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GAIL (India) Ltd.

(A Government of India Undertaking-
A Navratna Company)

Notice Inviting Tender
(Limited Domestic Competitive Bidding)

Ref No.: GAIL/PA09/22224/3200052828/SD

April 27, 2009

To,

M/s

.....

Sub : Supply of LIQUID HYDROCARBON PRODUCT (WASH OIL) (QTY: 1620 MT)
Tender No. : GAIL/PA09/22224/3200052828/SD (E-bid no. 8000001141)

Dear Sir,

GAIL (India) Limited here-in-after called OWNER/COMPANY/GAIL invites you to submit your bids **UNDER TWO BID SYSTEM** for supply of **LIQUID HYDROCARBON PRODUCT (WASH OIL)** as per technical specification enclosed with tender and as detailed below in complete accordance with enclosed tender documents:

- (1) Mode of Tendering : **E-Tendering** (e-Tendering through GAIL's Portal <https://etender.gail.co.in>)
- (2) Earnest Money Deposit : **Rs 8,00,000/- (Rupees Eight Lakhs only)**
- (3) Bid download period : **27.04.2009 TO 22.05.2009 (1500 hrs IST)**
- (4) Date and Time for Pre-Bid conference : **1100 Hrs. (IST) on 05.05.2009**

[Venue: Office of DGM (C&P), GAIL (I) Limited, Pata, Uttar Pradesh, India]

- (5) Last Date and Time for Submission of Tender (Upload) : **Upto 1500 Hrs. (IST) on 22.05.2009**
- (6) Date and Time for Opening of Techno-Commercial Bid : **1530 Hrs. (IST) on 22.05.2009**
- (7) Delivery Schedule : Refer Section V of tender document
- (8) Payment Terms : Refer Section V of tender document

Tender must be submitted within above stipulated date and time through e-tendering mode.

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P.O.-Pata, Dist.-Auraiya (U.P.)-206241, Phone: (05683) 282356, 282049, 283403-283405, Fax: (05683) 282446, 011-26185941,
Website: www.gailonline.com

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Registered Office: 16, Bhikaji Cama Place, R K Puram, New Delhi - 110 066, Phone: 26182955, Fax: 011-26185941

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SUBMISSION OF BIDS:

Bid must be submitted online thru' GAIL's "e-Tendering" system at <https://etender.gail.co.in>. Bidder shall submit both "Un-Priced Bid" and "Price Bid" through GAIL's "e-Tendering" portal only. Bids submitted in any other form, such as courier / post / in-person / fax / telegram / telex, shall not be accepted against this Tender. The "Un-Priced Bid" and "Price Bid" shall contain the documents in the manner specified below:

❖ **PART-I: UN-PRICED/TECHNO-COMMERCIAL BID**

The "Un-Priced Bid" must be complete with the following:

- (A) 'Covering Letter' on Bidder's 'Letterhead'
- (B) 'No Deviation Confirmation', as per Format attached
- (C) Technical specification sheet duly signed (Annexure I)
- (D) All technical and commercial details other than the rate
- (E) Format of CHECK LIST FOR BIDDERS duly filled-in, SECTION III of tender
- (F) Price Schedule (with price figures blanked), duly filled-in strictly as per excel format attached with tender [SECTION IV]
- (G) INTEGRITY PACT AGREEMENT duly executed on plain paper (to be signed by the SELLER)
- (H) Any other information/details required as per bidding document including addendum /corrigendum to this bidding document, if issued

❖ **PART-II: PRICE BID [PRICE SCHEDULE]**

It should contain only the "Price Schedule" complete with rates duly filled in and no terms and conditions should be entered in the "Price Bid". "Price Bid" containing any new / fresh condition [not mentioned in the "Un-Priced Bid"] shall be liable for rejection.

Both Un-priced and priced bids should be submitted thru' e-tender portal and 'Digitally Signed' through a valid "Class-3 Digital Certificate" to be obtained from certifying agencies as detailed in the instructions for participation in e-tendering.

GAIL (India) Limited assumes no responsibility for inability of a bidder to submit bids through GAIL's "e-Tendering" system on account of delay in submission at bidder's end. Bidder shall ensure that they submit the bid well before the "Due Date & Time of Bid-Submission". GAIL shall not be responsible if bidder is not able to submit the bid on account of failure in network / internet connection at bidder's end. Bidder shall obtain a "Digital Certificate [Class-3]" on their own and GAIL (India) Limited will be not at all responsible for a bidder not having acquired the valid "Class-3 Digital Certificate". Bidder may refer to addendum to "Instructions to Bidders [ITB]" for getting a valid "Class-3 Digital Certificate".

Any bidder who wishes to quote against this Tender may download the Tender Documents from GAIL's "e-Tendering" system at <https://etender.gail.co.in>, and submit the bid, complete in all respect as per terms and conditions of the Tender, online at <https://etender.gail.co.in>, on or before the "Due Date & Time of Bid-Submission", alongwith an undertaking that the contents of the Tender Documents have not been altered or modified

Bids are to be submitted online in our e-tendering System (<https://etender.gail.co.in>). Bidder shall submit the Prices (Schedule of rates) as well as the Un-Priced Documents through our e-tendering portal only. Bids submitted by courier/post/in person shall not be accepted in this tender. **Bid submitted manually through post/courier/Telex/Fax/Telegram/e-mail will not be acceptable.**

SUBMISSION OF SCANNED COPIES OF CERTIFICATES/ DOCUMENTARY PROOFS:

Bidders are required to submit scanned copies of all certificates / documentary evidences towards proof of meeting the stated "BEC" alongwith the other requisite documents through GAIL's "e-Tendering" system at <https://etender.gail.co.in>. Non-submission of scanned copies of requisite certificates / documents shall render the bid non-responsive, and shall be liable for rejection.



PRE-BID MEETING:

Bidders, desirous of attending the Pre-Bid Meeting, must submit authorization letter at the time of Pre-Bid Meeting.

The bidder is requested to submit any questions in the format (Format F-10) provided herewith by email/courier/fax so as to reach GAIL at least three (03) days before the pre-bid meeting. These questions shall be replied during the pre-bid meeting.

❖ **NOTE:**

1. Bidders are requested to fill all "Annexures" as enclosed in the Tender Documents. Bidders must digitally sign all the attachments of the Bidding Documents using a valid "Class-3 Digital Certificate".
2. Bidders are requested to go through the document named, "Addendum to ITB" (if any) which has been made available in the Tender. This document shall over-ride and supersede any of the clause(s) found contradictory / conflicting elsewhere in the Tender Documents. This document aims at providing guidelines / instructions to bidders for submitting their bids through GAIL's "e- Tendering" system at <https://etender.gail.co.in>.
3. Bidders may depute their authorized representative to attend the "Un-priced Bid Opening". Bidders selected for opening of their "Price Bid" shall be suitably informed about the date and time.
4. Any change in bid after the "Due Date & Time of Bid-Submission" of Tender is not allowed.
5. Bidders are advised, in their own interest, to ensure that their bids are submitted well before the "Due Date & Time of Bid-Submission" of the Tender as GAIL's "e-Tendering" system at <https://etender.gail.co.in> will not allow submission of bids once the closing date and time of the Tender [i.e. Due Date & Time of Bid-Submission] is reached.
5. Bidders are required to submit their bids alongwith a covering letter under the firm's / company's letterhead specifying the name and designation of the authorized person signing the bid, complete postal address of firm / company, telephone no., fax no., e-mail ID, etc.
6. Bidders are requested to go through **ANNEXURE B1** which has been made available in our tender. This document shall over-ride & supersede any of the clause(s) found contradictory/conflicting elsewhere in the tender documents. This documents aims at providing guidelines / Instruction to bidders for submitting their bids through e-tendering System.

This is not an Order.

Thanking You,

Yours faithfully,
for GAIL (India) Limited

(S. DASGUPTA)
Manager (C&P)
E-mail : sdasgupta@gail.co.in



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Instructions to Bidders for participation in E-Procurement

GAIL (India) Ltd., has developed a secured and user friendly system which will enable Vendors/Bidders to Search, View, Download tenders directly from GAIL (India) Ltd. secured website and also enables them to participate and submit Online Bids/Offer in the E-Procurement site directly from the website in secured and transparent manner maintaining confidentiality and security throughout the tender evaluation process and award.

Bidders are requested to read following conditions in conjunction with various conditions, wherever applicable appearing with this bid invitation for e-Procurement. The conditions mentioned here in under shall supersede and shall prevail over the conditions enumerated elsewhere in the tender document.

1) How to submit On-line Bids/Offer electronically against E-Procurement tenders?

Vendor/Bidder who wish to participate for E-tenders which are uploaded on GAIL (India) Ltd. Website <https://etender.gail.co.in> should follow the following steps which shall permit them to Search, Display/View, Download and Submit their **electronic Bids/Offer** online in a secured manner ensuring confidentiality.

Vendors/Bidders are advised to read the following instructions for participating in the electronic tenders directly through Internet:

- i) No Late and delayed Bids/Offer after due date/time shall be permitted in E-procurement system. Time being displayed on our e-Tendering System shall be final binding on bidder and bids have to be submitted by bidder(s) considering this time only and not the time as per their location/ country.** No bid can be submitted after the last date and time of submission has reached, however if bidder intends to change the bid already entered may change/revise the same on or before the last date and time of submission deadline .The system time (IST) that will be displayed on e-Procurement webpage shall be the time and no other time shall be taken into cognizance.
- ii) Bidders are advised in their own interest to ensure that bids are uploaded in e-Procurement system well before the closing date and time of bid.**
- iii) No bid can be modified after the dead line for submission of bids.**
- iv) No Manual Bids/Offer shall be permitted. The offers submitted through e-tendering system shall only be considered for evaluation.**

2) HOW TO SEARCH, VIEW AND DOWNLOAD E-TENDER?

Vendors/Bidders must go to e-tender website <https://etender.gail.co.in> and logon using their user-id and password. In the case of vendors not possessing the User Id and Password, they can access through Guest Login as guest. This facilitates viewing of tenders in display mode in Collaboration folder (C Folder). If the vendor desires to download the NIT and attached e-tender at this stage, he may download the same for viewing free of cost.

Note: All e-tender notices and tender documents are available only in soft copies such as Microsoft Word, Excel, PDF files. For downloading / viewing PDF files use **Adobe 6 Software utility** which can be installed free of cost from Vendors home page link by any vendor onto his own computer.



3) **PARTICIPATION IN BID, REQUEST FOR USER ID and PASSWORD:**

To participate in Bid submission, it is Mandatory on the part of Vendor(s) to have User ID and Password. To obtain User ID and Password Vendor/Bidder must open <https://etender.gail.co.in> site and perform the following steps:

- i) Click on button Request User ID (For new Bidders)
- ii) Fill the on line form and submit. Ensure that the email address given in the form is valid and active. If you have already been provided with the Vendor Code of GAIL, please mention the 10 digit Vendor code in specified field, otherwise leave blank.
- iii) Ensure that all the mandatory fields (identified with a star mark) are filled in application form for User ID creation.

E-Procurement administrator would take possible care to allot an User id and Password within 4 working days. An Email (system generated) shall be sent to your email – Id (mentioned by you in the Registration form) giving details of your User- ID and password. On Receipt of User Id, Please reset the password immediately by logging to our E-tendering site.

User Id and passwords are unique to each vendor and the vendor can use the same to view/download/participate in all e-tenders of GAIL.

Note: Without login registration ID, vendor cannot participate in e-tender. There will be single login ID permission for one single vendor. There can be more than one ID for the same vendor at different location address.

Obtaining User ID is an on-going process and is not linked to any particular Bid Invitation (tender). Any vendor willing to participate in GAIL tenders can obtain User ID as described above. Each vendor will get one user ID. Vendors are requested to designate one officer from their organization who will submit bids on line.

Vendors are advised to apply for user id at least 7 days prior to the last date of bid submission in their own interests. User ids shall be given within 4 days subject to condition that information furnished by the bidder is complete in all respects. GAIL shall not be responsible for any delays in allocation of user id/password and the ensuing consequences including but not limited to timely submission of bids.

4) **WHAT IS A DIGITAL SIGNATURE?**

This is a unique digital code which can be transmitted electronically and primarily identifies a unique sender. The objective of digital signature is to guarantee that the individual sending the message is who he or she really claims to be just like the written signature. The Controller of Certifying Authorities of India (CCA) has authorized certain trusted Certifying Authorities (CA) who in turn allot on a regular basis Digital Certificates. Documents which are signed digitally are legally valid documents as per the Indian IT Act (2000).

5) **WHY IS A DIGITAL SIGNATURE REQUIRED?**

In order to bid for GAIL e-tenders all the vendors are required to obtain a legally valid Digital Certificate as per Indian IT Act from the licensed Certifying Authorities (CA) operating under the Root Certifying Authority of India (RCAI), Controller of Certifying Authorities (CCA) of India.



6) HOW TO OBTAIN DIGITAL CERTIFICATE FROM CERTIFYING AUTHORITY (CA)?

Vendors/Bidders cannot submit online Bids/Offer under e-tenders without obtaining valid Digital Certificate from Certifying Agency (C.A). A hyperlink on Vendor/Bidder home page gives link to Controller of Certifying Agency's (C.C.A.) website from there the bidder can access web sites of various CA sites, using the links provided. One Digital Certificate is valid for specified period and can be used for signing any number of quotations against enquiries issued by GAIL during such validity period.

Note: In terms of I.T Act 2000, only a digitally signed document will be considered as valid signed document.

The Digital Certificate is issued by C. A. in the name of a person authorized for filing Bids/Offer on behalf of his Company. The certificate is installed / stored in his computer or preferably received by him (his authorized person) in form as **USB token**. a Vendor/Bidder can submit their Bids/Offer On-line only after digitally signing the bid/documents with the above allotted Digital Signatures.

