



GAIL (India) Limited

Nav-Chetna

(A Booklet on C&P Initiatives for Ease of Doing Business)



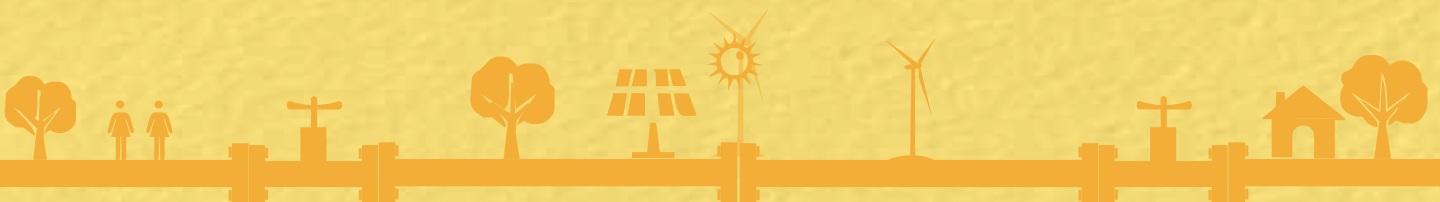
ATMANIRBHAR BHARAT





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CMD's MESSAGE



Confronted with an unprecedented global health and socio-economic crisis due to Covid-19, we need to work together to boost our economy while keeping ourselves safe. With this in mind, Contracts & Procurement department of GAIL is organizing the **Business Partner Interactive Meet-2020** through Virtual Platform during the Vigilance Awareness Week. The main objective of this meet is to provide a platform to our suppliers / service providers to interact with GAIL's management and present their valuable views and suggestions to further strengthen GAIL's systems & procedures.

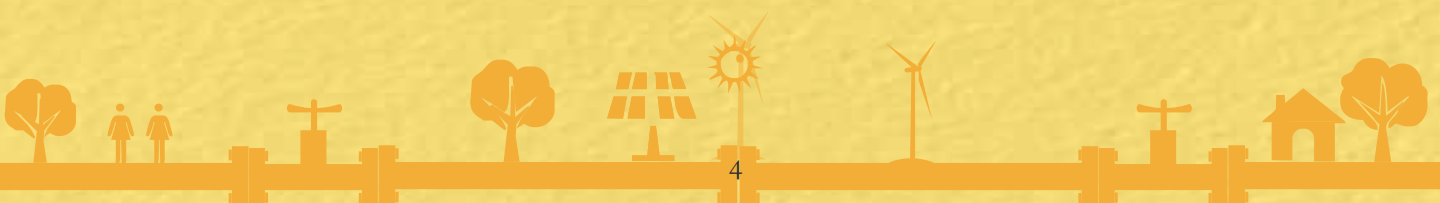
The theme of this year's Vigilance Awareness Week is "**Vigilant India, Prosperous India**". Following this theme meticulously will not just help us perform our duties sincerely but also help our society prosper.

GAIL always endeavors to ensure highest level of Transparency and Integrity in the tendering and contract management practices. Further, to tide over the restrictions imposed during nationwide lockdown, various efforts and initiatives like extension of bid submission dates, relaxation of requirement of authentication of documents, online meets for Pre-Tender, Pre-Bid, Bid Opening, etc have been taken. It goes without saying that the constant and active co-operation of our business partners was instrumental in sustaining the essential operations during the Pandemic. In order to further enhance transparency and improve stakeholder experience, "Vendor Feedback Portal" - an online portal for submission feedback by Vendor/ contractor was developed and made available on GAIL's website.

I hope that in this **Business Partner Interactive Meet-2020**, we collaborate to have constructive discussions to further strengthen GAIL's procedures and internal controls.

Thank you

(Manoj Jain)
Chairman & Managing Director



CVO MESSAGE



The Central Vigilance Commission observes **Vigilance Awareness Week (VAW)** every year. The theme for this year is “**Vigilant India, Prosperous India**”. The observance of VAW aims to sensitize each and every individual to perform their duties with complete integrity, transparency and accountability. It also helps in spreading the awareness among the masses about the importance of being vigilant. Like every year, during VAW-2020, various activities are undertaken, which may in turn, help us to eradicate any kind of corruption from our society.

It is said that Integrity, Transparency and Accountability form the pillars of good governance which helps an organization to enhance its credibility and trust in the market place.

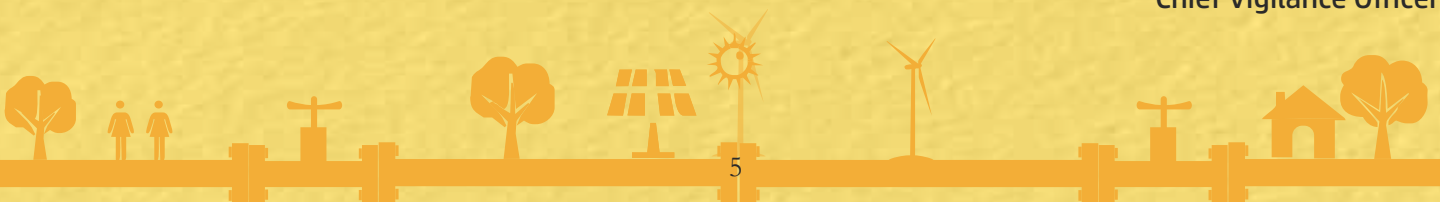
The procedures of GAIL are aligned with the Govt. guidelines and even during the current global pandemic situation, the procurement processes have been suitably modified to facilitate the vendors, without compromising on efficiency & transparency. C&P department has published these initiatives in form of this booklet-NAV-CHETNA, whose title itself gives us a message to develop a new consciousness with integrity.

Vigilance Department of GAIL always contributes positively in the functioning of the organization and encourage all the departments to adopt initiatives for growth of the business operations.

This redefined Business Partners Interactive Meet during the Vigilance Awareness week is one such initiative which gives all the suppliers / service providers, a sense of belonging. The meet provides a platform to Business Partners viz Vendors and Contractors to come out with their ideas/suggestions/feedback to help us strengthen the systems.

I welcome you all to this Business Partners Interactive Meet, aimed for the constructive deliberations for further betterment of system and process and expect that we all will remain vigilant for a prosperous GAIL.

