



गेल इंडिया लिमिटेड

(भारत सरकार का उपक्रम)

पाता, जिला-औरैया (उ०प्र०).206241 (भारत)

GAIL (India) Limited

(A Govt. of India Undertaking)

P.O. Pata, Dt. Auraiya (U.P.) -206241 (INDIA)

**REQUEST FOR QUOTATION
(Domestic Competitive Bidding)**

दूरभा-05683-283404,283405
फैक्स- 056834-282446, 011-6185941
Phone: 05683-283404, 283405
Fax: 05683-282446, 011-6185941

Ref No.: GAIL/PA08/12222/3200044716/NM

June 30, 2008

M/s. _____

SUBJECT : SUPPLY OF CUT HARD SHEET DANGER TAGS

TENDER NO : GAIL/PA08/12222/3200044716/NM

Dear Sir (s),

GAIL (India) limited here-in-after called OWNER/COMPANY/GAIL invites you to submit your bids **UNDER SINGLE BID SYSTEM** for supply of SUBJECT ITEM as per price schedule enclosed with tender and as detailed below in complete accordance with enclosed tender documents:

- (1) Earnest Money Deposit : **Nil**
- (2) Last Date and Time for Submission of Tender : 1500 Hrs. on **22.07.2008**
- (3) Date and Time for Opening of Bid : 1530 Hrs. on **22.07.2008**
- (4) Place of Submission of Tender : **Central Receipt Section,
Security Main Gate Building, Pata Complex
GAIL (India) Limited
P.O. - Pata, District - Auraiya (U.P.)
Pin - 206 241**
- (5) Delivery Period : **06 weeks** from the date of order.
- (6) Payment Terms : 100% payment within 30 days through e-banking after receipt and acceptance of material at site.

Tender must be submitted within above stipulated date and time indicating rate as per the tender forms. The tender must be valid for 120 days from the final date of Tender closing. Tender through Telex/Fax/Telegram will not be acceptable. GAIL assumes no responsibility for delay, loss or non-receipt of tender document sent by post.

Contd.... Page '2'

Bids complete in all respect must reach this office not later than 1500 hrs on the notified date of closing of the tender. Bids sent by hand delivery should be put in the tender box at this office not later than 1500 hrs on the specified date. All out-station bids, if sent by post, should be sent under registered cover.

Bid Evaluation Criteria (BEC) for this tender will be as under:

"The bidder must have executed at least one single order for Printing job for a total order value of at least Rs. 20,000/- in any of the preceding 5 years, ending as on the last date of bid submission.

Bidders are required to submit attested / notarized copy(ies) of Purchase Orders and its proof of execution i.e. execution certificate/proof of payment/inspection note etc. issued by client towards meeting above criteria.."

Attestation must be done by Gazetted Officer/ Notary/Officer of PSE (not Self Attested).

Any change in bid after opening of the tender will not be considered. Bids received by fax/ e-mail/telex shall not be considered.

GAIL will not be responsible for the loss of Tender form or for delay in postal transit. Bidders are advised in their own interest to ensure that their bids reach this office well before the closing date and time of the tender as the bids received after the closing date and time of the tender will not be considered. Please confirm that you have received the tender document and will be quoting or the tender items/jobs. In case you are not quoting for the same, please return complete set of tender documents.

GAIL reserves the right to accept or reject any or all tenders received at its absolute discretion without assigning any reason whatsoever.

Thanking You,

Yours faithfully,
for GAIL (India) Limited

(TNM RAO)
DY. MANAGER (C&P)

E-Mail: tnmrao@gail.co.in
Fax: 05683-282446

Enclosures: One Set of Tender Document

Section-I : Rejection Criteria (Commercial)
Section-II : Important Note to Bidders
Section-III : Agreed Terms & Conditions
Section-IV : Price Schedule/Schedule of Rates
Section-V : General Conditions of Contract (Goods)
Format for Bid Security Form
Format for CPBG and Format for E-banking details

Note: Please visit our website 'gailonline.com' under 'TENDERS' for any updates/corrigendums/addendums w.r.t. this tender. You can also get information about other tenders invited by GAIL on this website.

