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GAIL (India) Ltd.

(A Government of India Undertaking-
A Navratna Company)

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

Ref No.: GAIL/PA09/23037/3200053714/SD

June 6, 2009

TO,

Item Description: **Supply of Refrigerant Gas (FREON-22) in returnable cylinders**

Tender No. : **GAIL/PA09/23037/3200053714/SD**

Dear Sir (s),

GAIL (India) Limited, here-in-after called OWNER/COMPANY/GAIL invites you to submit your bids **UNDER TWO BID SYSTEM** for Supply of **REFRIGERANT GAS (FREON-22)** as detailed below in complete accordance with enclosed tender documents:

- | | | |
|--|---|--|
| (1) Earnest Money Deposit | : | Rs 6,500/- (Rupees Six Thousand Five Hundred Only) |
| (2) Last Date and Time for Submission of Tender | : | 1500 Hrs. on 30.06.2009 |
| (3) Date and Time for Opening of Techno-Commercial Bid | : | 1530 Hrs. on 30.06.2009 |
| (4) Delivery period | : | Please refer Section V (Special Conditions of Contract) |
| (5) Payment Terms | : | Please refer Section V (Special Conditions of Contract) |

Address to which bids are to be sent (by Speed Post/Courier/Reqd. Post/etc.)

Central Receipt Section
Security Main Gate Building, Pata Complex,
GAIL (India) Limited
P.O. - Pata, District - Auraiya (U.P.),
Pin – 206 241

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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

izkd`frd xSI & LoPN ÁtkZ] gfjr ÁtkZ | **Natural Gas – Clean Energy, Green Energy**

Bids carried by hand by bidders are to be dropped in the tender box kept at Security Main gate building, Pata complex. In case of voluminous bids, which cannot be dropped in the tender box, bidder shall contact Sh S. Dasgupta, Manager (C&P) or Sh Kaladhar Narayan, Manager (C&P).

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

PART-I: UNPRICED BID (TECHNO-COMMERCIAL BID)

The Un-priced bid must be complete with all technical and commercial details other than rate (i.e. identical to Part-II with rate blanked out) but along with documentary evidences sought under these tender documents.

PART-II - PRICED BID:

It should contain only the PRICE SCHEDULE and NO TERMS & CONDITIONS should be put in PRICED BID.

THE TWO ENVELOPES CONTAINING PART-I & PART-II OF THE BID SEPARATELY SHOULD BE ENCLOSED IN A LARGER ENVELOPE DULY SEALED AND SUPER-SCRIBED WITH TENDER NO., DUE DATE AND ITEM PROMINENTLY ALONG-WITH ADDRESS OF THIS OFFICE AND SENDER'S NAME AND ADDRESS.

Any change in bid after opening of the tender will 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 for 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

(S. DASGUPTA)
Manager (C&P)

Encl.: One Set of Tender Document

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

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CUT-OUT SLIP

DO NOT OPEN-THIS IS A QUOTATION

ITEM DESCRIPTION : SUPPLY OF REFRIGERANT GAS (FREON-22)

BID DOCUMENT NO. : GAIL/PA09/230370/3200053714/SD

**DUE DATE & TIME : 30.06.2009 UPTO 1500 HRS.
OF SUBMISSION OF BID**

FROM

**Name :
Address:**

TO

**Central Receipt Section,
Security Main Gate Building
Pata Complex
GAIL (India) Limited
P.O. - Pata, District - Auraiya (U.P.)
Pin – 206 241, 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,
Manager (C&P)
M/s GAIL (I) Limited,
P.O. Pata,
District: Auraiya
U.P. – 206241

SUB : REGRET LETTER

**REF. : YOUR TENDER NO. GAIL/PA09/230370/3200053714/SD FOR SUPPLY
OF REFRIGERANT GAS (FREON-22)**

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 MANUFACTURER of **REFRIGERANT GASES** or Authorized Dealer/Stockist/Distributor of the manufacturer. In case bidder is a Manufacturer, bidder to submit attested/notarized copy of company registration certificate/any other document evidencing status of Manufacturer of **REFRIGERANT GASES**. In case bidder is an Authorized Dealer/ Stockist /Distributor, attested/notarized copy of valid authorization certificate (valid as on date of submission of bid) issued directly by the manufacturer, should be submitted with bid.

(OR)

Bidder should have supplied atleast 425 kg of refrigerant gas against a single order OR supplied refrigerant gas against a single order valuing Rs 1.6 lakhs (including taxes and duties), in any of the previous 5 years (as on bid closing date). 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./value executed, in support of meeting BEC.