(Ms. Shubha N. Bhambhani)
Chief Vigilance Officer



ED MESSAGE



The theme for this year's Vigilance Awareness Week is **"Vigilant India, Prosperous India"** and highlights the importance of being Vigilant in our day to day life. The prosperity of any good organization depends on the values of its stakeholders. In addition to be Vigilant the stakeholders of an organization to practice highest level of honesty, integrity and transparency in the dealing which are carried out by them.

With the passage of time, rules, procedures, guidelines keep on changing and thus upgrading our policies in accordance with the latest modifications is sacrosanct. We always strive for focusing on business partners' satisfaction and improvement of our work efficiency.

We prepared ourselves for many unprecedented business challenges but never for a Pandemic. The witnessing of the extreme lockdown situation in the entire country caused by Covid-19 virus made GAIL take a lot of initiatives for "Ease of Doing Business" during the lockdown period so that the stakeholders may not find it difficult to submit their bids and execute the contract thereafter. Some of these initiatives includes extension of bid due date wherever possible, conducting Pre-Tender , Pre-Bid and Tender Opening online, relaxation in authentication of BEC documents, online submission of EMD & CPS, extended timeline for submission of EMD & CPS, consideration of COVID-19 situation under Force Majeure, extension of delivery period if the it falls under lockdown period, etc.

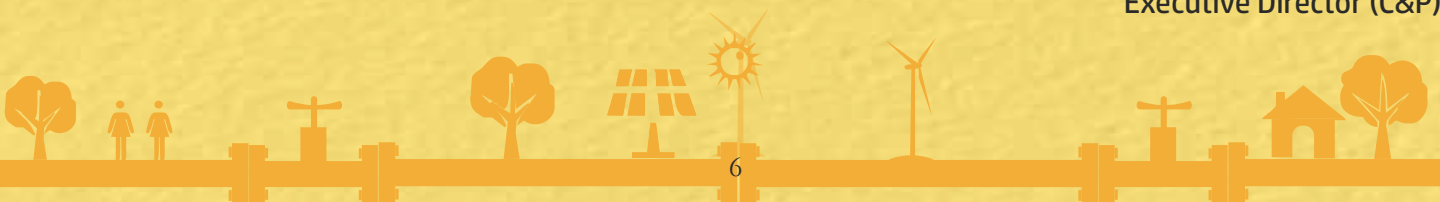
Further it is worthy to mention that GAIL has also taken various initiatives in order to promote the "AtmaNirbhar" Campaign of Government of India which includes adoption of revised MSE policy, non-issuance of ICB tender upto 200 Crores, uploading of procurement plan for the next 05 years on corporate website etc.

Also it has always been the endeavor of GAIL to proactive and maintain the highest level of Integrity during the tendering process, GAIL has an Integrity Pact Program which was implemented in 2007 and Integrity pact is being included in all tenders above prescribed value. Execution of the Integrity Pact is a No Deviation Criteria of the tender document means the bid of a bidder shall not be accepted if he declines the signing of Integrity Pact.

We value our association with suppliers and consider them as our greatest assets, therefore, to give a personal sense of belongingness to the biggest stakeholders of our organization, the meet has been redefined to **Business Partner Interactive Meet-2020**.

I look forward to your continued support & participation in GAIL's tenders.

(K.R.M. Rao)
Executive Director (C&P)



CORPORATE OVERVIEW

GAIL - Connecting the Gas Value Chain















Natural Gas

- Gas Pipeline Network of over 12,426 km and adding 7,500 km further more
- Over 70% share in Natural Gas Transmission market in India
- Contributes 55% of Natural Gas used in India

City Gas Distribution

- Serving over 2.4 million CNG vehicles & 4.1 million households with PNG
- Authorized to operate in 92 Geographical Areas throughout India including metro cities of Delhi, Mumbai, Hyderabad, Bengaluru, Kolkata



Petrochemicals

- Domestic market share of about 17.5%
- 1st ever producer of Metallocene catalyst based LLDPE Film grade polymer in India
- Petrochemical Plant of Patna, Uttar Pradesh and BCPL plant at Lepetkata, Assam with capacity of 0.81 MMTPA & 0.28 MMTPA respectively
- Exporting petrochemicals to markets of neighboring countries, South-East Asia, China

LPG & Liquid Hydrocarbons

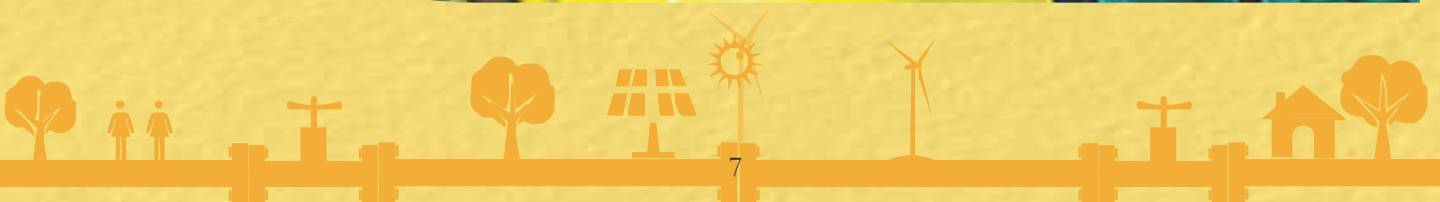
- 5 Gas Processing Plants producing LPG, Propane Pancane, Naphtha etc.
- LPG Transmission Capacity 3.8 MMTPA (2,038 km)
- 1,425 KTA of production capacity

Gas Sourcing and Upstream

- Participation in 11 EAP blocks
- Regas capacity in PLL Regas Terminal at Dahanu, India
- LNG Terminal at Dabhol, India
- Among Top 10 Global LNG Portfolio marketers

Renewables

- 118 MW of Wind Power Capacity
- 12.3 MW of Solar Power Capacity





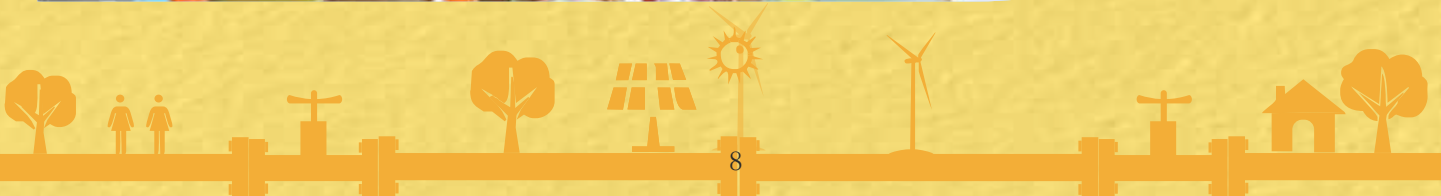
Vision

Be the leader in natural gas value-chain and beyond, with global presence, creating value for stakeholders with environmental responsibility



