) itself to the extent possible and balance if any to be collected from the user dept. also follow up with the respective Dept/Site office for submission of reply / action taken on the Internal Audit report.**

- e. Internal Audit of any Half Yearly for any Unit/Dept/Area should start with opening meeting with concern Head of Unit/Dept/Area-in-charge. Further, at the close of the Audit, an exit meeting shall also be conducted with concern Head of Unit/Dept/Area-in-charge to discuss the important / significant audit observation for immediate corrective / preventive action, if any before finalization of report. The exit meeting shall be attended by Senior Chartered Accountant / Cost Accountant/ Chartered Engineer along with audit team.
- f. It would be imperative to classify audit observation/suggestion in order of importance e.g. Critical, High & Moderate. Synopsis of Critical point to be shared before Exit Meeting for submission to Top Mangement.
- g. Internal Audit Reports shall contain the detailed observations, opinions and recommendations and further Comments on Compliance status. The Report should also include the status of last reported observations for the subject along with their Compliance Status. **Further, the report shall contain the Chartered Engineer observation and clearly mentioned the area audited by the Charted Engineer during the period.**
- h. **It is mandatory for Chartered Accountant/Cost Accountant/ Chartered Engineer who is involved in Internal Audit to attend the meetings and present the Critical point in PPT including kick off and exit meetings with management including Audit Committee and Board Meetings (as and when required) along with their Audit Team.**
- i. Internal Audit Reports duly signed by at least one partner of the firm (necessarily a Chartered Accountant/Cost Accountant with valid registration no. registered with the Institute and UDIN No. if applicable) shall be submitted in minimum two copies to EIC, GAIL Gas Limited along with softcopy by e-mail.
- j. Further, the report of the audit in respect of JV companies shall be submitted to EIC/BD dept, GAIL Gas Limited along with a copy to Head of respective JV.



Section VII: Schedule of Rates



SCHEDULE OF RATES

Sl. No.	Service Description	UOM	Qty	Total Price (Rs.) (including GST)
1	Fees relating to Internal Audit of GAIL Gas Ltd. for the complete Scope of Work for FY 2023-24.	AU	1	1032500
2	Fees relating to Internal Audit of GAIL Gas Ltd. for the complete Scope of Work for FY 2024-25.	AU	1	1085600
3	Fees relating to Internal Audit of GAIL Gas Ltd. for the complete Scope of Work for FY 2025-26.	AU	1	1138700
4	Fees for Promoters audit as per scope of work in respect of Andhra Pradesh Gas Distribution Corporation Limited for FY 2023-24	AU	1	38940
5	Fees for Promoters audit as per scope of work in respect of Andhra Pradesh Gas Distribution Corporation Limited for FY 2024-25.	AU	1	41300
6	Fees for Promoters audit as per scope of work in respect of Andhra Pradesh Gas Distribution Corporation Limited for FY 2025-26.	AU	1	43660
7	Fees for Promoters audit as per scope of work in respect of Vadodara Gas Limited, Vadodara, Gujarat for FY 2023-24	AU	1	38940
8	Fees for Promoters audit as per scope of work in respect of Vadodara Gas Limited, Vadodara, Gujarat for FY 2024-25	AU	1	41300
9	Fees for Promoters audit as per scope of work in respect of Vadodara Gas Limited, Vadodara, Gujarat for FY 2025-26.	AU	1	43660
10	Fees for Promoters audit as per scope of work in respect of Rajasthan State Gas Limited, Jaipur, Rajasthan for FY 2023-24.	AU	1	38940
11	Fees for Promoters audit as per scope of work in respect of Rajasthan State Gas Limited, Jaipur, Rajasthan for FY 2024-25.	AU	1	41300
12	Fees for Promoters audit as per scope of work in respect of Rajasthan State Gas Limited, Jaipur, Rajasthan for FY 2025-26.	AU	1	43660
13	Fees for Promoters audit as per scope of work in respect of Goa Natural Gas Pvt Limited in North Goa for FY 2023-24.	AU	1	38940
14	Fees for Promoters audit as per scope of work in respect of Goa Natural Gas Pvt Limited in North Goa for FY 2024-25 .	AU	1	41300



15	Fees for Promoters audit as per scope of work in respect of Goa Natural Gas Pvt Limited in North Goa for FY 2025-26.	AU	1	43660
16	Fees for Promoters audit as per scope of work in respect of Haridwar Natural Gas Pvt. Limited in Uttarakhand for FY 2023-24.	AU	1	38940
17	Fees for Promoters audit as per scope of work in respect of Haridwar Natural Gas Pvt. Limited in Uttarakhand for FY 2024-25.	AU	1	41300
18	Fees for Promoters audit as per scope of work in respect of Haridwar Natural Gas Pvt. Limited in Uttarakhand for FY 2025-26.	AU	1	43660
19	Fees for Promoters audit as per scope of work in respect of Purba Bharti Gas Pvt. Ltd. in Assam for FY 2023-24.	AU	1	38940
20	Fees for Promoters audit as per scope of work in respect of Purba Bharti Gas Pvt. Ltd. in Assam for FY 2024-25.	AU	1	41300
21	Fees for Promoters audit as per scope of work in respect of Purba Bharti Gas Pvt. Ltd. in Assam for FY 2025-26.	AU	1	43660
A	Total estimate including GST			4000200
B	Amount quoted by bidder (including GST) (The quoted amount should be between -5% to +5% of amount mentioned at sl. no. A)			To be quoted by bidder at GeM portal

Note:

1. Bidders are required to submit prices at GeM portal only keeping the Schedule of Rates (SOR) format in mind failing which bid shall be rejected.
2. In case, bidder(s) quote beyond plus OR minus 5% [i.e. +/- 5%] on Total Estimated Cost (inclusive of GST) indicated above, their price bid will not be considered for further evaluation and will be disqualified.
3. The price bids shall be evaluated as per evaluation methodology as per Section-II of tender document.
4. The amount of particular item shall be calculated back by applying uniform percentage by which the total quoted price is higher or lower than the estimated amount.

5. Details of Out of Pocket Expenses

- a. No local conveyance, travel expenses and any other charges would be payable for conducting the Internal Audit in Delhi and Noida.
- b. For conducting the Internal Audit/Promoter Audit at other places, following out of pocket expenses would be payable by the company:



- c. Outstation Journey for conducting the work as per scope of work at sites / JV offices / attending the meetings as per requirement of GAIL Gas Ltd will be arranged by the bidder which will be reimbursed to the bidder limited to 10% of the contract value plus taxes subject to submission of actual supporting bills.



CUT-OUT SLIP

(To be pasted on the envelope containing, EMD / Bid Security, Power of Attorney)

DO NOT OPEN - THIS IS A QUOTATION

Tender : Tender for Hiring internal audit services as per requirement of company for fy 2023-24 to 2025-26.

Tender no. : GAIL GAS/NOIDA/5763/RS/2022-23/96

GeM Bid No. : GEM/2023/B/3288556

Due Date & Time of Opening : Upto 1500 Hrs. (IST) on 05.04.2023

From :

M/s
.....
.....
.....
.....

To:

Ram Sevak
Ch. Manager (C&P)
GAIL Jubilee Tower,
B-35/36, 3rd Floor, GAIL Info Hub,
Sector-1, Noida, Distt - Gautambudh Nagar,
U.P. – 201301
Tel.: 0120-4862400 Ext. 2340
Email: ramsevak@gail.co.in