7) STEPS FOR OBTAINING DIGITAL CERTIFICATE:

Digital Certificate can be obtained by the following steps:

- i) Visit the site of the licensed CA* using internet browser.
- ii) Apply for a class 3 Digital Certificate for the designated individual with the name of Organization. Ensure the Digital Certificate is legally valid in India.
- iii) For making payment and submission of documents required for issue of the Digital Certificate , follow the instructions on the CA's website.
- iv) Use the class 3 Digital Certificate thus obtained for online bidding on GAIL e-Procurement site.

***Links to some licensed CA's are provided below**

1. <http://www.ncodesolutions.com>
2. <http://www.safescrypt.com/>
3. <http://www.tcs-ca.tcs.co.in/>
4. <http://www.mtnltrustline.com/>

8) PRE-BID CONFERENCE:

Subsequent to opening of bids, GAIL may not seek clarifications. Therefore, clarifications, if any, are to be sought by the bidders during the pre-bid conference (if applicable).

During the pre-bid conference, GAIL may also arrange demonstration of the e-Procurement portal to the interested vendors.

9) **TENDER FEE/BID DOCUMENT FEE: (NOT APPLICABLE FOR THIS TENDER)**

Bidders are required to submit the DD/BG in physical format but upload the scanned copies thru e-tendering system alongwith un-priced bid.

10) EARNEST MONEY DEPOSIT AND TENDER FEE (WHEREVER APPLICABLE)

Bidders are required to submit the EMD and TENDER FEE (wherever applicable) in original in the prescribed formats and in the manner prescribed in the tender at the time of bid submission in sealed envelope.

However, if the bidder is unable to submit EMD and TENDER FEE (wherever applicable) in original on



the due date, they may upload a scanned copy of the EMD while submitting the bid electronically, provided the original EMD and TENDER FEE (wherever applicable), copy of which has been uploaded, is received within 7 days from the date of un-priced bid opening, failing which the bid will be rejected irrespective of their status/ ranking in tender and notwithstanding the fact that a copy of EMD and TENDER FEE (wherever applicable) was earlier uploaded by the bidder.

11) SUBMISSION OF DOCUMENTS:

Bidders are required to upload all Tender forms and supporting documents which form part of the bid/tender in the e-Procurement (C-Folders) site only. However, documents specified to be submitted physically viz. Bid document fee (tender fee), EMD (wherever applicable) need to be submitted in a sealed envelope in accordance with the method described in RFQ. The same should reach **GAIL (India) Limited, Attn: Dy. General Manager (C&P), P.O. Pata, District: Auriaya, PIN- 206241, Uttar Pradesh, India**. Bidder shall ensure that all the documents relevant to bid are uploaded in time and failure to upload the same before bid submission date is the sole responsibility of bidder. Under no circumstances, GAIL shall entertain any request for acceptance of bid documents in physical form, which were required to be uploaded in e-form.

Note:

1. Bidder is required to save/store their bid documents for each item into their computers before submitting their bid into e-tendering system by pressing the Hold Button.
2. Bidder is required to fill up the price/rate strictly in the Schedule of Rate (SOR) attached with the tender.

Inadvertently, if a document is uploaded in Collaboration Folder (C Folder) by the bidders, such document can be deleted by the Bidder and in its place a new/modified document can be uploaded. The new/modified document will be required to be signed digitally. Where two similar documents are existing in the folder, the latest version of the document shall only be taken into cognizance for evaluation and earlier versions shall be ignored.

Bidders are requested to upload small sized documents preferably (upto 2 MB) at a time to facilitate easy uploading into e-Procurement site. GAIL does not take any responsibility in case of failure of the bidder to upload the documents within specified time of tender submission.

12) PRICES, OTHER DOCUMENTS AND DIGITAL SIGNATURE:

The Prices are to be submitted online strictly as per the Schedule of Rates (SOR). GAIL shall not be responsible for any failure on the part of the bidder to follow the instructions.

Un-priced techno-commercial bid document should be placed in the private area earmarked in the C-folder.

Before the bid is uploaded, the bid comprising of all attached documents should be digitally signed using digital signatures issued by an acceptable Certifying Authority (CA) in accordance with the Indian IT Act 2000. If any modifications are required to be made to a document after attaching digital signatures, the digital signature shall again be attached to the modified documents before uploading the same.

The Authenticity of above digital signatures shall be verified through authorized CA after bid opening and in case the digital signature is not authorized/valid, the bid will be rejected. Bidder shall be responsible for ensuring the validity of digital signatures and proper usage of the same by responsible persons who can bind the bidder. Scanned copy of Power of Attorney of the signatory issued by the bidding company should be submitted on line along with other documents as per tender conditions.

BIDDERS SHALL OBTAIN THE DIGITAL CERTIFICATE DIRECTLY FROM CERTIFYING AUTHORITY (CA) ONLY AND DIGITAL CERTIFICATE ISSUED BY SUB CA / AGENT WILL NOT BE COMPATATIBLE WITH OUR e-TENDERING SYSTEM.



FOREIGN BIDDERS SHALL ALSO HAVE TO OBTAIN DIGITAL CERTIFICATE FROM CERTIFYING AUTHORITIES IN INDIA AS APPROVED BY CCA. **DIGITAL CERTIFICATE OBTAINED FROM FOREIGN COUNTRIES ARE NOT ACCEPTABLE.**

***Links to some licensed CA's IN India are provided below. Foreign Bidders may obtain the Digital certificate from these CAs.**

1. <http://www.ncodesolutions.com>
2. <http://www.safescrypt.com>
3. <http://www.tcs-ca.tcs.co.in>
4. <http://www.mtntrustline.com>

13) PRICES:

The bidder needs to enter the prices on line strictly as per the SOR format (SECTION IV of tender) provided in the E-Tender. No new conditions shall be added by the bidder.

14) SUBMISSION AND OPENING OF BIDS:

The bid along with all the copies of documents should be submitted in e-form only through GAIL e-Procurement portal.

15) LAST DATE FOR SUBMISSION OF BIDS:

System does not allow for submission of bids beyond the deadline for bid submission. However, if the bidder for some reason intends to change the bid already entered, he may change/revise the same on or before the last date and time of submission. The system time displayed on GAIL's e-Procurement webpage shall be final and binding on the bidders for all purposes pertaining to various events of the subject tender and no other time shall be taken into cognizance.

Bidders are advised in their own interest to ensure that bids are uploaded in e-Procurement system well before the closing date and time of bid.

Bidders must use any computer having **Windows 2000 or Windows XP** versions or higher of Window operating system and an internet Web Browser version Internet explorer V6.0 or higher recommended.

16) Proxy:

If any bidder is unable to access GAIL's e-Procurement site or Bid Documents, the bidder may please check whether they are using proxy to connect to internet or their PC is behind any firewall and may contact their system administrator to enable connectivity. Please note that Port 443 and Port 8443 should be enabled on proxy/firewall for HTTPS connectivity. Dial-up internet connectivity without Proxy settings is another option.



**FORMAT FOR REGRET LETTER TO BE SUBMITTED ON THE LETTER HEAD
OF THE BIDDER
(IN CASE THE BIDDER IS NOT SUBMITTING HIS OFFER)**

REF. NO.:
Dated:.....

To,

M/s GAIL (I) Limited,
P.O. Pata,
District: Auraiya
U.P. – 206241

SUB : Regret letter

REF. : YOUR TENDER NO. GAIL/PA09/22224/3200052828/SD (E-bid no. 8000001141) FOR SUPPLY OF LIQUID HYDROCARBON PRODUCT (WASH OIL)

Dear Sir,

With reference to subject tender, we are unable to quote due to the reason mentioned below. We are returning the total tender document to you.

- The item/service does not fall in our product/servicing range
- We do not meet BEC (Bid Evaluation Criteria) as specified in tender
- We cannot meet the technical specifications as specified in tender
- There is an order overbooking
- Any other reason (please specify)
- We need some more time for submission of offer and hence request for extension of bid submission date

Yours faithfully,
for(Name of Bidder)

(Bidder's signature with company seal)



ANNEXURE 'A'

BID EVALUATION CRITERIA (BEC) FOR THIS TENDER

Bidder should be a MANUFACTURER of LIQUID HYDROCARBON PRODUCT through refining of crude oil to liquid hydrocarbon product. Bidder shall submit copy of company registration certificate/any other document evidencing status of Manufacturer of LIQUID HYDROCARBON PRODUCT.

In addition, bidder must have supplied minimum 810 MT of Liquid Hydrocarbon Product against a single order/agreement/annual rate contract in any of the preceding FIVE years prior to final due date of bid submission. Bidder shall submit copy of purchase order alongwith execution certificate / proof of execution (eg. Completion certificate/Inspection report/payment advice/etc. ensuring that the order no. appears on the relevant documents) thereof, clearly showing the qty. executed, in support of meeting BEC. In case bidder is not able to furnish copy of order/agreement/annual rate contract for any reason, bidder shall be required to provide a certificate from customer clearly mentioning the qty. of Liquid Hydrocarbon Product purchased from the bidder (which should be not less than 810 MT during the relevant financial year). All documents submitted in support of meeting BEC must be attested by Gazetted officer/Notarized by Notary public.”



SECTION - I

REJECTION CRITERIA (COMMERCIAL)

1. Submission of bid other than thru' e-tendering mode
2. Non-submission of EMD
3. Non-compliance to BEC of tender
4. Price quoted other than the price variation formula defined in tender
5. Bid Validity less than 120 days from bid closing date
6. Price submitted in un-priced bid
7. Deviation to delivery schedule
8. Non-submission of 'Integrity Pact' as per GAIL's format, duly executed on plain paper



SECTION II

IMPORTANT NOTE FOR BIDDERS

1. The TECHNICAL SPECIFICATION SHEET/DATA SHEET (**ANNEXURE I**) enclosed with tender document must be duly signed and stamped and submitted with the bid (online).
2. **This is an e-tender and no manual bids shall be accepted. Please note that Bids submitted in GAIL's "e-Procurement / Tendering" system shall only be considered - No Bids in physical form shall be considered. Bidders are required to obtain digital certificates for signing the bid documents submitted online through e-tendering system. You are requested to log into the system through our portal <https://e-tender.gail.co.in>.**
3. Discount/Rebate: No separate discount/rebate shall be indicated anywhere in the tender document. Any discount/rebate offered by the bidders shall be included in the quoted rates itself, in the Price Schedule Format, enclosed with tender document. Discount, if any, indicated separately in the offer, will not be considered while evaluating the tender. However, if the tenderer happens to be the lowest evaluated tenderer without considering such discount, then the benefit of discount will be availed at the time of award of order.
4. Bidders to submit their rates STRICTLY as per the 'PRICE SCHEDULE/SCHEDULE OF RATES – SECTION IV, enclosed with the enquiry. Rates submitted in any other format will be treated as non-responsive bid and liable for rejection.
5. Bidders will be deemed to have studied the local site conditions before submitting their rates and no change in prices, etc will be entertained under any circumstances.
6. Bidders who are desirous of being present during the tender opening, may come in person or send their authorized representatives (with authorization letter signed by authorized signatory) on the due date of opening.
7. In case of bids invited under TWO-BID SYSTEM, only those bidders, whose bids are found to be techno-commercially acceptable in all respects, shall be called for attending price bid opening



CHECK LIST FOR BIDDERS

SL NO.	DESCRIPTION	BIDDER' S CONFIRMATION (CONFIRMED/ NOT CONFIRMED)
1	Whether bidder has submitted scanned documents of all relevant documents in support of BEC (Bid Evaluation Criteria, refer ANNEXURE 'A') and uploaded in e-tender portal only	
2	EMD / Bid Bond has been submitted (Bids without EMD shall be summarily rejected). (b) In case bidder is registered with NSIC and is claiming exemption, then bidder to submit Attested/Notarized copy of NSIC certificate with un-priced bid clearly showing the item category and monetary limit upto which they have been registered (c) PSU's are exempted from submission of EMD	
3	Bidder confirms acceptance of technical specifications and scope of supply as enumerated in tender document Bidder has submitted Annexure-I duly signed with company seal affixed (alongwith with un-priced bid) as token of acceptance of the same and submitted with un-priced bid	
4	Bidder has submitted price bid strictly as per the format enclosed with tender thru' e-tender mode only (SECTION IV)	
5	No deviations taken to the Rejection Criteria (Commercial) as referred at Section I	
6	Bidder has submitted un-priced bid and price bid separately and has not mentioned prices in un-priced/technical bid	
7	Whether Bidder will submit CENVAT invoice for the full amount of Excise duty quoted in bid to enable GAIL to claim CENVAT benefit	
8	The <u>Minimum Amount</u> of Cenvat Benefit to be passed on to GAIL on supply portion has been mentioned in Price Schedule	
9	Whether bidder has quoted rates strictly as per the PRICE VARIATION FORMULA defined in Section V of tender	
10	Bidder confirms acceptance of Delivery Schedule as per tender	
11	Bidder confirms acceptance of Payment Terms as per tender	
12	Bidder accepts PRS clause as per tender	
13	Bidder accepts Guarantee clause as per tender	
14	Bidder accepts SD-cum-CPBG clause as per tender	
15	Bidder accepts FALL CLAUSE as per tender	
16	Bidder accepts REPEAT ORDER clause as per tender	
17	Validity of bid is minimum 120 days (from final date of bid closing)	
18	Copy of the Price Schedule/SOR sheet (with prices blanked out) submitted with un-priced bid	
19	Bidder confirms that freight charges upto Pata has been quoted separately (i.e. bidder has quoted prices on F.O.R. Pata basis)	
20	Bidder confirms that GAIL reserves the right to order Part qty. (i.e. lower quantity than tendered qty)	
21	Bidder confirms that transit insurance is excluded from the quoted prices.	
22	CST without concessional Form.	