Mission

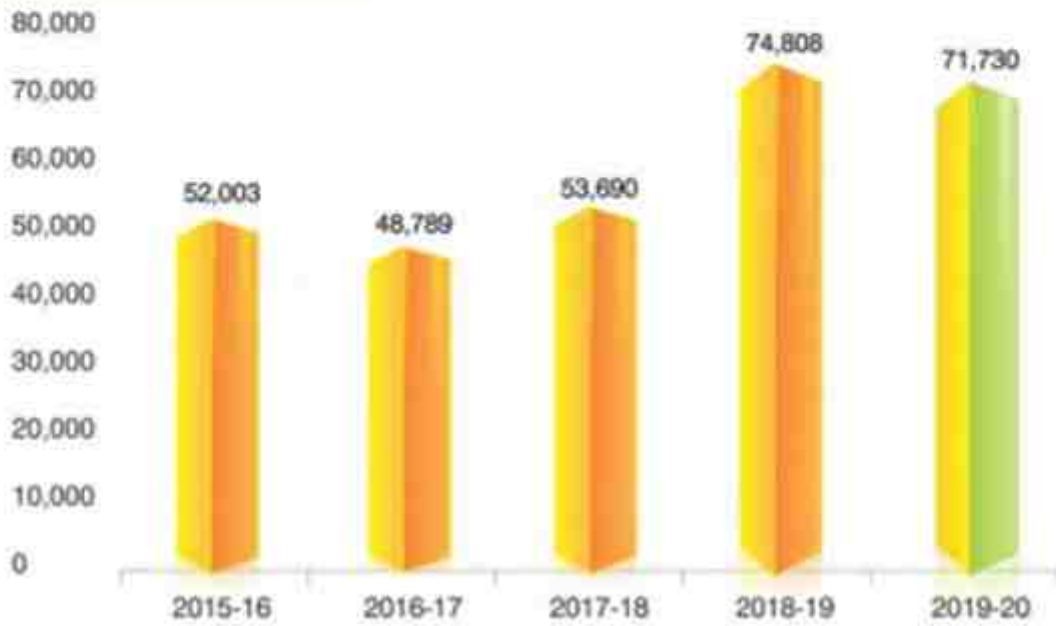
Enhancing quality of life through clean energy and beyond



Key Financial Highlights

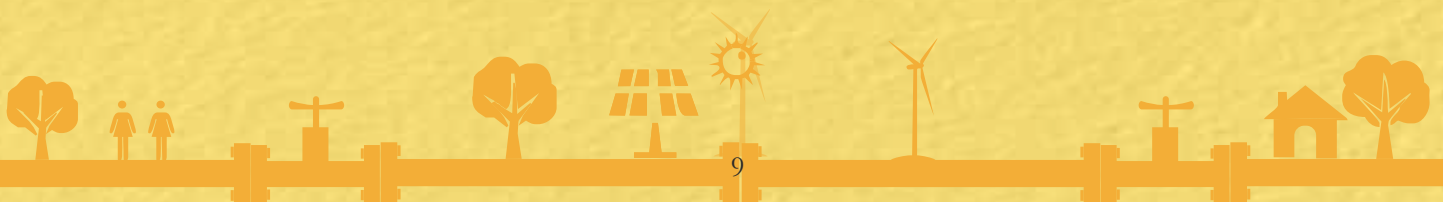
GROSS SALES

(₹ in crore)



GROSS MARGIN (EBIDTA)

(₹ in crore)