CUT-OUT SLIP

DO NOT OPEN-THIS IS A QUOTATION

ITEM : SUPPLY OF CUT HARD SHEET DANGER TAGS

BID DOCUMENT NO. : GAIL/PA08/12222/3200044716/NM

DUE DATE & TIME OF SUBMISSION OF BID : 22.07.2008 UP TO 1500 HRS.

FROM

TO

Name : Central Receipt Section,
Address: Security Main Gate Building, Pata Complex
GAIL (India) Limited
P.O. Pata, Dist. Auraiya (U.P.)
PIN - 206241 (INDIA)

(To be pasted on the envelope)

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/PA08/12222/3200044716/NM FOR SUPPLY OF CUT
HARD SHEET DANGER TAGS**

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)

REJECTION CRITERIA (COMMERCIAL)

- a) Non-Submission of EMD – **NOT APPLICABLE**
- b) Non-acceptance of condition regarding submission of SD-cum-CPBG for 10% of Contract/Order value, to be submitted within 3 weeks of award of order
- c) Deviation to Delivery Period
- d) Deviation to PRS (Price reduction schedule) clause
- e) Deviation to Guarantee/Warranty Clause
- f) Price Bid not filled-up strictly as per GAIL's PRICE SCHEDULE FORMAT
- g) Non-submission of firm prices
- h) Deviations to Force Majeure clause, Arbitration Clause
- i) Non-Acceptance of Part Order (Irrespective of Value)
- j) TELEX/ TELEGRAPHIC/ FAX /E-MAIL offers shall be rejected.
- k) Bid validity less than 4 months (reckoned from date of opening of technical bid)
- l) Any modification in the bids submitted by the bidder after the opening of bids, unless such modification is solicited in writing by GAIL)
- m) Non-submission of documents towards Bid Evaluation Criteria (BEC) mentioned at Page 2 of RFQ.

(SIGNATURE OF BIDDER & COMPANY SEAL)

IMPORTANT NOTE TO BIDDERS

1. The 'SPECIFICATION OF CUT HARD SHEET DANGER TAGS (IF ANY) enclosed with tender document must submitted with the bid duly signed & stamped. Bidder shall also provide the complete catalogue of offered Telephone Instrument indicating the facilities available.
2. 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 rejected.
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 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 are advised to send their quotation in a **properly sealed** envelope. The envelope should be clearly superscribed with the words "THIS IS A QUOTATION – DO NOT OPEN" alongwith the Tender/RFQ/Enquiry No. and the DUE DATE OF OPENING.
5. 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 and time of opening.
6. Please note that this RFQ is on **ZERO DEVIATION** basis. GAIL will accept offers based on terms and conditions of RFQ only. Prior to detailed evaluation and pursuant to bid evaluation and rejection criteria, GAIL will determine the substantial responsiveness of each bid to the RFQ/Tender Document. For this purpose, a substantially responsive bid is one which conforms to all terms and conditions of the bidding documents without deviations or reservations. GAIL's determination of a bid's responsiveness is based on the content of the bid itself without recourse to extrinsic evidence. A bid determined as substantially non-responsive will be rejected by GAIL and may not subsequently be made responsive by bidder by correction of the Non-conformity through queries/clarifications or any other means.

Technical and commercial queries (TQ/CQ) if required shall be issued to only those bidders whose bids are prima facie responsive, for seeking clarifications only. The request for such clarifications and the response shall be in writing and no change in the price or substance of the bids shall be sought, offered or permitted. The substance of the bid includes but not limited to Price, Delivery/completion, scope, specifications, etc. Thus, the bidder will not be permitted to submit new documents, new information, withdrawal of deviations, etc. which modifies the original submission. Therefore, bidders in their own interest are requested not to take any deviations to RFQ/tender conditions and also submit all documents as asked for in the tender.