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SL NO.	DESCRIPTION	BIDDER'S CONFIRMATION (CONFIRMED/ NOT CONFIRMED)
23	CST with concessional Form	
24	Local Sales Tax (in case supplies are made from originating state) without concessional form.	
25	Local Sales Tax with concessional form.	
26	In case of any delay in supplying material vis-à-vis GAIL's delivery schedule, any new or additional taxes and duties imposed during the <u>delayed period</u> (if any) shall be to SELLER's account. However, any change in statutory taxes/duties/etc. <u>within the scheduled delivery period</u> shall be borne by GAIL.	
27	Indicate present rate of excise duty applicable on the supplies and whether the same is included/excluded from quoted prices.	
28	If excise duty is presently not applicable, confirm whether the same will be borne by vendor in case it becomes leviable later.	
29	In case (c) is not acceptable, advice maximum rate of excise duty chargeable.	
30	All terms and conditions of SCC (Special Conditions of Contract) placed at Section V are acceptable to bidder.	
31	All terms and conditions of GCC (General Conditions of Contract - Goods) placed at Section VI are acceptable to bidder.	
32	Bidder has clearly indicated break-up of all prices as per price schedule (SECTION IV) and uploaded the excel file (sent with tender) in e-tender portal, duly filling-up the prices/rates	
33	Bidder has signed the 'INTEGRITY PACT' placed at SECTION VII on a plain paper and submitted with the un-priced bid (to be signed on all pages and last page should carry signature of witnesses)	
34	Bidder confirms that they have submitted their bid (priced and un-priced) thru' e-tender mode only and have not sent the bid in physical form.	
35	Bidder confirms that they have quoted for full qty of 1620 MT (adjusted to nearest qty. depending on standard container / truck size).	
36	Offer No. & date	

NOTE: THIS SECTION IS TO BE FILLED-UP IN ALL RESPECTS AND SUBMITTED WITH BID, OTHERWISE BID WILL BE CONSIDERED AS NON-RESPONSIVE AND LIABLE FOR REJECTION.

SIGNATURE _____
NAME _____
DESIGNATION _____
DATE _____
COMPANY'S SEAL _____



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SECTION – V

SPECIAL CONDITIONS OF CONTRACT

AND

EVALUATION / REJECTION / LOADING CRITERIA



**SPECIAL CONDITIONS OF CONTRACT AND EVALUATION / REJECTION / LOADING
CRITERIA**

1. The terms and conditions enumerated herein shall supersede the terms and conditions mentioned elsewhere in the tender document.
2. **Test Certificate:**

The bidder shall submit a test certificate for the Wash oil along with the bid. The test certificate must be issued by any of the following third parties:

- a) Indian Institute of Petroleum, Dehradun
- b) Any third party laboratory accredited by NABL (National Accreditation Board for Testing & Calibration of Laboratories), India.
- c) Any third party laboratory accredited by APLAC (Asia Pacific Laboratory Accreditation Cooperation).
- d) Any third party laboratory accredited by ILAC (International Laboratory Accreditation Cooperation).

Bids from the bidder without a test certificate for wash oil issued from any of the above shall be rejected.

The specifications of wash oil as per the test certificate should confirm to the GAIL's specification of wash oil as enclosed at Annexure I of tender.

Bids not conforming to GAIL's specification of wash oil shall be rejected.

Third party testing, as elaborated in 2.1 above, shall be carried out by the bidder at their own cost.

3. **Delivery schedule:**

Material shall be despatched as per the following delivery schedule.

- 1) 1st lot of 300 MT within 30 days from the date of order.
- 2) 2nd lot of 135 MT within 2 months from the date of supply of 1st st lot.
- 3) 3rd lot of 135 MT within 1 month from the date of supply of 2nd lot.
- 4) 4th lot of 135 MT within 1 month from the date of supply of 3rd lot.
- 5) 5th lot of 135 MT within 1 month from the date of supply of 4th lot.
- 6) 6th lot of 135 MT within 1 month from the date of supply of 5th lot.
- 7) 7th lot of 135 MT within 1 month from the date of supply of 6th lot.
- 8) 8th lot of 135 MT within 1 month from the date of supply of 7th lot.
- 9) 9th lot of 135 MT within 1 month from the date of supply of 8th lot.
- 10) 10th lot of 135 MT within 1 month from the date of supply of 9th lot.
- 11) 11th lot of 105 MT within 1 month from the date of supply of 10th lot.

Date of L/R shall be deemed as date of delivery. For 2nd, 3rd, 4th, 5th, 6th, 7th, 8th, 9th, 10th, 11th lots, 15 days advance despatch intimation shall be given. Any different delivery schedule proposed by bidder may be examined by GAIL.



4. Price Variation Formula

In view of staggered delivery schedule and considering high volatility in the price of Wash Oil (which is linked to HSD price) and bidder's inability to keep the prices firm and fixed for a longer period, Indenting dept. has proposed to incorporate the following PRICE VARIATION FORMULA in the tender (SI No. 33-34 refers):

Wash oil price (Pw) = F x T.P.

NOTES:

1. The unit for Pw shall be 'Rs/MT' while the UOM for T.P. shall be 'Rs/KL'
2. Pw shall be calculated by bidders on 'Ex-works' basis (in Rs/MT basis)
3. F = **Multiplying Factor to be quoted by the bidder**, which will remain FIXED AND FIRM till validity of contract
4. T.P. (Rs/KL) = Trade parity price of HSD-BS-II / LSHFHSD grade at 29.5°C (for a given refinery as applicable). The 'Trade parity price of HSD-BS-II / LSHFHSD grade at 29.5°C' shall be as published by IOCL applicable for NE refineries.

For the purpose of evaluation, the T.P. (Rs/KL) shall be taken as the 'Trade parity price of HSD-BS-II / LSHFHSD grade at 29.5°C prevailing as published by IOCL applicable for NE refineries as on the 1st day of the month in which the price bid is opened' (for eg. if the price bids are opened on 15.06.2009, the TP shall be the HSD-BS-II / LSHFHSD grade at 29.5°C price as published by IOCL applicable for NE refineries as on 01.06.2009).

For the purpose of payment, the T.P. (Rs/KL) shall be taken as the 'Trade parity price of HSD-BS-II / LSHFHSD grade at 29.5°C as published by IOCL applicable for NE refineries prevailing as on the date of despatch (in Rs/KL)'.

Note: Bidder should be careful while arriving at 'F' taking into account various elements including conversion from 'KL' to 'MT'.

5. Price basis:

Bidders shall quote the freight charges (per MT) from their works to Pata separately in the PRICE SCHEDULE SHEET attached with tender (SECTION IV of tender).

However, bidders who offer prices on 'Ex-works basis' only and do not quote the freight charges (per MT) from their works to Pata separately, such bids shall also be considered. For the purpose of evaluation, the freight component from despatch point upto Pata shall be loaded to the evaluated price [as described below at para 6 below] based on the quoted freight charges by bidder OR data towards freight charges available with GAIL, whichever is lower. If freight charges are not quoted by bidder, the freight charges as per data available with GAIL shall be considered for evaluation. For bidders who have quoted freight charges upto Pata separately, GAIL will have the option to place order either on 'Ex-works basis' or 'F.O.R. Pata' basis.

6. Evaluation of bids:

The evaluation of bids shall be done in the following manner –

- Ex-works Price quoted by the bidder (Pw price as derived from the price variation formula stated at para 4 above)



- (+) Packing & Forwarding (if any)
- (+) Excise Duty, Educational cess
- (+) Sales tax (against Concessional Form) / VAT
- (+) Commercial/Technical loading, (if any)
- (+) Freight charges upto Pata [as quoted by bidder or as per data available with GAIL, whichever is lower. If freight charges are not quoted by bidder, the freight charges as per data available with GAIL shall be loaded]

However, GAIL reserves the right to place order on Ex-works basis or F.O.T. Pata basis (for bidders who have quoted both on Ex-works basis and F.O.R. Pata basis) by comparing the freight quoted by bidder and the valid freight rate available with GAIL Pata.

7. Payment terms:

100% payment within 30 days of receipt and acceptance of items at site (lot-wise billing).

8. Guarantee / Warranty

The bidder shall guarantee the Wash Oil quality as per the technical specifications for a period of 3 months. GAIL may at their discretion depute their authorized representatives for verifying the quality of the Wash Oil at the bidder's/third party's laboratories. In the case of transportation of the material by the bidder, product shall be guaranteed for product quality up to the destination point i.e. GAIL, Pata. In the case of transportation of the material by the transporter arranged by GAIL, material shall be guaranteed for quality up to the hose tip/loading point. Batch retention samples will be retained for a period of 3 months for retesting in the event of a dispute.

9. Security Deposit-cum-CPBG

The successful bidder, within 15 days of the receipt of order/Letter of Intent, will be required to submit Security Deposit/Contract cum Performance Bank Guarantee for 10% of the total contract value (excluding taxes and duties) in the form of Bank Guarantee issued by 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. 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.

Contract cum Performance Bank Guarantee may also be acceptable from All India Level Public Financial Institution on case to case basis meeting the following criteria :-

- i) The Institution is All India Level Public Financial Institution.
- ii) It should be rated AAA by any rating agency like CRISIL
- iii) The Institution should be authorized by way of law/its memorandum to issue such guarantee.

The validity of Contract cum Performance Bank Guarantee shall be for 90 days beyond guarantee/warranty period of the goods supplied.



10. PRICE REDUCTION SCHEDULE:

In case of delay in delivery of each lot of materials beyond contractually agreed delivery schedule as stated at para 3 above, price reduction schedule will be applicable @0.5% of total lot value (under consideration) per week of delay or part thereof. However, total deductions on account of PRS shall not exceed 5% (FIVE PERCENT) of the total order value. .

11. LOADING CRITERIA FOR BID EVALUATION

In the event of following specified deviations to the terms & conditions of the Bid Document, loading of the bidders prices shall be done as under:

(A) PRICE REDUCTION SCHEDULE (PRS) FOR DELAYED DELIVERY

	<u>TERMS OFFERED BY THE BIDDER</u>	<u>PRICE LOADING</u>
a)	As per Price Reduction Schedule Clause specified in SCC	No Loading
b)	PRS @ 0.5% of total order value per week of delay or part thereof (for each lot) subject to maximum of X % (specified by bidder) of total order value	(5-X) %
c)	Other than above	Loading by 5%

(B) SUBMISSION OF SD-CUM-CPBG

	<u>TERMS OFFERED BY THE BIDDER</u>	<u>PRICE LOADING(*)</u>
a)	When agreed to submit SD-cum-CPBG for 10% of basic order value	No Loading
b)	When agreed to submit SD-cum-CPBG for less than 10% of basic order value	To be loaded by the percentage by which the quoted % falls short of 10%
c)	Other than above	Loading by 10%

(*) Loading factor shall be calculated on the 'Ex-works' price quoted by bidders.

12. DETENTION CHARGES CLAUSE:

Bidders are required to avoid reaching of tankers in the plant on Sundays or Holidays as detention charges will not be applicable on Sundays and holidays. In case of delay in unloading of materials beyond 72 working hours from the time of entry inside the plant premises (leaving Sundays/Holidays), detention charges for tankers shall be applicable @ Rs. 500/- per tanker per day.



13. Arithmetic Corrections

The bids will be checked for any arithmetical errors as follows :

In case of any discrepancy between prices in words and prices in figures, the prices in words shall be valid and binding. In case of any error in total indicated by the Bidder, the unit price alone shall be considered valid and binding on the Bidder.

If the bidder does not accept the correction of errors, its bid will be rejected and the bid security will be forfeited.

- 14. Validity of bid & EMD: The bid submitted must be valid for a period of 120 days from final date of bid submission.** Bidder shall ensure that Bid Security/EMD having a validity **6 (SIX) months from the bid closing date**, must accompany the offer in the format made available in the Bid Document. Any offer, unaccompanied with Bid Security/EMD will not be opened.

15. EARNEST MONEY DEPOSIT

The bid must be accompanied by earnest money (interest free) for the amount indicated in 'Notice Inviting Tender' in the form of a Demand Draft drawn on any Nationalized/Scheduled Bank in favour of M/s. GAIL (India) Limited payable at STATE BANK OF INDIA, PATA (BRANCH CODE 1937), AURAIYA (U.P.) or in the form of Bank guarantee issued by Nationalized Bank for an equal amount valid for six (06) months from the due date of submission of bid as per the format enclosed in bidding document. Bid not accompanied by earnest money will not be considered unless the same is exempted as per 'Letter Inviting Tender'. Bank guarantee shall be revalidated for extended period as required by GAIL in writing.

In case, bid security is in the form of Bank Guarantee or Letter of Credit, the same shall be 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 in case of Domestic and from any reputed International bank or Indian scheduled bank in case of foreign bidder. However, in case of Bank Guarantee/Letter of Credit from banks other than the Nationalized Indian banks, the bank must be 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 / Letter of Credit itself or separately on its letterhead. The Bid Security shall be valid for 6 months from the bid closing date.

However, no earnest money will be necessary for - Purchases from PSU's & Firms registered with NSIC provided they are registered upto the monetary limits for the items indented against the tender. (in such cases attested/notarized copy of valid NSIC certificate should be submitted with un-priced bid).

If the bidder, after submission, revokes his bid or modifies the terms and conditions thereof during the validity of his bid except where the GAIL has given opportunity to do so, the earnest money submitted by Bidder will, in such case, not be refunded to him. GAIL may at any time cancel or withdraw the invitation to bid without assigning any reason and the earnest money submitted by Bidder will in such case be refunded to him. Earnest money shall be returned to the successful Bidder after the security deposit has been furnished by them to GAIL.