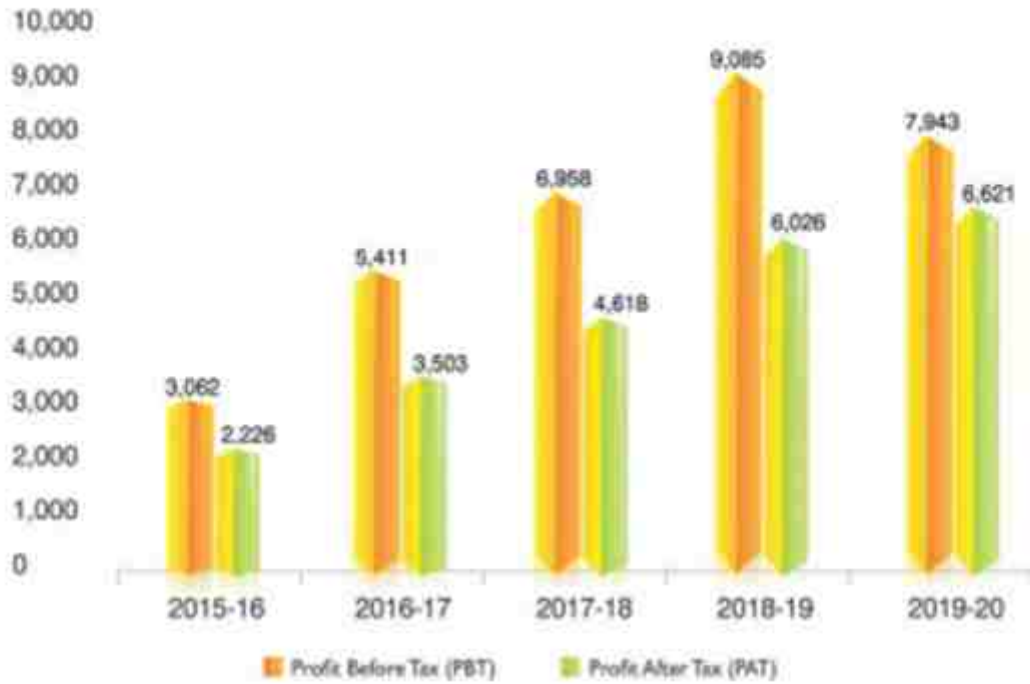




Energizing Possibilities

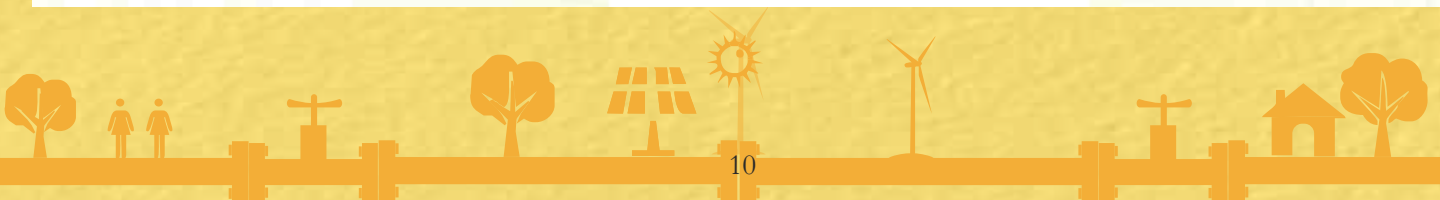
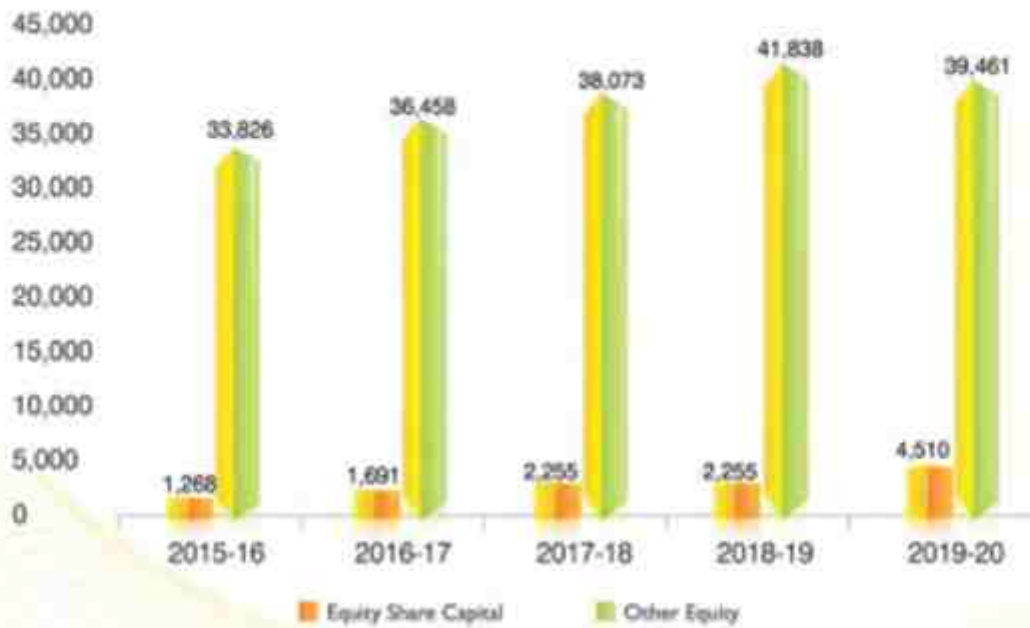
PROFITABILITY

(₹ in crore)



SHAREHOLDERS' FUND

(₹ in crore)