Bidders to note that orders executed for it's own use shall not be considered as proof of experience. All documents submitted in support of meeting BEC must be attested by Gazetted officer/Notarized by Notary public.

SECTION - I

REJECTION CRITERIA (COMMERCIAL)

- a) Non-Submission of EMD/Bid Security of Rs 6,500/-
- b) Non-submission of 'Firm & Fixed' prices till validity of contract
- c) Validity of offer less than 120 days from date of opening of bid.
- d) Non-acceptance of delivery schedule as per tender.
- e) Non-acceptance of Guarantee period.
- f) Price Bid not filled-up strictly as per GAIL's PRICE SCHEDULE FORMAT.
- g) Request for advance payment
- h) Bids submitted thru' FAX/E-MAIL
- i) Mentioning Prices in Un-priced bid.

IMPORTANT NOTE TO BIDDERS

1. The 'TECHNICAL SPECIFICATION SHEET' (ANNEXURE – I) enclosed with tender document must be duly signed (with company seal affixed) and submitted with the bid.
2. Bidders to submit their rates strictly as per the 'PRICE SCHEDULE/SCHEDULE OF RATES (**SECTION IV**) enclosed with the enquiry in Indian Rupees only (INR) only. 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 **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. 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.
7. Late Bids: All Tenders received after the notified time and date of closing of tenders will be treated as late bids. In case there is lack of competition, i.e. not more than one acceptable bid has been received against the tender, GAIL may, at its discretion, open the late bid/(s) provided such late bid/(s) have been received within 72 hours beyond the scheduled closing time for receipt of tenders.
8. **Release of Payments by GAIL through e-payment Mode (FOR DOMESTIC BIDDERS)**

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.

SECTION – III**CHECK LIST FOR BIDDERS**

(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	Technical specification sheet (ANNEXURE I) has been signed (with company seal affixed) and submitted with un-priced bid	
2	Whether bidder has taken any deviations to the technical specifications as enumerated at Annexure I	
3	Whether bidder is a MANUFACTURER of REFRIGERANT GASES	
4	In case bidder is a MANUFACTURER, whether necessary document evidencing status of being a manufacturer has been submitted by the bidder and such document is attested/notarized by Gazetted officer/Notary public	
5	In case bidder is NOT a MANUFACTURER, then whether Attested/Notarized copy of order/(s) along with proof of execution as per BEC indicated in Section I of tender document has been submitted (please note that un-attested copies of documents are not acceptable)	
6	Whether bidder has executed any order for GAIL for supply of REFRIGERANT GASES, which meets the BEC. If yes, bidder to indicate the order no., qty. supplied and date of completion	
7	Prices offered by bidder shall remain FIRM & FIXED till complete execution of order	
8	Whether bidder has quoted for Transportation charges (from their Works to Pata) separately as per price schedule format, i.e. bidder has quoted rates on 'F.O.R. Pata' basis	
9	Whether bidder will submit CENVAT invoice for the full amount of ED / Cess quoted to enable GAIL to claim CENVAT benefit	
10	Prices have been filled-up strictly as per Format given at SECTION IV	
11	Bidder has accepted payment terms of '100% within 30 days of receipt of material at site'.	
12	Bidder accepts PART ORDER, i.e. GAIL can place order for smaller quantity than tendered quantity	
13	Delivery schedule as per tender is acceptable	
14	Bidder accepts PRS clause as per tender	
15	Bidder accepts SD-cum-CPBG clause as per tender	
16	Bidder accepts REPEAT ORDER clause as per tender	
17	Validity of bid is minimum 120 days (from the final bid submission date)	

SL NO.	DESCRIPTION	BIDDER' S CONFIRMATIO (CONFIRMED/NOT CONFIRMED)
18	All terms and conditions of SCC (Special Conditions of Contract) placed at Section V are acceptable to bidder.	
19	All terms and conditions of GPC (General Purchase Conditions) placed at Section VI are acceptable to bidder.	
20	Indicate rate of central/local sales tax payable extra.	
21a	CST without concessional Form.	
21b	CST with concessional Form.	
21c	Local Sales Tax/VAT (in case supplies are made from originating state) without concessional form.	
22a	i) Taxes & duties shall be payable at rates as applicable at the time of supply or contractual delivery date, whichever is earlier. Any reduction in taxes and duties at the time of supply after contractual delivery date shall be passed on to the Owner and any increase shall be borne by bidder. ii) Confirm in case of delay on account of bidder, any new or additional taxes and duties imposed after contractual delivery shall be to bidder's account.	
22b	Indicate present rate of excise duty applicable on the supplies and whether the same is included/excluded from quoted prices.	
22c	If excise duty is presently not applicable, confirm whether the same will be borne by vendor in case it becomes leviable later.	
22d	In case (c) is not acceptable, advice maximum rate of excise duty chargeable.	
23	Guarantee clause as per tender is acceptable	
24	Bidder confirms 'Demurrage Free Period' of 180 days (inward LR date of filled cylinders till outward LR date of empty cylinders)	
	SELLER'S OFFER NO.	