16. REPEAT ORDER CLAUSE:

GAIL reserves the right to place repeat order for upto 50% of the quantity of the order on the same terms & conditions as stipulated in this original supply order, within six months from the date of the order.

16. AWARD OF CONTRACT AND OWNER'S RIGHT TO VARY QUANTITIES AT TIME OF AWARD:

The OWNER will award the contract to the successful bidder whose bid has been determined to be substantially responsive and has been determined as the lowest bid qualified to satisfactorily perform the contract.

17. WEIGHTS AND MEASUREMENTS:

- (a) For bidders who quote only on 'Ex-works basis': All weights and measurements as recorded at point of loading (at SELLER's works) will be treated as final for the purpose of release of payment
- (b) For bidders who quote only on 'F.O.T. Pata basis': All weights and measurements as recorded at point of unloading (i.e. OWNER's site) will be treated as final. However, tolerance of $\pm 0.5\%$ shall be allowable for purpose of payment (against each lot).

18. DESPATCH DOCUMENTS:

The despatch documents shall comprise the following –

- 1) Commercial Invoice (Original)
- 2) Excise invoice (if applicable) to be sent alongwith the truck/tanker
- 3) Challan
- 4) Original LR
- 5) Test Certificate/Analysis report
- 6) Guarantee Certificate
- 7) Fall clause certificate



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ANNEXURE - I

TECHNICAL

SPECIFICATION



**Technical Specification – LIQUID HYDROCARBON PRODUCT
(WASH OIL)**

<u>TECHNICAL SPECIFICATION OF WASH OIL</u>		
PARAMETERS	UNIT	VALUE REQUIRED BY GAIL
DENSITY	gm/ml	0.82– 0.91
FLASH POINT	Deg C	34 (Min.)
TOTAL AROMATICS	% VOLUME	18 % (Min.)
TOTAL NAPHTHALENES	% WT	5% (Max.)
TOTAL INDENES	% WT	10 % (Max.)
STYRENE	PPMW	10 (Max.)
INITIAL BOILING POINT	Deg C	130 (Min)
FINAL BOILING POINT	Deg C	365 (Max)
TOTAL SULPHUR	PPMW	700 (Max)



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SECTION – VI

GENERAL

CONDITIONS OF

CONTRACT (GOODS)



Section – VI

General Conditions of Contract-GOODS

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1 Definitions

In this document, General Conditions of Contract (GCC-Goods), the following terms shall have the following respective meanings:

- 1.1 BIDDER : Designates the individual or legal entity which has made a proposal, a tender or a bid with the aim of concluding a Contract with the PURCHASER.
- 1.2 CONTRACT shall mean Purchase Order/Contract and all attached exhibits and documents referred to therein and all terms and conditions thereof together with any subsequent modifications thereto.
- 1.3 CONTRACT PRICE shall mean the price payable to the Seller under the Contract for the full and proper performance of his contractual obligations.
- 1.4 COMPLETION DATE shall mean the date on which the goods are successfully commissioned by the Seller and handed over to the PURCHASER.
- 1.5 COMMERCIAL OPERATION shall mean the condition of the operation in which the complete equipment covered under the Contract is officially declared by the PURCHASER to be available for continuous operation at different loads upto and including rated capacity.
- 1.6 DELIVERY terms shall be interpreted as per INCO TERMS 2000 in case of Contract with a foreign Bidder and as the date of LR/GR in the case of a contract with an Indian Bidder.
- 1.7 DRAWINGS shall mean and include Engineering drawings, sketches showing plans, sections and elevations in relation to the Contract together with modifications and/or revisions thereto.
- 1.8 ENGINEER or Engineer-in-Charge of the Project SITE shall mean the person designated from time to time by PURCHASER at SITE and shall include those who are expressly authorized by him to act for and on his behalf for operation of this CONTRACT.
- 1.9 FINAL ACCEPTANCE shall mean the PURCHASER's written acceptance of the Works performed under the Contract after successful completion of performance and guarantee test.
- 1.10 GOODS shall mean articles, materials, equipment, design and drawings, data and other property to be supplied by Seller to complete the contract.
- 1.11 INSPECTOR shall mean any person or outside Agency nominated by PURCHASER to inspect equipment, stagewise as well as final, before dispatch, at SELLER's works and on receipt at SITE as per terms of the CONTRACT.
- 1.12 INITIAL OPERATION shall mean the first integral operation of the complete equipment covered under the Contract with sub-systems and supporting equipment in service or available for service.
- 1.13 PURCHASER/ OWNER/GAIL shall mean GAIL (INDIA) LIMITED (GAIL) having its registered office at 16, BHIKAIJI CAMA PLACE, R.K.PURAM, NEW DELHI-110066 (INDIA). The term PURCHASER includes successors, assigns of GAIL.
- 1.14 PERFORMANCE AND GUARANTEE TESTS shall mean all operational checks and tests required to determine and demonstrate capacity, efficiency and operating characteristics as specified in the Contract documents.
PROJECT designates the aggregate of the Goods and/or Services to be provided by one or more Contractors.
Quantities – Bills of quantities
Bills of quantities
Designate the quantity calculations to be taken into account when these calculations are made from detailed or construction drawings, or from work actually performed, and presented according to a jointly agreed breakdown of the Goods and/or Services.
- 1.15 SELLER shall mean the person, firm or company with whom PURCHASE ORDER/CONTRACT is placed/entered into by PURCHASER for supply of equipment, materials and services. The term Seller includes its successors and assigns.
- 1.16 SERVICE shall mean erection, installation, testing, commissioning, provision of technical assistance, training and other such obligations of the Seller covered under the Contract.
- 1.17 SITE designates the land and/or any other premises on, under, in or across which the Goods and/or Services have to be supplied, erected, assembled, adjusted, arranged and/or commissioned.
- 1.18 SPECIFICATIONS shall mean and include schedules, details, description, statement of technical data, performance characteristics, standards (Indian as well as International) as applicable and specified in the Contract.
- 1.19 SUB-CONTRACT shall mean order placed by the Seller, for any portion of the contracted work, after necessary consent and approval of PURCHASER.
- 1.20 SUB-CONTRACTOR shall mean the person named in the CONTRACT for any part of the work or any person to whom any part of the CONTRACT has been sub-let by the SELLER with the consent in writing of the PURCHASER and will include the legal representatives, successors, and permitted assigns of such person.
- 1.21 START-UP shall mean the time period required to bring the equipments covered under the Contract from an inactive condition, when construction is essentially complete to the state of readiness for trial operation. The start-up period shall include preliminary inspection and check out of equipment and supporting subsystems, initial operation of the complete equipments covered under the Contract to obtain necessary pre-trial operation data, perform calibration and corrective action, shutdown inspection and adjustment prior to the trial operation period.
- 1.22 TESTS shall mean such process or processes to be carried out by the Seller as are prescribed in the Contract or



- considered necessary by PURCHASER or his representative in order to ascertain quality, workmanship, performance and efficiency of equipment or part thereof.
- 1.23 TESTS ON COMPLETION shall mean such tests as prescribed in the Contract to be performed by the Seller before the Works are taken over by the PURCHASER.

2 Seller To Inform

- 2.1 The Seller shall be deemed to have carefully examined all contract documents to his entire satisfaction. Any lack of information shall not in any way relieve the Seller of his responsibility to fulfill his obligation under the Contract.

3 Application

- 3.1 These General Conditions of Contract (GCC-Goods) shall apply to the extent that they are not superseded by provisions of other parts of the Contract.

4 Country of Origin

- 4.1 For purposes of this Clause "origin" means the place where the Goods were mined, grown or produced, or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembling of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.

5 Scope of Contract

- 5.1 Scope of the CONTRACT shall be as defined in the PURCHASE ORDER/CONTRACT specifications, drawings and Annexure thereto.
- 5.2 Completeness of the EQUIPMENT shall be the responsibility of the SELLER. Any equipment, fittings and accessories which may not be specifically mentioned in the specifications or drawings, but which are usual or necessary for the satisfactory functioning of the equipment (successful operation and functioning of the EQUIPMENT being SELLER's responsibility) shall be provided by SELLER without any extra cost.
- 5.3 The SELLER shall follow the best modern practices in the manufacture of high grade EQUIPMENT notwithstanding any omission in the specifications. The true intent and meaning of these documents is that SELLER shall in all respects, design, engineer, manufacture and supply the equipment in a thorough workmanlike manner and supply the same in prescribed time to the entire satisfaction of PURCHASER.
- 5.4 The SELLER shall furnish 2 (two) copies in English language of Technical documents, final drawings, preservation instructions, operation and maintenance manuals, test certificates, spare parts catalogues for all equipments to the PURCHASER.
- 5.5 The documents once submitted by the SELLER shall be firm and final and not subject to subsequent changes. The SELLER shall be responsible for any loss to the PURCHASER consequent to furnishing of incorrect data/drawings.
- 5.6 All dimensions and weight should be in metric system.
- 5.7 All equipment to be supplied and work to be carried out under the CONTRACT shall conform to and comply with the provisions of relevant regulations/Acts(State Government or Central Government) as may be applicable to the type of equipment/work carried out and necessary certificates shall be furnished.
- 5.8 The Seller shall provide cross sectional drawings, wherever applicable, to identify the spare part numbers and their location. The size of bearings, their make and number shall be furnished.
- 5.9 Specifications, design and drawings issued to the SELLER alongwith RFQ and CONTRACT are not sold or given but loaned. These shall remain property of PURCHASER or its assigns and are subject to recall by PURCHASER The SELLER and his employees shall not make use of the drawings, specifications and technical information for any purpose at any time except for manufacture against the CONTRACT and shall not disclose the same to any person, firm or corporate body, without written permission of PURCHASER. All such details shall be kept confidential.
- 5.10 SELLER shall pack, protect, mark and arrange for despatch of EQUIPMENT as per instructions given in the CONTRACT.

6 Standards

- 6.1 The GOODS supplied under the CONTRACT shall conform to the standards mentioned in the Technical Specifications, or such other standards which ensure equal or higher quality, and when no applicable standard is mentioned, to the authoritative standard appropriate to the GOODS' country of origin and such standards shall be the latest issued by the concerned institution.

7 Instructions, Direction & Correspondence



- 7.1 The materials described in the CONTRACT are to be supplied according to the standards, data sheets, tables, specifications and drawings attached thereto and/or enclosed with the CONTRACT, itself and according to all conditions, both general and specific enclosed with the contract, unless any or all of them have been modified or cancelled in writing as a whole or in part.
- All instructions and orders to SELLER shall, excepting what is herein provided, be given by PURCHASER.
 - All the work shall be carried out under the direction of and to the satisfaction of PURCHASER
 - All communications including technical/commercial clarifications and/or comments shall be addressed to PURCHASER and shall always bear reference to the CONTRACT.
 - Invoices for payment against CONTRACT shall be addressed to PURCHASER.
 - The CONTRACT number shall be shown on all invoices, communications, packing lists, containers and bills of lading/LR, etc.

8 Contract Obligations

- 8.1 Once a contract is confirmed and signed, the terms and conditions contained therein shall take precedence over the Seller's bid and all previous correspondence.

9 Modification In Contract

- 9.1 All modifications leading to changes in the CONTRACT with respect to technical and/or commercial aspects including terms of delivery, shall be considered valid only when accepted in writing by PURCHASER by issuing amendment to the CONTRACT. Issuance of acceptance or otherwise in such cases shall not be any ground for extension of agreed delivery date and also shall not affect the performance of contract in any manner except to the extent mutually agreed through a modification of contract.
- 9.2 PURCHASER shall not be bound by any printed conditions or provisions in the SELLER's Bid Forms or acknowledgment of CONTRACT, invoices, packing list and other documents which purport to impose any conditions at variance with or supplemental to CONTRACT.

10 Use of Contract Documents & Information

- 10.1 The Seller shall not, without the Purchaser's prior written consent, disclose the CONTRACT or any provision thereof, or any specification, plan, drawing, pattern, sample or information furnished by or on behalf of the PURCHASER in connection therewith, to any person other than a person employed by the SELLER in the performance of the CONTRACT. Disclosure to any such employed person shall be made in confidence and shall extend only so far as may be necessary for purpose of such performance.
- 10.2 The SELLER shall not, without the PURCHASER's prior written consent, make use of any document or information enumerated in Article 10.1. except for purpose of performing the CONTRACT.

11 Patent Rights, Liability & Compliance of Regulations

- 11.1 SELLER hereby warrants that the use or sale of the materials delivered hereunder will not infringe claims of any patent covering such material and SELLER agrees to be responsible for and to defend at his sole expense all suits and proceedings against PURCHASER based on any such alleged patent infringement and to pay all costs, expenses and damages which PURCHASER may have to pay or incur by reason of any such suit or proceedings.
- 11.2 The SELLER shall indemnify the PURCHASER against all third party claims of infringement of patent, trade mark or industrial design rights arising from use of the GOODS or any part thereof in the PURCHASER's country.
- 11.3 SELLER shall also protect and fully indemnify the PURCHASER from any claims from SELLER'S workmen/employees or their heirs, dependants, representatives, etc. or from any other person/persons or bodies/companies etc. for any acts of commissions or omission while executing the CONTRACT.
- 11.4 SELLER shall be responsible for compliance with all requirements under the laws and shall protect and indemnify completely the PURCHASER from any claims/penalties arising out of any infringements.

12 Contract cum Performance Bank Guarantee (CPBG)

Within 15 days after the SELLER's receipt of notification of award of the CONTRACT, the SELLER shall furnish Performance Guarantee in the form of Bank Guarantee/irrevocable Letter of Credit to the PURCHASER, in the form provided in the Bidding Documents, for an amount equivalent to 10% of the total value of the CONTRACT.