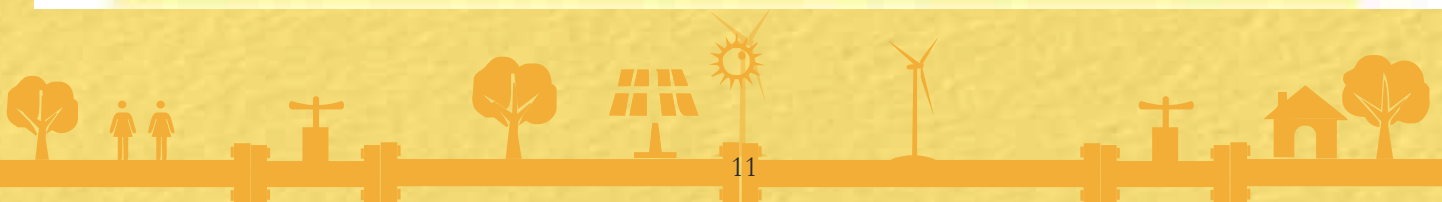


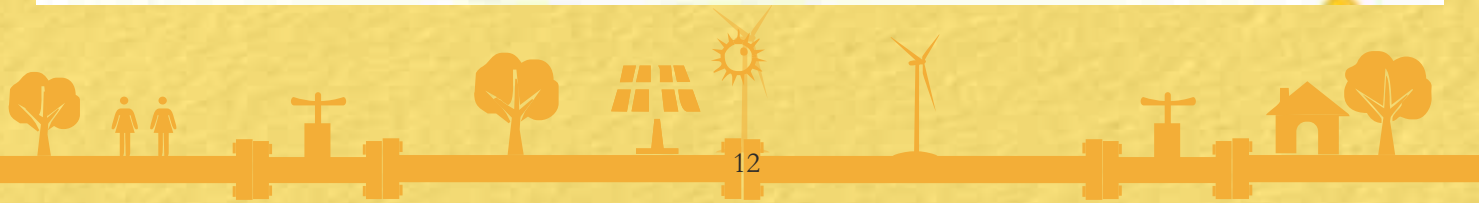
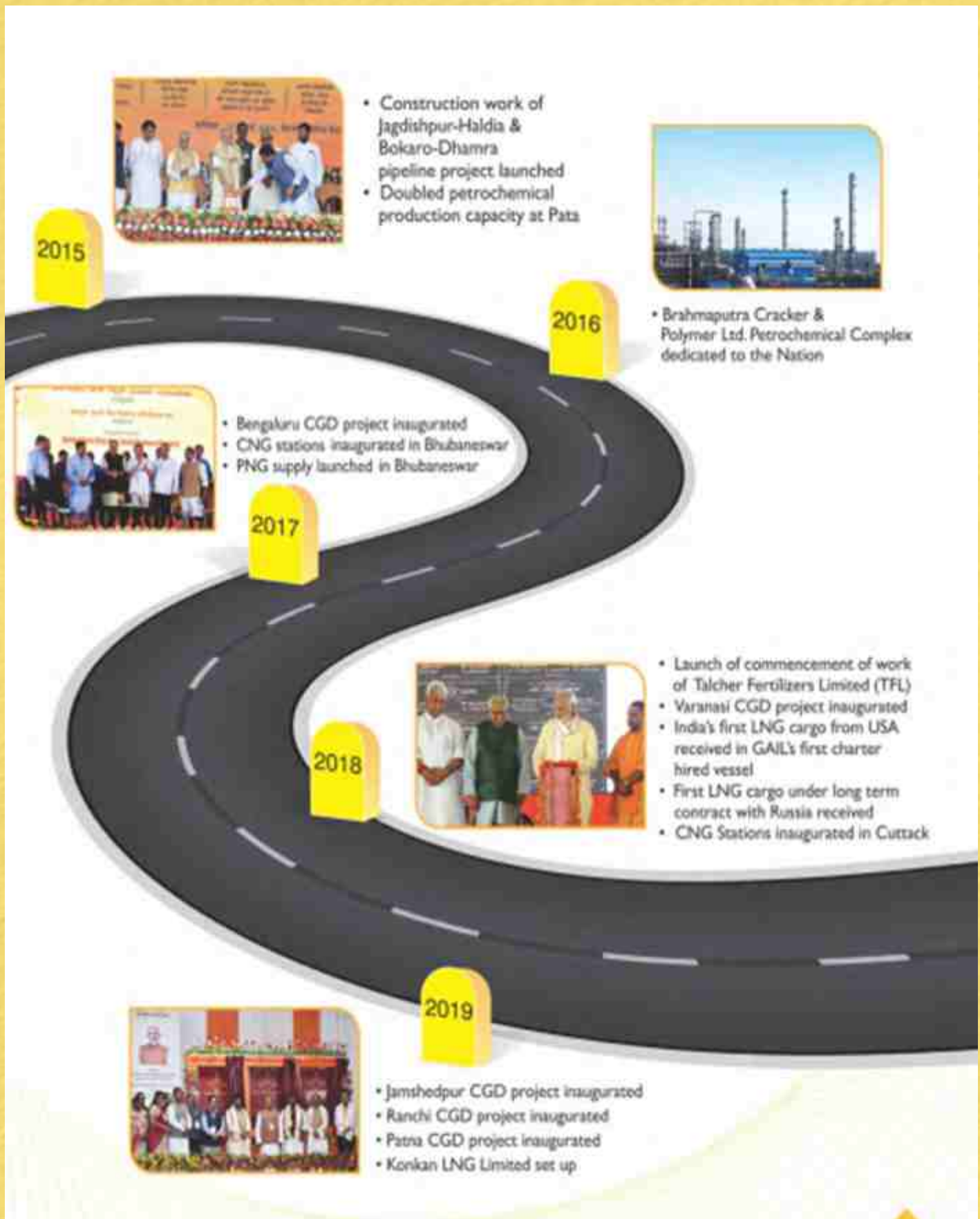
GAIL - Growing the Green Fuel



Leading India's Natural Gas Sector

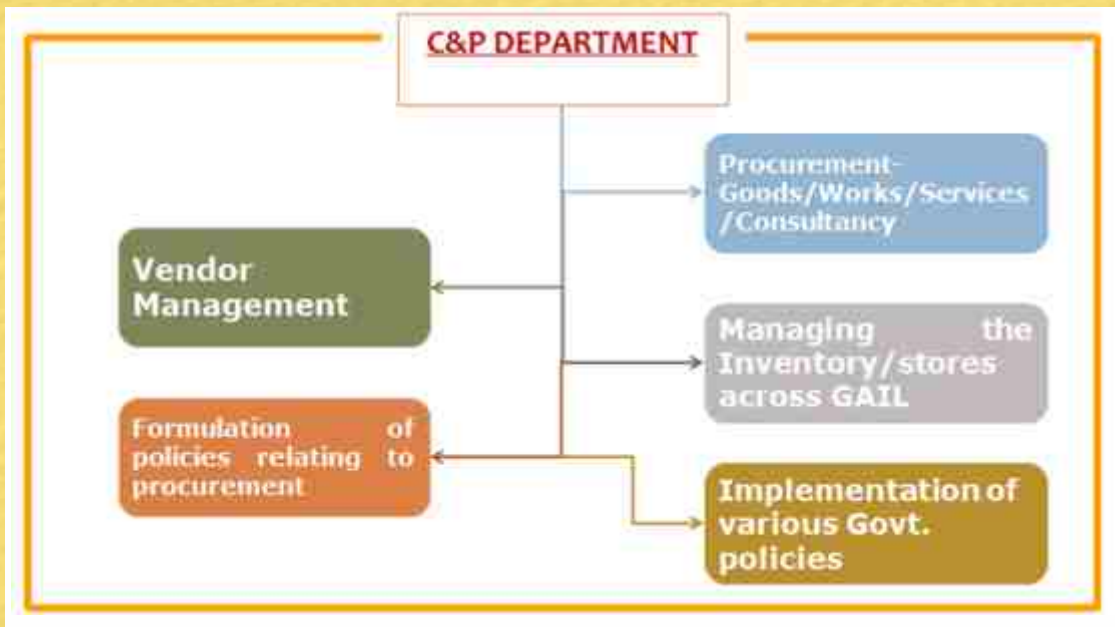
- Operates 72% of India's natural gas transmission pipelines
- Supplies gas for about 73% of India's fertilizer produced
- Operates more than 65% of India's total CNG stations through alliances
- Responsible for 67% of PNG Connections in India
- Contributes 55% of natural gas sold in India
- Supplies gas for about 63% of India's gas based power





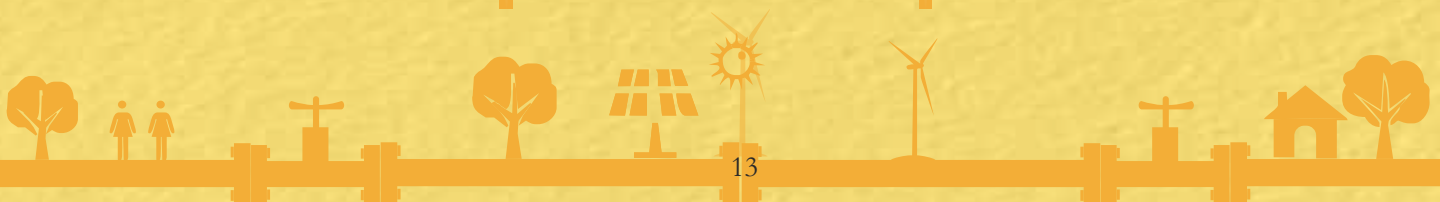
CONTRACT & PROCUREMENT IN GAIL

1. C&P Department of GAIL (ISO 9001:2015 certified) is committed and responsible for procurement of Goods, Works, Services, Consultancy services relating to O&M, Business Development, Marketing, HR, Finance and Projects in a fair and transparent manner, Vendor Management, Managing the Inventory/stores across GAIL, Formulation of policies relating to procurement activities, Implementation of various Govt. policies from time to time including public procurement policies for Micro & Small Enterprises (MSEs), Public Procurement policy for Local Content, Domestically Manufactured Electronic Products, Make in India, Purchase Preference for Telecom Products, works or services and various other activities.