7. **Release of Payments by GAIL through e-payment Mode:**
With a view to ensure faster payments to all our vendors/contractors, all payments (including refund of EMD/Security Deposits) will be released by GAIL through e-payment mode. To avail this facility, you are requested to send enclosed Annexures duly filled-up along with a cancelled cheque, failing which it would not be possible for GAIL to release payment(s). PLEASE NOTE THAT FORMATS GIVING THE DETAILS OF BANK ACCOUNTS MUST BE ENDORSED BY THE CONCERNED BANK WITH BANK'S SEAL AND SIGNATURE.

Note: Catalogues of the offered items are to be submitted along with the offer. Test certificate will be required to be submitted along with the supply after placement of order.

SECTION - III**AGREED TERMS & CONDITIONS**

(Bidders must fill-up this Section in all respects and submit with un-priced bid)

SL NO	DESCRIPTION	BIDDER' S CONFIRMATION (CONFIRMED/NOT CONFIRMED)
1.	No deviations taken to the Rejection Criteria (Commercial) as referred at Section I	
2.	Bidder is to confirm acceptance to Technical specification (If any) and submission of the same along with bid duly signed & stamped.	
3.	Confirm submission attested / notarized copies of documents towards BEC requirement of the tender as mentioned in the Page 2 of RFQ. Please mention the ref. no. of documents submitted.	
4.	Confirm acceptance to 100% payment within 30 days after receipt of material at site.	
5.	Delivery period as per tender is acceptable	
6.	Whether Bidder will submit CENVAT invoice to enable GAIL to claim CENVAT benefit	
7.	Bidder confirms that all terms and conditions of GCC [General Conditions of Contract (Goods)] are acceptable to them. Further GCC has been signed on all pages and company seal affixed and submitted with bid.	
8.	Prices filled-up strictly as per Format given at SECTION -IV	
9.	Bidder is aware that if any deviations are taken to tender terms and conditions, their bid is liable for Rejection	
10.	Acceptance of part order (Irrespective of Value)	
11.	Warranty/Guarantee terms of tender acceptable	
12.	Confirm quoted Prices will remain Firm till complete execution of order.	
13.	Submission of CPBG as per tender terms is acceptable.	
14.	Force Majeure clause, Arbitration Clause as per tender is acceptable.	
15.	Price Reduction Schedule (PRS) clause as per tender terms is acceptable.	
16.	Bid validity of 4 months from the date of opening of technical bid.	
17.	Vendor confirms that in case of conflicting version of various terms & conditions at different places, Purchaser can choose any version.	

SIGNATURE _____
NAME _____
DESIGNATION _____
COMPANY'S SEAL _____

DATE _____

PRICE SCHEDULE/SCHEDULE OF RATES

SECTION- IV

NAME OF BIDDER _____

TENDER/ENQUIRY NO. _____

Sl. No.	Material Code	Item Description as per enquiry/RFO	UOM (unit of measure)	Qty	Basic Ex-Works Rate	P&F Charges in % (if any)	Excise Duty in % including Educational cess, if applicable	Sales Tax/Vat % (with/without form 'C')	Freight upto Pata Site (as % of basic rate)	Rate on FOR Site basis (5+6+7+8+9)	Total FOT Site Price (4x10)
(1)	(2)	(3)	(3A)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1	540102693	Danger Tag on cut hard sheet white in colour of 245 GSM, Length-205 mm, width-150 mm with serial no., coloured GAIL Logo on top left hand corner & Red Danger Logo and perfating at 142 mm from top & 63 mm from bottom (SAMPLE ATTACHED)	EA	20000							
									GRAND TOTAL =		

TOTAL FOT SITE AMOUNT (COLUMN 11) IN WORDS: RUPEES.....