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

PRICE SCHEDULE/SCHEDULE OF RATES

SECTION - IV

Sl. No.	Item Description as per enquiry/RFQ	UOM (unit of measure)	Qty	Basic Ex-Works Rate per Kg (Rs)	Excise Duty including Educational cess, if applicable [in Rs/Kg or in %]	Sales Tax (against form C) OR VAT [in Rs/Kg or in %]	Freight charges up to Pata Site per Kg	Unit Rate (per Kg) on F.O.R. Pata basis (5+6+7+8+9)	Total Amount on F.O.R. Pata basis (10) x 4
1	2	3	4	5	7	8	9	10	11
1	FREON 22 TECHNICAL SPECIFICATION AS PER ANNEXURE 'I'	Kg	854						

CENVAT INVOICE FOR THE FULL AMOUNT OF E.D. (INCLUDING CESS IF ANY) QUOTED WILL BE SUBMITTED ----- YES NO
AMOUNT OF CENVAT BENEFIT TO BE PASSED ON TO GAIL (Rs):

DEMURRAGE FREE PERIOD (INWARD LR DATE OF FILLED CYLINDERS TILL OUTWARD LR DATE OF EMPTY CYLINDERS) = 180 DAYS
DEMURRAGE PAYABEL AFTER DEMURRAGE FREE PERIOD: PER DAY PER CYLINDER

Notes:

- (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 F.O.R. Pata basis as per price schedule above, **OFFER IS LIABLE TO BE REJECTED**
- (3) Basis of award of order – Refer Section V regarding 'Evaluation of bids'
- (4) 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)

TECHNICAL SPECIFICATION

	REFRIGERANT FREON - 22	GAIL – PATA N2 PLANT (IOP&S)
--	-----------------------------------	---

SL. NO.	CHARACTERISTIC	UNIT	SPECIFICATION
1	Purity	%	99.9 Min.
2	Melting Point	°C	-146
3	Boiling Point	°C	-40.7

- Chemical Name : Monochlorodifluoro Methane
- Chemical Formula : CH₂CLF₂
- Molecular Wt : 86.48
- Density (kg/m³), Sat. Liq@30°C : 1177
- Mode of packaging : 61 (kg/Cylinder)
- Application : Refrigerant

Kesi
21/05/09

SPECIAL CONDITIONS OF CONTRACT

- 1) The terms and conditions enumerated herein shall supersede the terms and conditions mentioned elsewhere in the tender document.
- 2) Refrigerant Gas Freon-22 cylinders shall be procured on **returnable basis**.
- 3) **FIRM PRICES:** The price quoted by the bidders shall remain firm and fixed till validity of the contract period. Non-submission of FIRM & FIXED prices shall be considered as a 'REJECTION CRITERIA'.
- 4) **Payment terms:** 100% payment shall be released within 30 days of receipt of materials at site. Payment shall be released based on actual quantity received at GAIL, Pata.
- 5) **Delivery Schedule:** The following tentative delivery schedule is applicable for this tender.
 - a) 1st lot of 427 Kg within 6 weeks from the date of order.
 - b) 2nd lot of 427 Kg tentatively in the month of December '2009

The above lot size is indicative only and both the delivery schedule and qty. lot shall be determined/adjusted according to (a) the requirement of plant to be communicated by the Indenting deptt. from time to time (b) the standard packing size/container size/truck size offered by bidder.

For 2nd lot, advance dispatch intimation of 6 weeks will be given. The validity of contract shall be for a period of 12 months from the date of award of order. Date of LR shall be considered as date of delivery.

- 6) **Inspection/Certificate of Analysis:** Necessary test certificate confirming the quality of the material specification to be provided as a part of dispatch document. Certificate of Analysis (COA) should be in line with GAIL's required specification. Material acceptability shall be subject to conformity to the technical specifications authenticated vide "COA"
- 7) **Guarantee / Warranty & Replacement:** Confirmation that the GOODS shall be guaranteed against defective materials/ workman-ship etc. For a period of 12 months from the date of dispatch (for each lot).
- 8) **Price Reduction Schedule (PRS):** For delay in supply of the Freon Gas (R-22) Refrigerant for a particular lot beyond the schedule given at (5) above, PRS shall be applicable @0.5% of total basic value of the lot per week of delay or part thereof. Total PRS deductions shall not exceed 5% of total basic order value.
- 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 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 Banks, the banks whose BGs are furnished, must be commercial banks having net worth in excess of Rs.100 crores and a declaration to this effect should be made by such commercial bank either in the bank guarantee itself or separately on a letter head.