At present, C&P department is available at the following locations across GAIL as detailed below:

1	Agartala, Tripura	10	Hazira, Gujarat	19	Mansarampura, Rajasthan
2	Pata, UP	11	Jaipur, Rajasthan	20	Mumbai, Maharashtra
3	Bengaluru, Karnataka	12	Jamnagar, Gujarat	21	Nasirabad, Rajasthan
4	Chainsa, Haryana	13	Jhabua, MP	22	Samakhaili, Rajasthan
5	Vizag, AP	14	Kailaras, MP	23	Vaghodia, Gujarat
6	Delhi	15	Khera, MP	24	Vadodara, Gujarat
7	Dibiyapur, UP	16	Kochi, Kerala	25	Karaikal, Tamil Nadu
8	Gandhar, Gujarat	17	Ranchi, Jharkhand	26	Rajahmundry, AP
9	Noida, UP	18	Vijaipur, MP	27	Bhubaneshwar, Orissa



2. Objective of C&P Department:

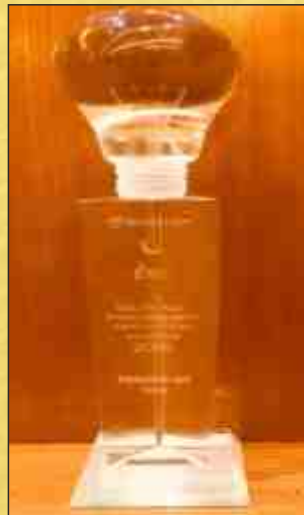
The objective of the Contracts & Procurement Department is to strategically and ethically acquire quality goods & services at the best value and within the committed time frame by adopting innovative approaches to sourcing, maximizing use of IT tools throughout the procure to pay cycle, providing fair & equal opportunity to the bidders and establishing a progressive model of best practices based on the concept of continuous feedback albeit adhering to the guidelines issued by the Government of India from time to time.

3. Vision of C&P Department:

To provide resources at right time, quality, quantity, and value by extending fair and equitable opportunity to resource providers and satisfaction of all stakeholders as per defined KPIs and maintaining ethics, transparency, efficiency and striving for zero dispute with continuous improvement in processes and procedures.

4. Proud Moment for C&P Department:

A) **RUNNERS-UP (INDIA) AWARD AT THE 6TH SOUTH ASIA PROCUREMENT INNOVATION AWARDS 2018**



World Bank, South Asia Regional Public Procurement Network (SAPPN) and Procurement iNET had invited entries for South Asia Public Procurement Innovation Award 2018. The key objective of 2018 award was to enhance learning and knowledge sharing from innovative approaches adopted by Procurement entities and systems across the South Asia region.

GAIL (India) Ltd. bagged the Runners-Up (India) Award on the Topic “Initiatives for Dispute Minimization” at 6th South Asia Procurement Innovation Awards 2018.



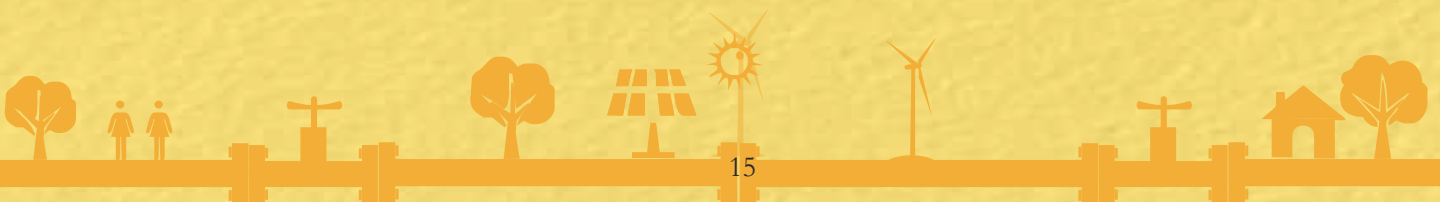
B) “WINNERS” AT 4TH NATIONAL COMPETITION FOR MANAGERS ORGANIZED BY AIMA:

GAIL team represented by Ms Priyanka Sachdeva, Manager (C&P) & Mr Abhishek Udawat, Sr Officer (C&P), were adjudged as WINNER in the Grand Finale in the 4th National Competition for Managers organized by All India Management Association (AIMA), Delhi.

The team emerged victorious in the competition themed Managing "Change : Achieving Excellence", presenting on the topic of "Navchetna –Initiatives on Dispute Minimization in Contracts."