Notes:

CENVAT INVOICE WILL BE SUBMITTED ----- YES NO

- (1) In case of discrepancy between unit price and the total price, the unit price shall prevail.
- (2) In case the price basis is not given on **FOT SITE** basis as per price schedule above, **OFFER IS LIABLE TO BE REJECTED**
- (3) Basis of award of order shall be the **lowest FOT Site** basis;
- (4) In case freight charges upto Pata site is left blank/indicated as 'Extra at Actuals', then for the purpose of evaluation of such bids, the highest amount quoted against this head by other bidders will be loaded for evaluation purpose.
- (5) Bidders to note that the rate of ED indicated in the SOR will be considered for evaluation and if upon such loading the bidder is L-1, bidder will be bound to execute the order with the above rate of ED. Any increase in ED due to increase in turnover will not be admissible. However, statutory changes in excise duty rates by the Government of India (within the scheduled delivery period) will be paid as applicable at the time of dispatch.

**PLACE:
DATE:**

(SIGNATURE OF BIDDER & COMPANY SEAL)

SECTION-V

GAIL (INDIA) LIMITED, PATA

GENERAL PURCHASE CONDITIONS

1. Consignee: C & P Incharge, GAIL (India) Ltd, P.O. Pata, Auraiya (U.P.) – 206241. Any expenditure and/or demurrage incurred in respect of a wrong delivery shall be recovered from supplier.
2. Quotation, duly sealed & superscribed with the tender/enquiry no., bid opening date and the words 'QUOTATION – DO NOT OPEN', should this office on or before 1500 hrs on the due date of opening along with samples, if required, failing which your offer will not be considered. Quotations received late are liable to be rejected. Quotations will be opened on the due date at 1530 hrs in the presence of tenderers/authorized representatives of tenderers, who may intend/like to participate. Quotations received late by post or other means are liable to be rejected.
3. Local Sales Tax and Central Sales Tax registration No. must be mentioned in the quotation.
4. Rate should be given according to unit mentioned in NIT and no alternative unit will be considered.
5. **Bid Validity:** Minimum 120 days from the last date of submission of bids
6. Offers subject to prior sale will not be considered.
7. Revised offer or post-bid modification of offer after the opening date will not be considered and no price negotiations will be held with bidders in normal cases.
8. The required quantities at the time of placement of order can be changed upto $\pm 25\%$ of the quantities specified in enquiry.
9. Price /Purchase Preference: Price preference shall be given in the following cases as per rules/guidelines in force prescribed by the Government of India (a) Price preference to PSUs (b) Price preference to the indigenous supplier's over the imported ones (c) Price preference to SSI's
10. **Price Reduction Schedule for delayed delivery:** In case of delivery of equipment/materials or delay in completion, total contract price shall be reduced by $\frac{1}{2}\%$ (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. In case of delay in delivery on the part of Seller, the invoice shall be reduced proportionately for the delay and payment shall be released accordingly. 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 performance guarantee.

Both the 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 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. Decision of the Purchaser in the matter of applicability of price reduction shall be final and binding on the Seller.

11. ~~(a) Quotation/bids should accompany Earnest Money Deposit (EMD) IF INDICATED IN RFQ, in the form of (a) Bank Draft / Banker's cheque in favour of 'GAIL (India) Limited, payable at PATA D.D. or (b) Bid bond valid for a period of three months beyond bid validity. Quotations without EMD/Bid Bond are likely to be rejected.~~

~~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~~

~~(b) EMD/Bid bond shall be forfeited, if the bidder—~~

- ~~i) Withdraws bid/changes quoted rates/modifies terms and conditions of the bid, without the consent of GAIL within bid validity period including extension thereof~~
- ~~ii) Fails to accept the order~~
- ~~iii) Fails to submit the contract cum Equipment performance Bank Guarantee (CPBG)/Security Deposit pursuant to placement of order~~

~~(c) EMD of unsuccessful bidders will be released on finalisation of order.~~

~~(d) EMD of successful bidder shall be adjusted towards Security deposit or shall be released on submission of CPBG/SD~~

~~(e) The EMD/SD/CPBG is to be issued by following bank/financial institution.~~

- ~~(i) Bank Guarantees towards bid security 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 Indian bidder and from any reputed international bank or Indian scheduled bank in case of foreign bidder may be accepted. However, other than the nationalized Indian bank, the banks whose BG are furnished, 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 itself or separately on a letter head.~~
- ~~(ii) Similarly bank guarantee towards performance may be accepted from any Indian scheduled bank or branch of an international situated in India in case of Indian bidder as well as foreign bidder. However, other than the Nationalised Indian banks, the banks whose BG are furnished, 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 it self or separately on a letter head.~~
- ~~(iii) Guarantee towards bid security/contract and equipment performance payment may also be acceptable from all India level public financial institutions on case to case basis meeting the following criteria:~~