The proceeds of Performance Guarantee shall be appropriated by the PURCHASER as compensation for any loss resulting from the SELLER's failure to complete his obligations under the CONTRACT without prejudice to any of the rights or remedies the PURCHASER may be entitled to as per terms and conditions of CONTRACT. The proceeds of this Performance Guarantee shall also govern the successful



performance of Goods and Services during the entire period of Contractual Warrantee / Guarantee.

The performance guarantee shall be denominated in the currency of the CONTRACT.

The Performance Guarantee shall be valid for the duration of 90 days beyond the expiry of Warrantee/Guarantee period. The Bank Guarantee will be discharged by PURCHASER not later than 6 months from the date of expiration of the Seller's entire obligations, including any warrantee obligations, under the CONTRACT.

13 Inspection, Testing & Expediting

- 13.1 The PURCHASER or its representative shall have the right to inspect and/or to test the GOODS to confirm their conformity to the CONTRACT specifications. The special conditions of CONTRACT and/or the Technical Specifications shall specify what inspections and tests the PURCHASER requires and where they are to be conducted. The PURCHASER shall notify the SELLER in writing the identity of any representative(s) retained for these purposes.
- 13.2 The inspections and tests may be conducted on the premises of the SELLER or his sub-contractor(s), at point of DELIVERY and/or at the GOODS' final destination, When conducted on the premises of the SELLER or his sub-contractor (s), all reasonable facilities and assistance including access to the drawings and production data shall be furnished to the inspectors at no charge to the PURCHASER.
- 13.3 Should any inspected or tested GOODS fail to conform to the specifications, the PURCHASER may reject them and the SELLER shall either replace the rejected GOODS or make all alterations necessary to meet Specifications' requirements, free of cost to the PURCHASER.
- 13.4 The PURCHASER's right to inspect, test and where necessary reject the GOODS after the GOODS' arrival in the PURCHASER's country shall in no way be limited or waived by reason of the GOODS having previously been inspected, tested and passed by the PURCHASER, or their representative prior to the GOODS shipment from the country of origin.
- 13.5 The INSPECTOR shall follow the progress of the manufacture of the GOODS under the CONTRACT to ensure that the requirements outlined in the CONTRACT are not being deviated with respect to schedule and quality.
- 13.6 SELLER shall allow the INSPECTOR to visit, during working hours, the workshops relevant for execution of the CONTRACT during the entire period of CONTRACT validity.
- 13.7 In order to enable PURCHASER's representatives to obtain entry visas in time, SELLER shall notify PURCHASER two months before assembly, testing and packing of main EQUIPMENT. If requested, SELLER shall assist PURCHASER's representatives in getting visas in the shortest possible time (applicable only in case of foreign order).
- 13.8 SELLER shall place at the disposal of the INSPECTOR, free of charge, all tools, instruments, and other apparatus necessary for the inspection and/or testing of the GOODS. The INSPECTOR is entitled to prohibit the use and dispatch of GOODS and/or materials which have failed to comply with the characteristics required for the GOODS during tests and inspections.
- 13.9 SELLER shall advise in writing of any delay in the inspection program at the earliest, describing in detail the reasons for delay and the proposed corrective action.
- 13.10 ALL TESTS and trials in general, including those to be carried out for materials not manufactured by SELLER shall be witnessed by the INSPECTOR. Therefore, SELLER shall confirm to PURCHASER by fax or e-mail about the exact date of inspection with at least 30 days notice. SELLER shall specify the GOODS and quantities ready for testing and indicate whether a preliminary or final test is to be carried out.
- 13.11 If on receipt of this notice, PURCHASER should waive the right to witness the test, timely information will be given accordingly.
- 13.12 Any and all expenses incurred in connection with tests, preparation of reports and analysis made by qualified laboratories, necessary technical documents, testing documents and drawings shall be at SELLER's cost. The technical documents shall include the reference and numbers of the standards used in the construction and, wherever deemed practical by the INSPECTOR, copy of such standards.
- 13.13 Nothing in Article-13 shall in any way release the SELLER from any warrantee or other obligations under this CONTRACT.
- 13.14 Arrangements for all inspections required by Indian Statutory Authorities and as specified in technical specifications shall be made by SELLER.
- 13.15 **Inspection & Rejection of Materials by consignees**
When materials are rejected by the consignee, the supplier shall be intimated with the details of such rejected materials, as well as the reasons for their rejection, also giving location where such materials are lying at the risk and cost of the contractor/supplier. The supplier will be called upon either to remove the materials or to give instructions as to their disposal within 14 days and in the case of dangerous, infected and perishable materials within 48 hours, failing which the consignee will either return the materials to the contractor freight to pay or otherwise dispose them off at the contractor's risk and cost. The PURCHASER shall also be entitled to recover handling and storage charges for the period, during which the rejected materials are not removed @ 5% of the value of materials for each month or part of a month till the rejected materials are finally disposed off.



14 Time Schedule

14.1 Time Schedule Network/Bar Chart

14.1.1 Together with the Contract confirmation, SELLER shall submit to PURCHASER, his time schedule regarding the documentation, manufacture, testing, supply, erection and commissioning of the GOODS.

14.1.2 The time schedule will be in the form of a network or a bar chart clearly indicating all main or key events regarding documentation, supply of raw materials, manufacturing, testing, delivery, erection and commissioning.

14.2 14.3.1 PURCHASER's representatives shall have the right to inspect SELLER's premises with a view to evaluating the actual progress of work on the basis of SELLER's time schedule documentation.

14.3.2 Irrespective of such inspection, SELLER shall advise PURCHASER, at the earliest possible date of any anticipated delay in the progress.

14.4 Notwithstanding the above, in case progress on the execution of contract at various stages is not as per phased time schedule and is not satisfactory in the opinion of the PURCHASER which shall be conclusive or SELLER shall neglect to execute the CONTRACT with due diligence and expedition or shall contravene the provisions of the CONTRACT, PURCHASER may give notice of the same in writing to the SELLER calling upon him to make good the failure, neglect or contravention complained of. Should SELLER fail to comply with such notice within the period considered reasonable by PURCHASER, the PURCHASER shall have the option and be at liberty to take the CONTRACT wholly or in part out of the SELLER's hand and make alternative arrangements to obtain the requirements and completion of CONTRACT at the SELLER's risk and cost and recover from the SELLER, all extra cost incurred by the PURCHASER on this account. In such event PURCHASER shall not be responsible for any loss that the SELLER may incur and SELLER shall not be entitled to any gain. PURCHASER shall, in addition, have the right to encash Performance Guarantee in full or part (if applicable).

15 Delivery & Documents

15.1 Delivery of the GOODS shall be made by the SELLER in accordance with terms specified in the CONTRACT, and the goods shall remain at the risk of the SELLER until delivery has been completed.

15.2 Delivery shall be deemed to have been made :

a) In the case of FOB, CFR & CIF Contracts, when the Goods have been put on board the ship, at the specified port of loading and a clean Bill of Lading is obtained. The date of Bill of Lading shall be considered as the delivery date.

b) In case of FOT despatch point contract (For Indian bidder), on evidence that the goods have been loaded on the carrier and a negotiable copy of the GOODS receipt obtained. The date of LR/GR shall be considered as the date of delivery.

c) In case of FOT site (for Indian bidders) on receipt of goods by PURCHASER/ at the designated site(s).

15.3 The delivery terms are binding and essential and consequently, no delay is allowed without the written approval of PURCHASER. Any request concerning delay will be void unless accepted by PURCHASER through a modification to the CONTRACT.

15.4 Delivery time shall include time for submission of drawings for approval, incorporation of comments, if any, and final approval of drawings by PURCHASER.

15.5 In the event of delay in delivery, Price Reduction Schedule as stipulated in Article – 26 shall apply.

15.6 The documentation, in English Language, shall be delivered in due time, in proper form and in the required number of copies as specified in the contract.

15.7 The additional copies of final drawings and instructions will be included in the package of goods, properly enveloped and protected.

15.8 The SELLER should comply with the Packing, Marking and Shipping Documentation & Specifications enclosed.

16 Transit Risk Insurance

16.1 All goods supplied under the contract shall be fully insured in a freely convertible currency against loss or damage incidental to manufacture or acquisition, transportation, storage and delivery.

16.2 Where delivery is on FOB or CFR basis, marine insurance shall be the responsibility of the Purchaser.

Insurance Requirements:

Indigenous Bidders : Transit risk insurance from F.O.T. despatch point onwards shall be arranged and borne by GAIL.

Foreign Bidders : Marine insurance as well as transit insurance in Purchaser's country shall be arranged and borne by GAIL.

The SELLER shall ensure that in effecting despatch of materials, the primary responsibility of the carriers for safe movement is always retained so that the PURCHASER's interests are fully safeguarded and are in no way jeopardized. The Seller shall furnish the cost of materials against each equipment.

17. Transportation



17. Where the SELLER is required under the CONTRACT to deliver the GOODS FOB, transport of the GOODS until delivery, that is, upto and including the point of putting the GOODS on board the export conveyance at the specified port of loading, shall be arranged and paid for by the SELLER and the cost thereof shall be included in the Contract price.

Where the SELLER is required under the CONTRACT to deliver the GOODS CFR or CIF, transport of the Goods to the port of discharge or such other point in the country of destination as shall be specified in the CONTRACT shall be arranged and paid for by the SELLER and the cost thereof shall be included in the Contract price.

18 Incidental Services

- 18.1 The Seller may be required to provide any or all of the following services:
- 18.1.1 Performance or supervision of onsite assembly and/or start-up of the supplied Goods:
- 18.1.2 Furnishing tools required for assembly and/or maintenance of the supplied Goods:
- 18.1.3 Performance or supervision or maintenance and/or repair of the supplied Goods, for a period of time agreed by the parties, provided that this service shall not relieve the Seller of any warranty/guarantee obligations under the Contract.
- 18.1.4 Training of the Purchaser's personnel at the Seller's plant and/or at Site, in assembly, start-up operation, maintenance and/or repair of the supplied Goods at no extra cost. However, Purchaser will bear boarding, lodging & personal expenses of Trainees.
- 18.2 Prices charged by the Seller for the preceding incidental services, shall not exceed the prevailing rates charged to other parties by the Seller for similar services.
- 18.3 When required, Seller shall depute necessary personnel for supervision and/or erection of the Equipment at site for duration to be specified by Purchaser on mutually agreed terms. Seller's personnel shall be available at Site within seven days for emergency action and twenty-one days for medium and long-term assistance, from the date of notice given by Purchaser.
- 18.4 The cost of incidental services shall not be included in the quoted prices. The cost of applicable incidental services should be shown separately in the price schedules, if asked.

19 Spare Parts and Maintenance Tools

- 19.1 Seller may be required to provide any or all of the following materials and notification pertaining to spare parts manufactured or distributed by the Seller.
- 19.1.1 Such spare parts as the Purchaser may opt to purchase from the Seller, provided that his option shall not relieve the Seller of any warranty obligations under the Contract, and
- 19.1.2 In the event of termination of production of the spare parts:
- i) Advance notification to the Purchaser of the pending termination, in sufficient time to permit the Purchaser to procure needed requirements, and
- ii) Following such termination, furnishing at no cost to the Purchaser, the blue prints, drawings and specifications of the spare parts, if any when requested.
- 19.2 Seller shall supply item wise list with value of each item of spare parts and maintenance tools requirements, along with full details of manufacturers/vendors for such spares/maintenance tools for
- 19.2.1 The construction, execution and commissioning.
- 19.2.2 Two years operation and maintenance.
- 19.3 Spare parts shall be new and of first class quality as per engineering standards/ codes, free of any defects (even concealed), deficiency in design, materials and workmanship and also shall be completely interchangeable with the corresponding parts.
- 19.4 Type and sizes of bearings shall be clearly indicated.
- 19.5 Spare parts shall be packed for long storage under tropical climatic conditions in suitable cases, clearly marked as to intended purpose.
- 19.6 A list of special tools and gauges required for normal maintenance and special handling and lifting appliances, if any, for the Goods shall be submitted to Purchaser.
- 19.7 Bidders should note that if they do not comply with Clause 19.2 above, their quotation may be rejected.



20 Guarantee

20.1 All Goods or Materials shall be supplied strictly in accordance with the specifications, drawings, data sheets, other attachments and conditions stated in the Contract.

No deviation from such specifications or alterations or of these conditions shall be made without PURCHASER'S agreement in writing which must be obtained before any work against the order is commenced. All materials supplied by the SELLER pursuant to the Contract (irrespective of whether engineering, design data or other information has been furnished, reviewed or approved by PURCHASER) are guaranteed to be of the best quality of their respective kinds (unless otherwise specifically authorized in writing by PURCHASER) and shall be free from faulty design, workmanship and materials, and to be of sufficient size and capacity and of proper materials so as to fulfill in all respects all operating conditions, if any, specified in the Contract.

If any trouble or defect, originating with the design, material, workmanship or operating characteristics of any materials, arises at any time prior to twelve(12) months from the date of the use for which the materials supplied under the Contract form a part thereof, or twenty four (24) months from the date of shipment (for each lot) whichever period shall first expire, and the SELLER is notified thereof, SELLER shall, at his own expense and as promptly as possible, make such alterations, repairs and replacements as may necessary to permit the materials to function in accordance with the specifications and to fulfill the foregoing guarantees.

PURCHASER may, at his option, remove such defective materials, at SELLER'S expense in which event SELLER shall, without cost to PURCHASER and as promptly as possible, furnish and install proper materials. Repaired or replaced materials shall be similarly guaranteed by the SELLER for a period of no less than twelve (12) months from the date of replacement/repair.