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) **Transportation/ Freight Charges from bidder's works to GAIL Pata (U.P.):** Bidders are required to quote Transportation/Freight charges from their works to GAIL Pata (U.P.) separately in their bid. In other words, bidders are required to quote F.O.R. Pata prices. Not quoting transportation/freight charge separately in offer shall be considered as a 'REJECTION CRITERIA'.

11) **EVALUATION METHODOLOGY:** The evaluation of all the responsive bids for supplies shall be made as under to arrive at the lowest evaluated offer:

1. Ex-works price quoted by the bidder
2. Packing & Forwarding (if any)
3. Excise Duty, Educational cess (if any)
4. Sales tax with (against form C) / VAT
5. Any other taxes stated by bidder
6. Freight charges upto Pata
7. Technical/Commercial loading (if any)

Bidders are required to provide cenvat invoice (to the extent possible) to enable GAIL to avail cenvat benefit.

12) LOADING CRITERIA

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

<u>TERMS OFFERED BY THE BIDDER</u>	<u>PRICE LOADING(*)</u>
a) 0.5% of the order value of each monthly lot per week of delay or part thereof subject to maximum of 5% of order value of that monthly lot	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	To be loaded 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	To be loaded by 10%

(*) Loading factor/percentage shall be calculated on the basic Ex-works price (excluding taxes, duties and freight charges) quoted by the bidders.

13) REPEAT ORDER CLAUSE:

Repeat order can also be placed upto 50% of the ordered quantity on the same terms & conditions as stipulated in this original supply order within six months from the date of order.

14) 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.

OWNER reserves the right to award the contract for the quantity of goods and services specified in the schedule of requirements without any change in price or other terms and conditions.

15) 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.

16) DESPATCH PARTICULARS:

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. Copy of LR
5. Test Certificate/Analysis report (COA)
6. Guarantee Certificate

The originals despatch documents are to be sent to –

Sr. Manager (C&P-Stores)
GAIL (India) Limited
P.O. - Pata, District - Auraiya (U.P.),
Pin – 206 241

One copy of the documents shall be sent to the following –

- a) Manager (C&P)
GAIL (India) Ltd,
PATA – 206 241,
Distt. Auraiya. (U.P.)
- b) Shri. C.L.Choudhary/Shri. C.Lal
M/s United India Insurance Co. Ltd.,
Branch Office No. 2,
63/3, The Mall,
Kanpur – 208004
Tel No. 0512- 2395491, 2396121
Fax : 0512-2305107,2365491
Mobile – 9450152685
(POLICY NO. 080802/21/07/0200000050)

17) EARNEST MONEY DEPOSIT:

The bid must be accompanied by earnest money (interest free) for the amount indicated in 'Letter 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.

Bank Guarantees towards bid security 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 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

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.

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)

The Bid Security shall be valid for 6 months beyond the bid validity as per the tender requirement.

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.

SECTION – VI

GENERAL

PURCHASE

CONDITIONS



SECTION VI

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. Offers subject to prior sale will not be considered.
 6. 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.
 7. The required quantities at the time of placement of order can be changed upto $\pm 25\%$ of the quantities specified in enquiry.
 8. 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
 9. 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.
10. (a) Quotation/bids should accompany Earnest Money Deposit (EMD) **IF INDICATED IN NIT**, 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.
- (ii) 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.
 - (iii) 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.
 - (iv) 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.

11. 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.
12. 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.
13. 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 24 months from the date of despatch, whichever is earlier.
14. 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.

15. **Limitation of Liability:** Notwithstanding anything contrary contained herein, the aggregate total liability of Seller under the agreement or otherwise shall be limited to 100% of order price. However, neither party shall be liable to the other for any indirect and consequential damages, loss of profits or loss of production
16. 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.
17. **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 setforth 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 of 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.

18. **FORCEMAJEURE :** Shall mean and be limited to the following –
- (a) War / Hostilities (b)Riot or Civil Commotion (c) Earthquake, flood, tempest, lighting 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.

19. **FALL CLAUSE**

NOT APPLICABLE

20. **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.

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 "SELLERS" 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 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 2008 at _____

WITNESS

Signature

Name

Signature

(Banker Rubber Stamp) Name

(Official address) Designation with Bank Stamp plus Attorney as per power of Attorney No _____ 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 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