- ~~(a) The institution is an all India level public financial institution.~~
- ~~(b) It should be rated AAA of any rating agency like CRISIL.~~
- ~~(c) The institutions should be authorized by way of law/its memorandum to issue such guarantee.~~

12. Performance Guarantee (CPBG): In case the basic order value exceeds Rs 1.0 (One) lakh, the seller shall within 15 days after the receipt of order, furnish Performance Guarantee in the form of Bank Guarantee/irrevocable Letter of Credit to GAIL, in the

format provided in the bidding documents, for an amount equivalent to 10% of the basic value of contract. The proceeds of the Performance Guarantee shall be appropriated by GAIL as compensation for any loss resulting from the Seller's failure to complete his obligations under the contract without prejudice to any rights or remedies the purchaser may be entitled to as per the terms and conditions of the contract. 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 GAIL not later than 6 months from the date of expiration of the Seller's entire obligations, under the contract.

13. When stores are rejected by the consignee, the same will be intimated to the supplier with the details of such rejected stores as well as the reason for their rejections and that the material will be lying at the consignee's premises at the risk and cost of supplier. The supplier will also 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/infested and perishable materials within 48 hrs, failing which the consignee will either return the materials to the supplier on freight to pay or otherwise dispose them off at the supplier's risk and cost. The consignee will also intimate the concerned paying authority, quantity of the material so rejected so as to recover the freight charges from the supplier. The purchaser shall also be entitled to recover handling and stores charges for the period during which the rejected stores are not removed @ 5% of the stores for each month or part of a month till the rejected stores are finally disposed off.

14. **Warranty :**

The supplier shall warrant that everything to be furnished hereunder shall be free from all defects and faults in material, workmanship and manufacture and shall be of the highest grade and consistent with the established and generally accepted standards of the materials of the type offered and in full conformity with the specifications drawings or samples, if any, and shall if operable, operate, properly. This warranty shall survive inspection of payment for and acceptance of the goods but shall expire 12 months from the date of commissioning / operations or 18 months from the date of despatch, whichever is earlier.

15. It should be noted that if an order is placed on a higher tenderer as a result of this tender, in preference to the lowest acceptable offer, in consideration of an earlier delivery, the supplier will be liable to pay to GAIL the difference between the ordered rate and the rate quoted by the lowest acceptable tenderer in case he fails to complete the supply in terms of such order within the date of delivery specified in the tender and incorporated in the order. This is without prejudice to other rights under terms of order.
16. **Payment Terms:** As mentioned in RFQ.
17. 50% of ordered quantity may be reordered on the same rates, terms & conditions during the delivery period including any extension thereof or within six months from the date of original supply order, whichever is later.
18. GAIL reserves the right to accept/reject any or all tenders without assigning any reasons whatsoever.

19. **Termination of Contract:** 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 part-

- a) If the Seller fails to deliver any or all of the goods within the time period/(s) specified in 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

In the event the Purchaser terminates the contract in whole or part, 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.

In case of termination of contract herein set forth 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 or tender not 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 a period of three years from the date of termination by GAIL (India) Ltd. to such vendor.

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.

20. **FORCEMAJEURE** : Shall mean and be limited to the following -

- (a) War / Hostilities (b) Riot or Civil Commotion (c) Earthquake, flood, tempest, lightning or other natural disasters (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/Consultant 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 20 above 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 conditions, 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.