In the event that the materials supplied do not meet the specifications and/or not in accordance with the drawings data sheets or the terms of the Contract and rectification is required at site, PURCHASER shall notify the SELLER giving full details of differences. The SELLER shall attend the site within seven (7) days of receipt of such notice to meet and agree with representatives of PURCHASER, the action required to correct the deficiency. Should the SELLER fail to attend meeting at Site within the time specified above, PURCHASER shall immediately rectify the work/materials and SELLER shall reimburse PURCHASER all costs and expenses incurred in connection with such trouble or defect.

20.2 PERFORMANCE GUARANTEE OF EQUIPMENT

20.2.1 SELLER shall guarantee that the performance of the EQUIPMENT supplied under the CONTRACT shall be strictly in conformity with the specifications and shall perform the duties specified under the CONTRACT.

20.2.2 If the SELLER fails to prove the guaranteed performance of the EQUIPMENT set forth in the specification, the SELLER shall investigate the causes and carry out necessary rectifications/modifications to achieve the guaranteed performance. In case the SELLER fails to do so within a reasonable period, the SELLER shall replace the EQUIPMENT and prove guaranteed performance of the new equipment without any extra cost to PURCHASER.

20.2.3 If the SELLER fails to prove the guarantee within a reasonable period, PURCHASER/ shall have the option to take over the EQUIPMENT and rectify, if possible, the EQUIPMENT to fulfill the guarantees and/or to make necessary additions to make up the deficiency at Seller's risk and cost. All expenditure incurred by the PURCHASER in this regard shall be to SELLER's account.

21 Terms of Payment

21.1 The method of payment to be made to the SELLER under this CONTRACT shall be specified in the Special Conditions of Contract.

21.2 The type(s) of payment to be made to the SELLER under this CONTRACT shall be specified in the Special Conditions of Contract.

21.3 The SELLER's request(s) for payment shall be made to the PURCHASER in writing accompanied by an invoice describing, as appropriate, the Goods delivered and services performed, and by shipping documents submitted, and upon fulfillment of other obligations stipulated in the Contract.

21.5 Payment will be made in the currency or currencies in which the Contract Price has been stated in the SELLER's bid, as well as in other currencies in which the SELLER had indicated in his bid that he intends to incur expenditure in the performance of the Contract and wishes to be paid. If the requirements are stated as a percentage of the bid price alongwith exchange rates used in such calculations these exchange rates shall be maintained.

General Notes:

1. All foreign currency payments to foreign bidder shall be released through an irrevocable Letter of Credit, which shall be opened through Government of India Nationalized Bank and hence shall not be confirmed. In case any bidder insists on confirmation, charges towards confirmation shall be borne by him. L/C shall be established within 30 days after receipt of unconditional acceptance of Letter /Fax of Intent.
2. For dispatches on FOT dispatch point (in India) basis, the payment shall be through PURCHASER's bank. Payment through Bank, wherever applicable, shall be released as per normal banking procedures.



3. Payment shall be released within 30 days after receipt of relevant documents complete in all respects.
4. All bank charges incurred in connection with payments shall be to Seller's account in case of Indian bidders and to respective accounts in case of Foreign bidder.
5. Unless otherwise specifically stated in bid document, all payments shall be made in the currency quoted.
6. No interest charges for delay in payments, if any, shall be payable by PURCHASER.
7. In case of Indian bidder, variation, if any, on account of customs duty on their built-in- import content, as per terms of bid document, shall be claimed separately by bidder after receipt of goods at site (s). However, any price benefits to the PURCHASER, on account of such variation as per terms specified in the bid document, shall be passed on to the PURCHASER alongwith invoicing itself.
8. Agency commission, if any, to Indian agent for Foreign bidders, indicated in prices, shall be paid to the agent in equivalent Indian Rupees on receipt and acceptance of material at site.

22 Prices

- 22.1 Prices charged by the SELLER for Goods delivered and services performed under the CONTRACT shall not, with the exception of any price adjustments authorized by the Contract vary from the prices quoted by the SELLER in his bid.

23 Subletting & Assignment

- 23.1 The contractor shall not without previous consent in writing of the PURCHASER authority, sublet, transfer or assign the contract or any part thereof or interest therein or benefit or advantage thereof in any manner whatsoever. Provided, nevertheless, that any such consent shall not relieve the contractor from any obligation, duty or responsibility under the contract.

24 Time As Essence of Contract

- 24.1 The time and date of delivery/completion of the GOODS/SERVICES as stipulated in the Contract shall be deemed to be the essence of the Contract.

25 Delays In The Seller's Performance

- 25.1 If the specified delivery schedule is not adhered to or the progress of manufacture or supply of the items is not satisfactory or is not in accordance with the progress schedule the PURCHASER has the right to:
- i) hire for period of delay from elsewhere goods which in PURCHASER's opinion will meet the same purpose as the goods which are delayed and SELLER shall be liable without limitation for the hire charges; or
 - ii) cancel the CONTRACT in whole or in part without liability for cancellation charges. In that event, PURCHASER may procure from elsewhere goods which PURCHASER's opinion would meet the same purpose as the goods for which CONTRACT is cancelled and SELLER shall be liable without limitations for the difference between the cost of such substitution and the price set forth in the CONTRACT for the goods involved; or
 - iii) hire the substitute goods vide (I) above and if the ordered goods continue to remain undelivered thereafter, cancel the order in part or in full vide (ii) above.
- 25.1 Any inexcusable delay by the SELLER or his sub-contractor shall render the SELLER liable, without prejudice to any other terms of the Contract, to any or all of the following sanctions: forfeiture of Contract performance guarantee (if applicable), imposition of price reduction for delay in delivery and termination of the contract for default.

26 Price Reduction Schedule For Delayed Delivery

- 26.1 Subject to Article -29, if the SELLER fails to deliver any or all of the GOODS or performance the services within the time period (s) specified in the CONTRACT, the PURCHASER shall, without prejudice to his other remedies under the CONTRACT, deduct from the CONTRACT PRICE, a sum calculated on the basis of the CONTRACT PRICE, including subsequent modifications.
- 26.1.1 Deductions shall apply as per following formula:
In case of delay in delivery of equipment/materials or delay in completion, total contract price shall be reduced by 1/2% (Half percent) of the total contract price per complete week of delay or part thereof subject to a maximum of 5% (Five percent) of the total contract price.
- 26.2 In case of delay in delivery on the part of Seller, the invoice/document value shall be reduced proportionately for the delay and payment shall be released accordingly.
- 26.3 In the event the invoice value is not reduced proportionately for the delay, the PURCHASER may deduct the amount so payable by SELLER, from any amount falling due to the SELLER or by recovery against the Performance Guarantee (if applicable).
Both seller and PURCHASER agree that the above percentages of price reduction are genuine pre estimates of the loss/damage which the PURCHASER would have suffered on account of delay/breach on the part of the



SELLER and the said amount will be payable on demand without there being any proof of the actual loss/or damage caused by such breach/delay. A decision of the PURCHASER in the matter of applicability of price reduction shall be final and binding.

27 Rejections, Removal of Rejected Equipment & Replacement

- 27.1 Preliminary inspection at SELLER's works by INSPECTOR shall not prejudice Purchaser's claim for rejection of the EQUIPMENT on final inspection at SITE or claims under warranty provisions.
- 27.2 If the EQUIPMENTS are not of specification or fail to perform specified duties or are otherwise not satisfactory the PURCHASER shall be entitled to reject the EQUIPMENT/MATERIAL or part thereof and ask free replacement within reasonable time failing which obtain his requirements from elsewhere at SELLER's cost and risk.
- 27.3 Nothing in this clause shall be deemed to deprive the PURCHASER AND/OR AFFECT ANY rights under the Contract which it may otherwise have in respect of such defects or deficiencies or in any way relieve the SELLER of his obligations under the Contract.
- 27.4 EQUIPMENT rejected by the PURCHASER shall be removed by the Seller at his cost within 14 days of notice after repaying the amounts received against the SUPPLY. The PURCHASER shall in no way be responsible for any deterioration or damage to the EQUIPMENT under any circumstances whatsoever.
- 27.5 In case of rejection of EQUIPMENT, PURCHASER shall have the right to recover the amounts, if any, from any of CONTRACTOR'S invoices pending with PURCHASER or by alternative method(s).

28 Termination of Contract

- 28.1 Termination for Default
- 28.1.1 The PURCHASER may, without prejudice to any other remedy for breach of CONTRACT, by written notice of default sent to the SELLER, terminate the CONTRACT in whole or in part:
- A) If the SELLER fails to deliver any or all of the GOODS within the time period(s) specified in the CONTRACT; or
- B) If the SELLER fails to perform any other obligation(s) under the CONTRACT, and
- C) If the SELLER, in either of the above circumstances, does not cure his failure within a period of 30 days (or such longer period as the PURCHASER may authorize in writing) after receipt of the default notice from the PURCHASER.
- 28.1.2 In the event the PURCHASER terminates the CONTRACT in whole or in part, pursuant to Article 28.1.1, the PURCHASER may procure, upon such terms and in such manner as it deems appropriate, goods similar to those undelivered and the SELLER shall be liable to the PURCHASER for any excess costs for such similar GOODS. However, the SELLER shall continue performance of the CONTRACT to the extent not terminated.
- 28.1.3 In case of termination of CONTRACT herein set forth (under clause 28) except under conditions of Force Majeure and termination after expiry of contract, the VENDOR shall be put under holiday [i.e. neither any enquiry will be issued to the party by GAIL (India) Ltd. Against any type of tender nor their offer will be considered by GAIL against any ongoing tender (s) where contract between GAIL and that particular VENDOR (as a bidder) has not been finalized] for three years from the date of termination by GAIL (India) Ltd. to such VENDOR.
- 28.2 Termination for Insolvency
- The PURCHASER, may at any time, terminate the CONTRACT by giving written notice to the SELLER, without compensation to the SELLER, if the SELLER becomes bankrupt or otherwise insolvent, provided that such termination will not prejudice or affect any right of action or remedy which has accrued or will accrue thereafter to the PURCHASER.
- 28.3 Termination for Convenience
- 28.3.1 The PURCHASER may, by written notice sent to the SELLER, terminate the CONTRACT, in whole or part, at any time for his convenience. The notice of termination shall specify that termination is for the PURCHASER's convenience, the extent to which performance of work under the CONTRACT is terminated and the date upon which such termination becomes effective.
- 28.3.2 The GOODS that are complete and ready for shipment within 30 days after the SELLER's receipt of notice of termination shall be purchased by the PURCHASER at the CONTRACT terms and prices. For the remaining GOODS, the PURCHASER may opt:
- a) to have any portion completed and delivered at the CONTRACT terms and prices, and /or
- b) to cancel the remainder and pay to the SELLER an agreed amount for partially completed GOODS and for materials and parts previously procured by the SELLER.

29 Force Majeure

- 29.1 Shall mean and be limited to the following:
- a) War/hostilities
- b) Riot or Civil commotion
- c) Earthquake, flood, tempest, lightening or other natural physical disaster.
- d) Restrictions imposed by the Government or other Statutory bodies which prevents or delays the execution



of the Contract by the SELLER.

The SELLER shall advise PURCHASER by a registered letter duly certified by the local Chamber of Commerce or statutory authorities, the beginning and end of the above causes of delay within seven (7) days of the occurrence and cessation of such Force Majeure Conditions. In the event of delay lasting over one month, if arising out of causes of Force Majeure, PURCHASER reserves the right to cancel the Contract and the provisions governing termination stated under Article 28.0 shall apply.

For delays arising out of Force Majeure, the SELLER shall not claim extension in completion date for a period exceeding the period of delay attributable to the causes of Force Majeure and neither PURCHASER nor SELLER shall be liable to pay extra costs provided it is mutually established that Force Majeure Conditions did actually exist.

SELLER shall categorically specify the extent of Force Majeure Conditions prevalent in their works at the time of submitting their bid and whether the same have been taken into consideration or not in their quotations. In the event of any force majeure cause, the SELLER or the PURCHASER shall not be liable for delays in performing their obligations under this order and the delivery dates will be extended to the SELLER without being subject to price reduction for delayed deliveries, as stated elsewhere.

30 Resolution of Disputes/Arbitration

30.1 The PURCHASER and the SELLER shall make every effort to resolve amicably by direct informal negotiations any disagreement or dispute arising between them under or in connection with the contract.

30.2 If, after thirty days from the commencement of such informal negotiations, the PURCHASER and the SELLER have been unable to resolve amicably a Contract dispute, either party may require that the dispute be referred for resolution to the formal mechanism as specified hereunder.

30.3 Legal Construction

The Contract shall be, in all respects be construed and operated as an Indian Contract and in accordance with Indian Laws as in force for the time being and is subject to and referred to the Court of Law situated within Union Territory of New Delhi.

30.4 Arbitration

All disputes, controversies, or claims between the parties (except in matters where the decision of the Engineer-in-Charge is deemed to be final and binding) which cannot be mutually resolved within a reasonable time shall be referred to Arbitration by a sole arbitrator.

The PURCHASER (GAIL (India) Limited) shall suggest a panel of three independent and distinguished persons to the Seller to select any one among them to act as the sole Arbitrator.

In the event of failure of the Seller to select the Sole Arbitrator within 30 days from the receipt of the communication suggesting the panel of arbitrators, the right of selection of Sole Arbitrator by the other party shall stand forfeited and the PURCHASER shall have discretion to proceed with the appointment of the Sole Arbitrator. The decision of the PURCHASER on the appointment of Sole Arbitrator shall be final and binding on the parties.

The award of the 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 proceeding shall be in English language and the venue shall be at New Delhi, India.

Subject to the above, the provisions of (Indian) Arbitration & Conciliation Act, 1996 and the rules framed thereunder shall be applicable. All matters relating to this contract are subject to the exclusive jurisdiction of the Courts situated in the State of Delhi (India).