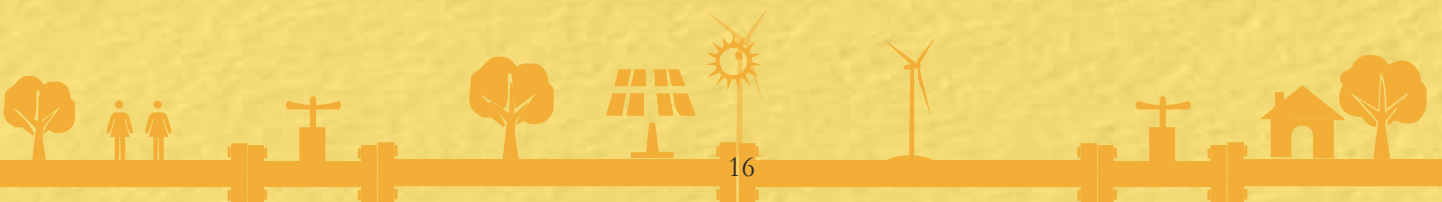
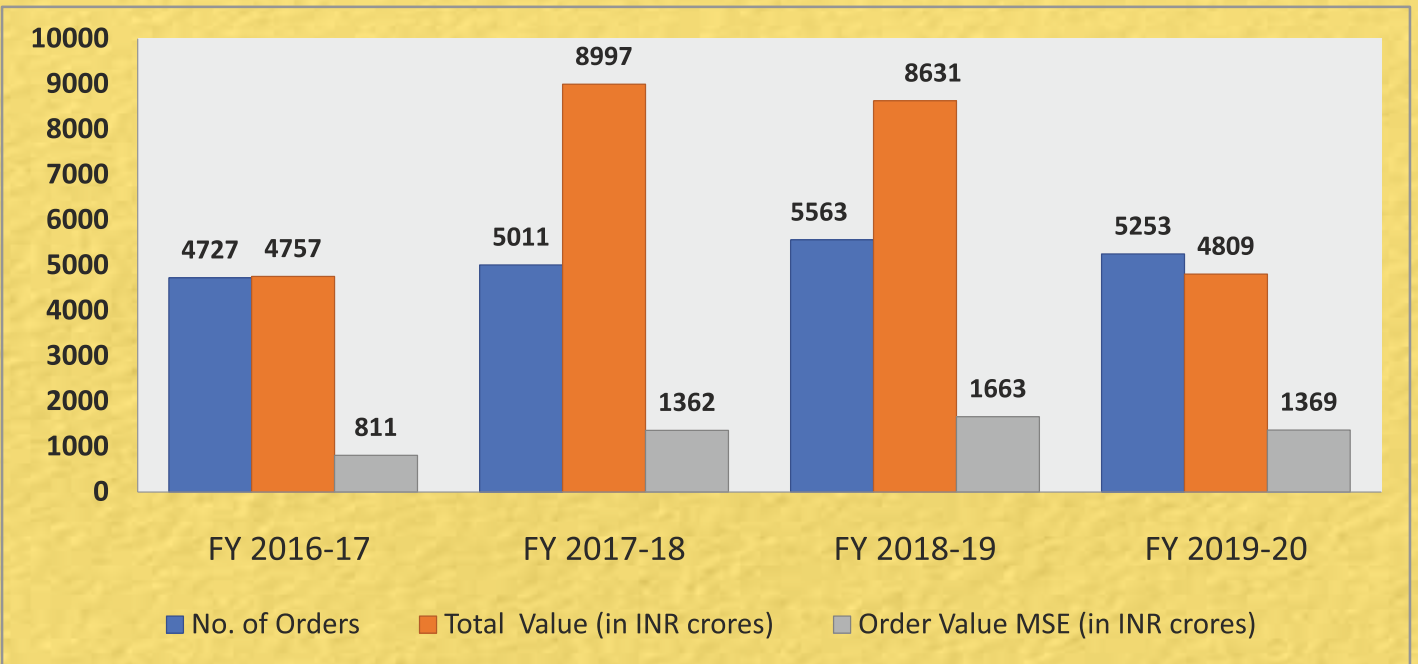
**C) WINNERS UNDER CORPORATE FUNCTIONS CATEGORY AT THE 12TH KNOWLEDGE SHARING SESSION AT GTI:**

Team of Corporate C&P bagged the winner award for their Paper on "Initiatives on Dispute Resolution" under the Corporate Functions Category at the 12th Knowledge Sharing Session at GTI





5. The details of Orders placed by C&P department of GAIL are as under:



6. Procurement of Goods, Works, Services and Consultancy done as per Contract and Procurement (C&P) Procedure Manual which is based on guidelines of Govt. & CVC and basic principles of public procurement i.e. Fairness, Transparency and Equal opportunity Tendering activities cover from generation of requirement till award and execution & closure of contract. In GAIL Contracts are awarded on:

- a) Lowest techno-commercially acceptable bid basis
- b) Quality and Cost Based Selection (QCBS) method

7. **The types of Contracts awarded in GAIL are as below:**

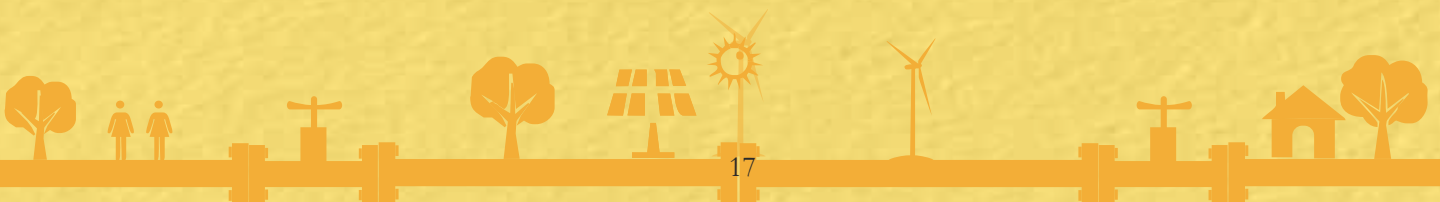
- a) Procurement of Goods
- b) Hiring of Services
- c) Works Contract
- d) Appointment of Consultants

8. **There are various modes thru which aforesaid procurement activities are carried out in GAIL, some of them are as follows:**

- (i) Government e-Marketplace (GeM)
- (ii) Open Domestic Tenders
- (iii) Limited Domestic Tender
- (iv) Open International Competitive Bidding (ICB)
- (v) Limited International Competitive Bidding (LICB)
- (vi) Nomination order/ award
- (vii) OEM/Proprietary Purchase
- (viii) Petty Purchase/works/services/Hand quotation for petty orders
- (ix) Annual Rate Contracts
- (x) Purchase by Board of Officers
- (xi) Emergency Purchase
- (xii) Purchase from Governmental co-operative commercial outlets
- (xiii) Quality and Cost Based Selection (QCBS) for Services

9. **Tendering and Contracting involves three stages**

- a) Pre- Award Stage
- b) Post Award (Execution of contract)
- c) Closure of Contract