21. **FALL CLAUSE**

- (i) The price charged for the stores supplied under the contract/ supply 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 stores or offer to seek stores of identical description to any person / 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 supply order.
- (ii) 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 stores to any persons/ organizations including the purchaser of any Deptt. of Central Govt. or any Deptt. of a State Govt. or any Statutory Undertaking of the Central or State Govt. as the case may be, at a price lower than the price chargeable under the 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 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.
- (iii) The Supplier shall furnish the following certificate to the concerned Paying Authority alongwith each bill for payment for supplies made against this supply order:

"I/We certify that there has been no reduction in sale price of the items/goods/materials of description identical to the stores supplied to the GAIL under the order herein and such items/goods/materials have not been offered/sold by me/us to any person/organization including the purchaser or any Deptt. of Central Govt. or any Deptt. of a 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 GAIL under the order, except for quantity of stores categories under sub-clauses (a), (b) and (c) of sub para (ii) above, of which details shall be furnished by the supplier.

22. **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 sole arbitrator.

The Purchaser [GAIL (I) Ltd.] shall suggest a panel of three independent and distinguished persons to the other party (Bidder/Contractor/Supplier/Buyer as the case may be) to select any one among them to act as the sole Arbitrator. In the event of failure of the other party to select the Sole Arbitrator within 30 days from the receipt of the communication suggesting the panel of arbitrators, the right of selection of sole Arbitrator by the other party shall stand forfeited and the owner shall have discretion to proceed with the appointment of the sole Arbitrator. The decision of the owner 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 Pata, Distt. Auraiya, U.P., India.

Subject to the above, the provisions of (Indian) Arbitration & Conciliation Act, 1996 and the rules framed there under 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, 1976. The parties shall continue to fulfill their respective obligations under the CONTRACT during the tendency of any such proceedings and no payment due or payable to the Seller shall be withheld on account of such proceedings.

PLACE: _____

DATE: _____

(SIGNATURE OF BIDDER & COMPANY SEAL)

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 :

**CONTRACT-CUM-EQUIPMENT PERFORMANCE BANK GUARANTEE
(PERFORMANCE SECURITY) - UNCONDITIONAL**

(TO BE STAMPED IN ACCORDANCE WITH STAMP ACT)

REF.

Bank Guarantee No.:

Date:

To

GAIL (INDIA) LIMITED
P.O.:PATA, DISTT. AURAIYA
(U.P.) 206 041
INDIA

Dear Sirs,

In consideration of the GAIL (India) Limited, New Delhi (India) (hereinafter referred to as the OWNER/PURCHASER which expression shall unless repugnant to the context or meaning thereof include successors, administrators and assigns) having awarded to M/s _____ having principal office at _____ (hereinafter referred to as the "SELLER" which expression shall unless repugnant to the context or meaning thereof include their respective successors, administrators, executors and assigns) the supply by issue of OWNER/PURCHASER's Purchase Order No. _____ dated _____ and the same having been accepted by the Seller resulting into CONTRACT for supplies of materials/equipments as per above referred Purchase Order having a total value of _____ for the complete supply of materials/equipments and the SELLERS having agreed to provide a Contract Performance and warranty guarantee for faithful performance of the aforementioned Contract and warrantee quality _____ to Owner/Purchaser.

We (bank) _____ having Head Office at (hereinafter referred to as the Bank, which expressly shall, unless repugnant to the context or meaning thereof include successors, administrators, executors and assigns) do hereby guarantee to 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 Prices as aforesaid at any time upto _____ without a reference to the SELLER. Any such demand made by OWNER/PURCHASER on bank shall be inclusive and binding notwithstanding any difference between OWNER/PURCHASE and SELLER discharges this guarantee. OWNER/PURCHASER and SELLER or any dispute pending before any Court, Tribunals, arbitrators 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 from time to time to extend the time for performance by SELLER of the afore mentioned CONTRACT, OWNER/PURCHASER shall have the fullest liberty, without affecting this guarantee, to postpone from time to time the exercise of any power vested in them or of any right which they might have against SELLER, and to exercise the same at any time in any manner, and either to enforce to forebear to enforce any covenants contained or implied, in the aforementioned CONTRACT 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 by any other matter or thing whatsoever which under law would, but for this provision, have the effect or relieving the BANK. The BANK also agrees that OWNER/PURCHASER at its option shall be entitled to enforced 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 Guarantees restricted to 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.