Seller 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 1996.

The WORK under the CONTRACT shall, however, continue during the Arbitration proceedings and no payment due or payable to the Seller shall be withheld on account of such proceedings.

31 Governing Language

31.1 The Contract shall be written in English language as specified by the PURCHASER/ in the Instruction to Bidders. All literature, correspondence and other documents pertaining to the Contract which are exchanged by the parties shall be written in English language. Printed literature in other language shall only be considered, if it is accompanied by an English translation. For the purposes of interpretation, English translation shall govern and be binding on all parties.

32 Notices

32.1 Any notice given by one party to the other pursuant to the Contract shall be sent in writing or by telegram or fax, telex/cable confirmed in writing.

32.2 A notice shall be effective when delivered or on the notice's effective date, whichever is later.



33 Taxes & Duties

- 33.1 A foreign Seller shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the PURCHASER's country.
- 33.2 A domestic Seller shall be entirely responsible for all taxes, duties, license fees etc. incurred until the delivery of the contracted goods to the PURCHASER. However, Sales Tax and Excise duty on finished products shall be reimbursed by PURCHASER.
- 33.3 Customs duty payable in India for imported goods ordered by PURCHASER on foreign Seller shall be borne and paid by PURCHASER.
- 33.4 Any income tax payable in respect of supervisory services rendered by Seller under the Contract shall be as per the Indian Income Tax Act and shall be borne by SELLER. It is upto the bidder/seller to ascertain the amount of these taxes and to include them in his bid price.

34 Books & Records

- 34.1 SELLER shall maintain adequate books and records in connection with Contract and shall make them available for inspection and audit by PURCHASER or their authorized agents or representatives during the terms of Contract until expiry of the performance guarantee. Fixed price (lumpsum or unit price) Contract will not be subject to audit as to cost except for cost reimbursable items, such as escalation and termination claims, transportation and comparable requirements.

35 Permits & Certificates

- 35.1 SELLER shall procure, at his expense, all necessary permits, certificates and licenses required by virtue of all applicable laws, regulations, ordinances and other rules in effect at the place where any of the work is to be performed, and SELLER further agrees to hold PURCHASER harmless from liability or penalty which might be imposed by reason of any asserted or established violation of such laws, regulations, ordinances or other rules. PURCHASER will provide necessary permits for SELLER's personnel to undertake any work in India in connection with Contract.

36 General

- 36.1 In the event that terms and conditions stipulated in the General Conditions of Contract should deviate from terms and conditions stipulated in the Contract, the latter shall prevail.
- 36.2 Losses due to non-compliance of Instructions
Losses or damages occurring to the PURCHASER owing to the SELLER's failure to adhere to any of the instructions given by the PURCHASER in connection with the contract execution shall be recoverable from the SELLER.
- 36.3 Recovery of sums due
All costs, damages or expenses which the PURCHASER may have paid, for which under the CONTRACT SELLER is liable, may be recovered by the PURCHASER (he is hereby irrevocably authorized to do so) from any money due to or becoming due to the SELLER under this Contract or other Contracts and/or may be recovered by action at law or otherwise. If the same due to the SELLER be not sufficient to recover the recoverable amount, the SELLER shall pay to the PURCHASER, on demand, the balance amount.
- 36.4 Payments, etc. not to affect rights of the PURCHASER
No sum paid on account by the PURCHASER nor any extension of the date for completion granted by the PURCHASER shall affect or prejudice the rights of the PURCHASER against the SELLER or relieve the SELLER of his obligation for the due fulfillment of the CONTRACT.
- 36.5 Cut-off Dates
No claims or correspondence on this Contract shall be entertained by the PURCHASER after 90 days after expiry of the performance guarantee (from the date of final extension, if any)
- 36.6 Paragraph heading
The paragraph heading in these conditions shall not affect the construction thereof.

37 Import License

- 31.7 No import license is required for the imports covered under this document.

38 FALL CLAUSE

- 38.1 The price charged for the materials supplied under the order by the supplier shall in no event exceed the lowest price at which the supplier or his agent/principal/dealer, as the case may be, sells the materials of identical description to any persons/organizations including the Purchaser or any department of the Central Govt. or any Deptt. Of a State Govt. or any Statutory Undertaking of the Central or State Govt. as the case may be, during the currency of the order.
- 38.2 If at any time during the said period, the supplier or his agent/principal/dealer, as the case may be, reduces the sale price, sells or offers to sell such materials to any persons/organizations including the Purchaser or any Deptt. Of Central Govt. or State Govt. as the case may be, at a price lower than the price chargeable under the



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order, he shall forthwith notify such reduction or sale or offer of sale to the Purchase Authority who has issued this order and the price payable under the order for the materials supplied after the date of coming into force of such reduction or sale or offer of sale shall stand correspondingly reduced.

The above stipulation will, however, not apply to:

- a) Exports by the Contractor/Supplier or
- b) Sale of goods as original equipment at prices lower than the prices charged for normal replacement
- c) sale of goods such as drugs which have expiry dates.

38.3 The supplier shall furnish the following certificate to the concerned Paying Authority alongwith each bill for payment for supplies made against this order:-

"I/We certify that there has been no reduction in sale price of the items/goods/materials of description identical to those supplied to the GAIL under the order herein and such items/goods/materials have not been offered/sold by me/us to any person/organizations including the Purchaser or any Deptt. Of Central Govt. or any Deptt. Of State Govt. or any Statutory Undertaking of the Central or State Govt. as the case may be upto the date of bill/during the currency of the order whichever is later, at a price lower than the price charged to the GAIL under the order.

Such a certificate shall be obtained, except for quantity of items/goods/materials categories under sub-clause (a), (b) & (c) of sub-para 38.2 above, of which details shall be furnished by the supplier.

39 Repeat Order

39.1 PURCHASER reserves the right, within 6 months of order to place repeat order upto 50% of the total order value without any change in unit price or other terms and conditions.

40 Limitation of Liability

40.1 Notwithstanding anything contrary contained herein, the aggregate total liability of Seller under the Agreement or otherwise shall be limited to 100% of Agreement / Order price. However, neither party shall be liable to the other party for any indirect and consequential damages, loss of profits or loss of production.



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SECTION – VII

'INTEGRITY PACT'

AGREEMENT



INTEGRITY PACT WITH GAIL (The format of the agreement is placed at Section VII)

Definition: 'Counterparty' refers to 'BIDDERS / CONTRACTORS / VENDORS / SUPPLIERS / SERVICE PROVIDERS / CONSULTANTS / ETC' AS APPLICABLE.

1. COMMITMENTS AND OBLIGATIONS OF THE "COUNTERPARTY"

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

2. VIOLATIONS & CONSEQUENCES:

- a) If a Counterparty commits a violation of its Commitments and Obligations under the Integrity Pact programmed ring bidding process, their entire Earnest Money Deposit / Bid Security, would be forfeited and in addition, they may be blacklisted from the GAIL business in future.
- b) In case of violation of the Integrity pact by Counterparty after award of the Contract, GAIL shall be entitled to terminate the Contract. GAIL would forfeit the security deposits, encash the bank guarantee(s) and other payments payable to Counterparty in such cases.
- c) Subject to satisfaction of the Independent External Monitor, GAIL may ban / blacklist / put on holiday and exclude the Counterparty from future dealings until GAIL is satisfied that the Counterparty shall not commit any such violation in future.
- d) In addition, of above, GAIL reserves its right to initiate criminal proceedings against the violating Counterparty, if the allegations by Counterparty are found frivolous, untrue and misleading and may impose exemplary cost for the same.
- e) The Counterparty will be entitled to claim as determined by the Independent External Monitor, if the above (d) is found incorrect.

3. INDEPENDENT EXTERNAL MONITORS (IEMS)

The following three Independent External Monitors (IEMs) have been appointed by GAIL, in terms of Integrity Pact (IP) which form part of GAIL Tenders / Contracts

1. Dr. A.K. Kundra
2. Shri S.C. Tripathi
3. Shri U. Sundarajan

This panel is authorized to examine / consider all references made to it under this tender. The bidder(s), in case of any dispute(s) / complaint(s) pertaining to this tender may raise the issue either with the designated Tender Issuing Officer in GAIL or directly with the IEMs on the panel c/o Chief Vigilance Officer, GAIL (India) Limited, GAIL Bhawan, 16, Bhikaji Cama Place, R.K. Puram, New Delhi – 110 066.



INTEGRITY PACT

(To be executed on plain paper)

TENDER NO.: GAIL/PA09/22224/3200052828/SD (E-bid no. 8000001141) FOR SUPPLY OF LIQUID HYDROCARBON PRODUCT (WASH OIL)

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

AND

..... **(here-in-after referred to as "The Bidder/ Contractor").**

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

PREAMBLE

The Principal intends to award under laid down organizational procedures, contract/s for **LIQUID HYDROCARBON PRODUCT (WASH OIL)**. The Principal values full compliance with all relevant laws and regulations, and the principles of economic use of resources, and of fairness and transparency in its relations with its Bidder / s and Contractor / s.

In order to achieve these goals, the Principal co-operates with the renowned International Non-Governmental Organization 'Transparency International' (TI). Following TI's national and international experience, the Principal will appoint an Independent External Monitor who will monitor the tender process, the execution of the contract etc. for compliance with the principles mentioned above.

Section 1 – Commitments of the Principal

1. The Principal commits itself to take all measures necessary to prevent corruption and to observe the following Principles in this regard:-
 - i) No employee of the Principal, either in person or through family members, including relatives, will in connection with the tender for or the execution of a contract, demand or accept a promise for or accept for him/herself or for a third person, any material or immaterial benefit to which he/she is not legally entitled.
 - ii) The Principal shall, during the tender process treat all Bidders with equity. The Principal undertakes and ensures that before and during the tender process shall provide and share the same information to all Bidders and will not provide to any Bidder confidential / additional information through which one particular Bidder could take an advantage in relation to the tender process or the contract execution.
 - iii) The Principal will exclude from the process all known prejudiced persons.
2. If the Principal obtains information on the conduct of any of its employees which is a criminal offence under the Anti-Corruption Laws of India, or if there be a substantive suspicion in this regard, the Principal will inform its Vigilance Office and in addition can initiate disciplinary actions.

Section 2 – Commitments and Undertakings by the Bidder/Contractor

1. The Bidder / Contractor commits and undertakes to take all measures necessary to prevent malpractices & corruption. He commits himself to observe the following principles during his participation in the tender process and during the contract execution:
 - i) The Bidder / Contractor undertakes not to, directly or through any other person or firm offer, promise or give or influence to any employee of the Principal associated with the tender process or the execution of the contract or to any other person on their behalf any



material or immaterial benefit to which he / she is not legally entitled in order to obtain in exchange any advantage of any kind whatsoever during the tender process or during the execution of the contract.

- ii) The Bidder / Contractor undertakes not to enter into any undisclosed agreement or understanding, whether formal or informal with other Bidders. This applies in particular to prices, specifications, certifications, subsidiary contracts, submission or non-submission of bids or any other action to restrict competitiveness or to introduce cartelization in the bidding process.
 - iii) The Bidder / Contractor undertakes not to commit any offence under the relevant Anti-corruption Laws of India. Further, the Bidder / Contractor will not use improperly any information or document provided by the Principal as part of the business relationship regarding plans, technical proposals and business details, including information contained or transmitted electronically for the purposes of competition or personal gain and will not pass the information so acquired on to others.
 - iv) The Bidder / Contractor will, when presenting his bid undertakes to disclose any and all payments made, is committed to or intends to make to agents, brokers or any other intermediaries in connection with the award of the contract.
2. The Bidder / Contractor will not instigate and allure third persons / parties to commit offences outlined above or be an accessory to such offences.

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

If the Bidder, before the award of contract, has committed a transgression through a violation of any provisions of Section 2 or in any other form so as to put his reliability or credibility as Bidder into question, the Principal shall be entitled to disqualify, put on holiday or blacklist the Bidder including from the future tender process or to terminate the contract, if already signed, on that ground.

1. If the Bidder / Contractor has committed a transgression through a violation of any provisions of Section 2 so as to put his reliability or credibility into question, the Principal shall be entitled to exclude including blacklist and put on holiday the Bidder / Contractor from entering into any GAIL future contract tender processes. The imposition and duration of the exclusion will be determined by the severity of the transgression. The severity will be determined by the Principal taking into consideration the full facts and circumstances of each case particularly taking into account the number of transgressions, the position of the transgressors within the company hierarchy of the Bidder and the amount of the damage. The exclusion may be imposed for a minimum period of 6 months and maximum of three years.
2. A transgression is considered to have occurred if the Principal after due consideration of the available evidence, concludes that no reasonable doubt is possible.
3. The Bidder with its free consent and without any influence agrees and undertakes to respect and uphold the Principal's absolute rights to resort to and impose such exclusion and further accepts and undertakes not to challenge or question such exclusion on any ground, including the lack of any hearing before the decision to resort to such exclusion is taken. This undertaking is given freely and after obtaining independent legal advice.
4. Subject to the full satisfaction of the Principal, the exclusion of the Bidder / Contractor could be revoked by Principal prematurely if the bidder / contractor can prove that he has restored / recouped the damage caused by him and has installed a suitable corruption prevention system in his organization.