The Bank Guarantee's payment of an amount is payable on demand and in any case within 24 hours of the presentation of the letter of invocation of Bank Guarantee. Should the banker fail to release payment on demand, a penal interest of 24% per annum shall become payable immediately and any dispute arising out of or in relation to the said Bank Guarantees shall be subject to the jurisdiction of Delhi Courts.

Therefore, we hereby affirm that we are guarantors and responsible to you on behalf of the seller up to a total amount of (amount of guarantees in words and figures) and we undertake to pay you, upon your first written demand declaring the seller to be in default under the contract and without caveat or argument, any sum or sums within the limits of (amount of guarantee) as aforesaid, without your needing to prove or show grounds or reasons for your demand or the sum specified therein.

This guarantee is valid upto the _____ day of _____ 200_.

We have power to issue this guarantee in your favour under memorandum and Article of Association and the undersigned has full powers to do so under the Power of Attorney/Resolution of the Board of Directors dated _____ accorded to him by the bank.

Dated The _____ day of _____ 2007

WITNESS:

(SIGNATURE)
NAME

(NAME)
(OFFICIAL SEAL)

(SIGNATURE)
NAME
BANK RUBBER STAMP

Designation with bank stamp
Plus Attorney as per Power
Of Attorney/Resolution Board of
Directors

Date:

Sub: Release of Payments by GAIL through e-payment Mode

Dear Sirs,

You are requested to furnish the details of your bank accounts in any one of the following banks - **(1) State Bank of India (2) ICICI Bank (3) HDFC Bank** in prescribed formats so that payment against orders/contracts including EMD/ Security Deposit can be released by e-payment mode.

In case, you do not have an account in any of the above Banks, you are requested to furnish the particulars of your Bank as per details attached in **Annexure-X**. You are also requested to attach one cancelled cheque along with above format. This is required to enable us to release your payment electronically.

Please note that any pending payment(s) against order(s)/contract(s) awarded to you including refund of EMD/Security Deposit against any present as well as future orders/contracts/tenders will be released through the Electronic mode only.

It must be ensured that all invoices raised henceforth against present as well as future works/contracts will mention the **Name of the Bank & Bank Account No.** to which payments are to be made thru' e-banking (these details should be same as given in the **Annexure-X** enclosed).

Encl.: Annexure-X / Formats if bank accounts already exist in SBI/HDFC/ICICI banks

**PARTICULARS OF VENDOR REQUIRED FOR PURPOSE OF MAKING PAYMENT
THROUGH E-BANKING (PLEASE ATTACH ONE CANCELLED CHEQUE)**

(1) Vendor/Customer Name: _____

(2) Complete Address : _____

(3) Bank's Name : _____

(4) Beneficiary A/c No. : _____

(5) Account Type : _____

(6) Branch Name : _____

(7) Bank Address : _____

(8) MICR Code : _____

(9) Branch Code : _____

Authorized Signatory with Name & seal of Bank

**FORMAT APPLICABLE FOR PARTIES WILLING TO RECEIVE EPAYMENTS IN THEIR ACCOUNT
WITH SBI/HDFC/ICICI BANKS ONLY**

ANNEXURE - I

To,

The Dy General Manager (F&A)
GAIL (India) Ltd.
P.O. Pata
Auraiya,
U.P. -206241

Subject : **Consent for receiving Payments through Electronic Mode**

Dear Sir,

This is to confirm that we M/s (Name of the Organization) are having Savings / Current Account No. with (Name of the Bank) (Branch Name) (Branch Code), to which payments, if any due to us, can be released electronically.

Thanking You.

for.....

Authorized Signatory (ies)
(Name of the Authorised Signatory with Seal)

This is to certify that Savings / Current A/c. No..... is maintained by M/s.....(Name of the Organization) with our bank(Name of the Bank, Branch Name & Branch Code), to which payments can be released electronically.

(Signature with Seal of Bank)
Branch Manager

Note: The above format should be on letter head of the organization mentioning E-mail ID/Fax No. of the contact person