Section 4 – Forfeiture of EMD / Security Deposits



1. If the Principal has disqualified the Bidder from the tender process prior to the award in terms of Section 3, and during the execution of the contract, the Principal shall forfeit earnest money deposit / bid security money, encash the bank guarantee including due payments in addition to blacklisting or putting on holiday the bidder and terminating the contract.
2. If the Principal has terminated the contract according to Section 3, or if the Principal is entitled to terminate the contract according to Section 3, the Principal shall be entitled to demand and recover from the Contractor liquidated damages equivalent to Earnest Money Deposit / Security Deposit / Performance Bank Guarantee.
3. The bidder agrees and undertakes to pay the said amounts without protest or demur subject only to condition that if the Bidder / Contractor can prove and establish that the exclusion of the Bidder from the tender process or the termination of the contract after the contract award has caused no damage or less damage than the amount of the liquidated damages, the Bidder / Contractor shall compensate the Principal only to the extent of the damage in the amount proved.

Section 5 – Previous transgression

1. The Bidder swears on oath that no previous transgression has occurred during the last three years with any other Company in any country conforming to the TI approach or including with any other Public Sector Enterprise / Undertaking in India that could justify his exclusion from the tender process.
2. If the Bidder makes incorrect statement on this subject, he shall be disqualified from the tender process or the contract, if already awarded, could be liable to be terminated on this ground.

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

1. The Bidder / Contractor undertakes to demand from all its sub-contractors, if any, an undertaking and commitment in conformity with this Integrity Pact, and to submit it to the Principal before signing of the contract.
2. The Principal will enter into agreements with similar conditions, as stipulated herein, with all Bidders, Contractors and Subcontractors.
3. The Principal shall disqualify from the tender process all Bidders who do not sign this Pact or violate any of its provisions.

Section 7 – Criminal charges against violating Bidders / Contractors / Sub-contractors

If the Principal obtains knowledge of conduct of a Bidder, Contractor or Subcontractor, or of an employee or a representative or an associate of a Bidder, Contractor or Subcontractor which constitutes corruption, or if the Principal has substantive suspicion in this regard, the Principal will inform the Vigilance Office / Department for initiating appropriate action for above.

Section 8 –Independent External Monitor / Monitors (Three in number depending on the size of the contract) (To be Decided by the Chairperson of the Principal)

1. The Principal appoints competent and credible external independent Monitor for this Pact. The task of the Monitor is to review independently and objectively, whether and to what extent the parties comply with the obligations under this agreement.
2. The Monitor is not subject to any instructions by the representatives of the parties and performs his functions neutrally and independently. He reports to the Chairperson of the Board of the Principal.



3. The Contractor accepts that the Monitor has the right to access without restriction to all Project documentation of the Principal including that provided by the Contractor. The Contractor will also grant the Monitor, upon his request and demonstration of a valid interest, unrestricted and unconditional access to his project documentation. The same is applicable to Sub-contractors. The Monitor is under contractual obligation to treat the information and documents of the Bidder / Contractor / Sub-contractor with confidentiality.
4. The Principal will provide to the Monitor sufficient information about all meetings among the parties related to the Project provided such meetings could have an impact on the contractual relations between the Principal and the Contractor. The parties offer to the Monitor the option to participate in such meetings.
5. As soon as the Monitor notices, or believes to notice, a violation of this agreement he will so inform the Management of the Principal and request the Management to discontinue or heal the violation or to take other relevant action. The monitor can in this regard submit non-binding recommendations. Beyond this, the Monitor has no right to demand from the parties that they act in a specific manner, refrain from action or tolerate action. However, the Independent External Monitor shall give an opportunity to the bidder / contractor to present its case before making its recommendations to the Principal.
6. The Monitor will submit a written report to the Chairperson of the Board of the Principal within 8 to 10 weeks from the date of reference or intimation to him by the 'Principal' and should the occasion arise, submit proposals for taking corrective measures.
7. Monitor shall be entitled to compensation by the Principal on the same terms & conditions as being extended to/provided to Outside Expert Committee Members of ONGC.
8. If the Monitor has reported to the Chairperson of the Board a substantiated suspicion of an offence under relevant Anti-Corruption laws of India, and the Chairperson has not, within reasonable time, taken visible action to proceed against such offence or reported it to the Vigilance Office, the Monitor may also transmit this information directly to the Central Vigilance Commissioner, Government of India.
9. The word 'Monitor' would include both singular and plural.
10. Independent External Monitor shall be required to maintain confidentiality of the information acquired and gathered during their tenure / role as Independent Monitor. Any breach in this regard would be subject to the legal judicial system of India.
11. The Independent External Monitors shall be responsible to oversee the implementation of Integrity Pact Program to prevent corruption, bribes or any other unethical practices in the GAIL. However, Monitor(s) shall be personally and severally be liable for any action or suit brought by Bidder / Contractor / against the Monitor, in case the findings of Independent Monitor is / are found incorrect or biased or prejudiced.
12. Independent External Monitor(s) shall be required to furnish an Undertaking and shall disclose before taking any assignment that he / she has no interest in the matter or connected with the party (bidder / contractor) in any manner.

Section 9 – Pact Duration

The provisions of this Pact shall come into effect from the date of signing of this Pact by the both parties. It expires for the Contractor 12 months after the last payment under the respective contract, and for all other Bidders 6 months after the contract has been awarded.

If any claim is made / lodged by either party during this time, the same shall be binding and continue to be valid despite the lapse of this pact as specified above, unless it is discharged/determined by the Chairperson of the Principal.



Section 10 – Miscellaneous provisions

1. This agreement is subject to Indian Law. Place of performance and jurisdiction is the Registered Office of the Principal, i.e. New Delhi. The Arbitration clause provided in main tender document / contract shall not be applicable for any issue / dispute arising under Integrity Pact.
2. Changes and supplements as well as termination notices, if any, need to be made in writing. Side agreements have not been made.
3. If the Contractor / Bidder is a partnership concern or a consortium, this agreement must be signed by all partners or consortium members.
4. In case any or several of the provisions of this agreement turn out to be void, the remainder of this pact shall remain valid. The parties to this pact however, shall strive to come to an agreement to their original intentions in such a case.

(Name & Designation)
For the Principal

(Name & Designation)
For the Bidder/Contractor

Place -----

Witness 1: -----

Date -----



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FORMS AND FORMATS



BIDDER'S GENERAL INFORMATION

To
GAIL (India) Limited,
P.O.: PATA
DISTT. AURAIYA- 206244
UP., INDIA

1-1 Bidder Name:

1-2 Registered Address:

1-3 Operation Address
if different from above:

1-4 Name of Contact Person:

1.5 Telephone Number

(Country Code) (Area Code) (Telephone Number)

1.6 E-mail address & Web Site

1.7 Telefax Number

(Country Code) (Area Code) (Telephone Number)

1.7.1 ISO Certification, if any

{If yes, please furnish details}

Place:

Date:

Signature of Authorized Signatory

Name:

Designation:

Seal:

Tender No.

Offer No. & Date:



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NO DEVIATION CONFIRMATION

TENDER NO.: GAIL/PA09/22224/3200052828/SD (E-BID NO. 800001141) FOR SUPPLY OF LIQUID
HYDROCARBON PRODUCT (WASH OIL)

To

GAIL (India) Limited,
P.O.: PATA
DISTT. AURAIYA- 206244
UP., INDIA

Dear Sir,

We understand that any deviation/exception in any form may result in rejection of bid. We, therefore, certify that we have not taken any exceptions/deviations anywhere in the bid and we agree that if any deviation/exception is mentioned or noticed, our bid may be rejected.

Place:

Date:

Signature of Authorized Signatory

Name:

Designation:

Seal:

Tender No.

Offer No. & Date:

Tender No.: GAIL/PA09/22224/3200052828/SD (E-bid no. 800001141)



FORMAT FOR BID SECURITY FORM

Whereas (hereinafter called "the Bidder") has submitted his bid dated for the supply of (hereinafter called "the Bid") KNOW ALL MEN these presents that WE of having our registered office at (hereinafter called "the BANK") are bound upto (hereinafter called "the OWNER"). In the sum of for which payment will and truly to be made to the said OWNER, the BANK binds itself, its successors and assigns by these presents. Sealed with the common seal of the said BANK this day of 200

THE CONDITIONS of this obligation are :

1. If the Bidder withdraws his Bid during the period of bid validity specified by the bidder on the Bid Form or
2. If the Bidder, having been notified of the acceptance of his bid by the OWNER during the period of bid validity:
 - a) fails or refuses to execute the contract form, if required of
 - b) fails or refuses to furnish the Performance Security in accordance with the Instructions to Bidder.

We undertake to pay the OWNER upto the above amount upon receipt of its first written demand, without the OWNER having to substantiate its demand, provided that in its demand the OWNER will note that the amount claimed by it is due to it owing to the occurrence of one or both of the two conditions specifying the occurred condition or conditions.

This guarantee will remain in force upto and including 2 months after the period of bid validity, and any demand in respect thereof should reach the BANK not later than the above date.

(Signature of the BANK)

(Signature of the Witness)

Name of Witness :

Date :

Address of Witness :



FORMAT OF BANK GUARANTEE FOR SECURITY DEPOSIT /CONTRACT PERFORMANCE

(To be stamped in accordance with Stamp act)

Ref:

Bank Guarantee no.:

Date:

To,
GAIL (INDIA) LTD.,
U. P. PETROCHEMICAL COMPLEX,
PATA – 206 241
DISTT. AURAIYA (U.P.)

Dear Sir,

In consideration of the GAIL (INDIA) LTD., PATA (here in after referred to as the OWNER/PURCHASER which expression shall unless repugnant to the context or meaning thereof include its successors, administrators, executors and assigns) having awarded to M/s _____ having Principal office at _____ (herein after refer to as the "SELLER" which expression shall unless after repugnant to the context or meaning thereof include their respective successors, administrators, executors and assigns) the supply by issue of OWNER'S / PURCHASER'S Purchase Order No. _____ Dated _____ and the same having been accepted by the SELLER resulting into CONTRACTS for supplies of materials / equipments as per above referred Purchase Order having a total value of Rs. _____ (Rupees _____) for the complete supply of materials / equipments and the SELLER having agreed to provide a Contract Performance and warranty Guarantee for the faithful performance of the aforementioned contract and warranty to quality Rs. _____ (Rupees _____) to OWNER/ PURCHASER.

We, (Bank) _____ having its Head Office at _____ (hereinafter referred to as the "Bank" which expression shall, unless repugnant to the contract or meaning thereof, include its successors, administrators, executors and assign's) do hereby guarantee and undertake to pay the OWNER / PURCHASER, on demand any and all moneys payable by the seller to the extent of 10% (ten percent) of the Contract Price as aforesaid at any time upto _____ without any demur, reservation, context, recourse or protest and / or without any reference to the SELLER. Any such demand made by OWNER / PURCHASER on the Bank shall be conclusive and binding notwithstanding any difference between OWNER/ PURCHASER and SELLER or any dispute pending before any Court, Tribunals, Arbitrator or any other Authority. The Bank undertakes not to revoke this guarantee during its currency without previous consent of OWNER/PURCHASER and further agrees that the guarantee herein contained shall continue to be enforceable till the OWNER / PURCHASER discharges this guarantee OWNER / PURCHASER shall have the fullest liberty without affecting in any way the liability of the BANK under this guarantee form time to time to extend the time for performance by SELLER or any one or more CONTRACTS of all CONTRACTS enumerated above. OWNER / PURCHASER shall have the fullest liberty, without affecting this guarantee, to postpone from time to time the exercise of any powers vested in them or any right which they might have against SELLER to exercise the same at any time in any manner, and either to enforce any covenants contained or implied in the aforementioned Contracts between OWNER / PURCHASER and SELLER or any other course of or remedy or security available to OWNER / PURCHASER. The Bank shall not be released of its obligations under these presents by any exercise by OWNER / PURCHASER of its liability with reference to the matters aforesaid or any of them or by reason or any other acts of omission or commission on the part of OWNER / PURCHASER or any other indulgence shown by OWNER / PURCHASER or any other matter or thing whatsoever which



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under law would, but for this provision, have the effect of relieving the Bank.

The Bank also agrees that OWNER / PURCHASER at its option shall be entitled to enforce this Guarantee against the Bank as a Principal Debtor, in the first instance without proceeding against SELLER and notwithstanding any security or other guarantee that OWNER / PURCHASER may have in relation to the SELLER's liabilities.

Notwithstanding anything contained herein above our liability under this Guarantee is restricted to Rs. _____
 (Rupees _____) AND it shall remain in force upto and including _____ and shall be extended from time to time for such period as may be desired by the SELLER on whose behalf this Guarantee has been given.

Dated this the date of at _____

WITNESS

Signature

Name

(Official address)

Signature

(Banker Rubber Stamp) Name

Designation with Bank Stamp plus Attorney as per power of Attorney
 No _____ Date _____

SECTION IV**PRICE SCHEDULE FOR SUPPLY**
(FOR DOMESTIC BIDDERS ONLY)

TENDER NO.: GAIL/PA09/22224/3200052828/SD (E-bid no. 800001141) dated 27.04.2009

BIDDER:

SI.No.	Item Description	UOM (Unit of Measure)	Qty.	Basic Ex-Works Rate per MT (Rs.)	P&F Charges (in %) (if any)	Applicable Excise Duty (in % or in Rs/MT)	Applicable Sales Tax (against Form- C)/ VAT (in %)	Freight up-to Pata [Optional] (per MT)	Unit Rate per MT [inclusive of all taxes and duties and including / excluding freight as applicable] basis (Rs.) [5+6+7+8+9]
1	2	3	4	5	6	7	8	9	10
1	LIQUID HYDROCARBON PRODUCT (WASH OIL) , as per Technical Specification enclosed with the tender	MT	1620						

CENVAT INVOICE WILL BE SUBMITTED YES/NOAMOUNT OF CENVAT BENEFIT TO BE PASSED ON TO GAIL (Rs.): per MT**NOTE:**

1. In case of discrepancy between unit price and the total price, the unit price shall prevail.
2. Evaluation of bids - Details as per SECTION V of tender document