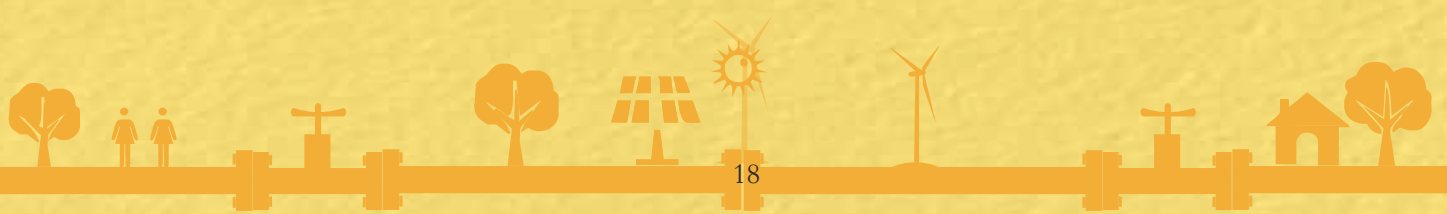
PRE-AWARD



POST-AWARD



Tomorrow is Yours
With the eco-friendly fuel - Natural Gas



INTEGRITY PACT PROGRAM

(I) ADOPTION OF IP IN GAIL

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

Integrity Pact provisions are being included in all tenders of value Rs. One (1) crore and above. In case a bidder does not sign the Integrity Pact, their bid is liable for rejection.

As a matter of transparency and to give wider publicity, copies of the said MoU and Integrity Pact Program has been hosted on our website which is available in public domain.

Integrity Pact is implemented through a panel of Independent External Monitors (IEMs). The IEMs are eminent personalities of high integrity and reputation and appointed with the consent of CVC.

Further, in May 2019, the proforma of Integrity Pact was comprehensively reviewed based on the proforma circulated by Department of Public Enterprises and that being followed by other peer CPSEs.

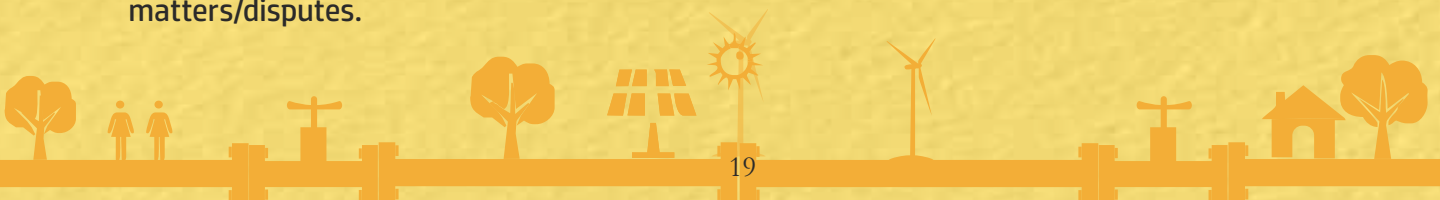
(II) EFFECTIVENESS IN ENSURING TRANSPARENCY AND OBJECTIVITY IN PROCUREMENT ACTIVITIES

Integrity pact consists of following salient features:-

- The Principal would commit to have most ethical & corruption-free business dealings with Counterparties.
- The Principal will honor its commitments and make payments in a timely manner.
- The Principal will value its relationship with all counterparties and will deal with them in a fair and transparent manner.
- In competitive tenders, the Principal will deal with all counter-parties with equity, transparency & fairness.

The following aspects have been observed on effectiveness of IP program:

- Integrity pact imbibes confidence of bidders in tendering process
- Vendors are careful while quoting the tenders and feel comfortable on the post award matters/disputes.



- Minimization of delay due to quicker resolution of tender issues/complaints, thus processing time of Tenders reduced.
- Improved Vendor's awareness, resulting enhanced performance
- Reduction in Motivated/Frivolous Complaints
- Increased comfort level for both organization and vendors.
- Indirect cost saving through minimization of delays in tender finalization. Direct cost saving through finalization of tender at a lower value.
- Critical issues relating to tender finalization have been resolved due to fair, transparent and objective assessment by IEMs

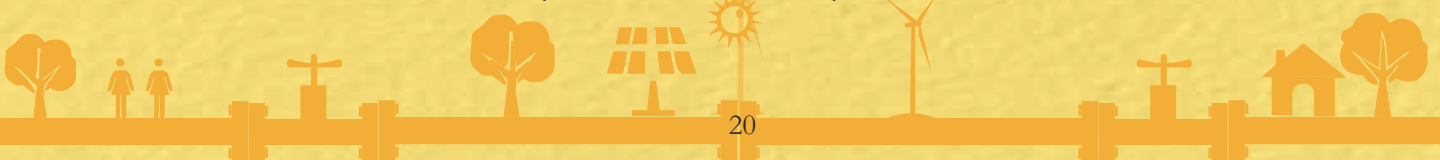
(III) ROLE OF IEMS

At present there are three IEMs namely:-

- Dr. MeeranChadhaBorwankar (email id : mcborwankar@gmail.com)
- Shri Ajit Mohan Sharan (email id : ams057@gmail.com)
- Shri Sanjeev Behari (email id : saloni_behari@yahoo.co.in)

The roles and responsibilities of IEM in Integrity Pact Program are as under:-

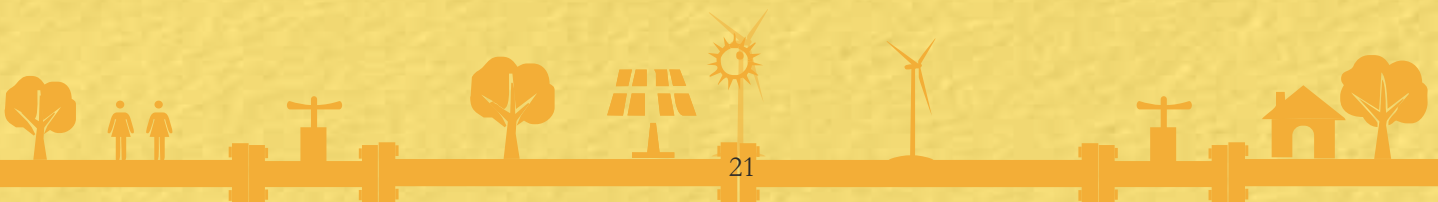
- The Principal appoints competent and credible external independent Monitor for this Pact. The task of the Monitor is to review independently and objectively, whether and to what extent the parties comply with the obligations under this agreement.
- The Monitor is not subject to any instructions by the representatives of the parties and performs his functions neutrally and independently. He reports to the Chairperson of the Board of the Principal.
- The Bidder/ 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.
- 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.
- As soon as the Monitor notices, or believes to notice, a violation of this Pact 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.

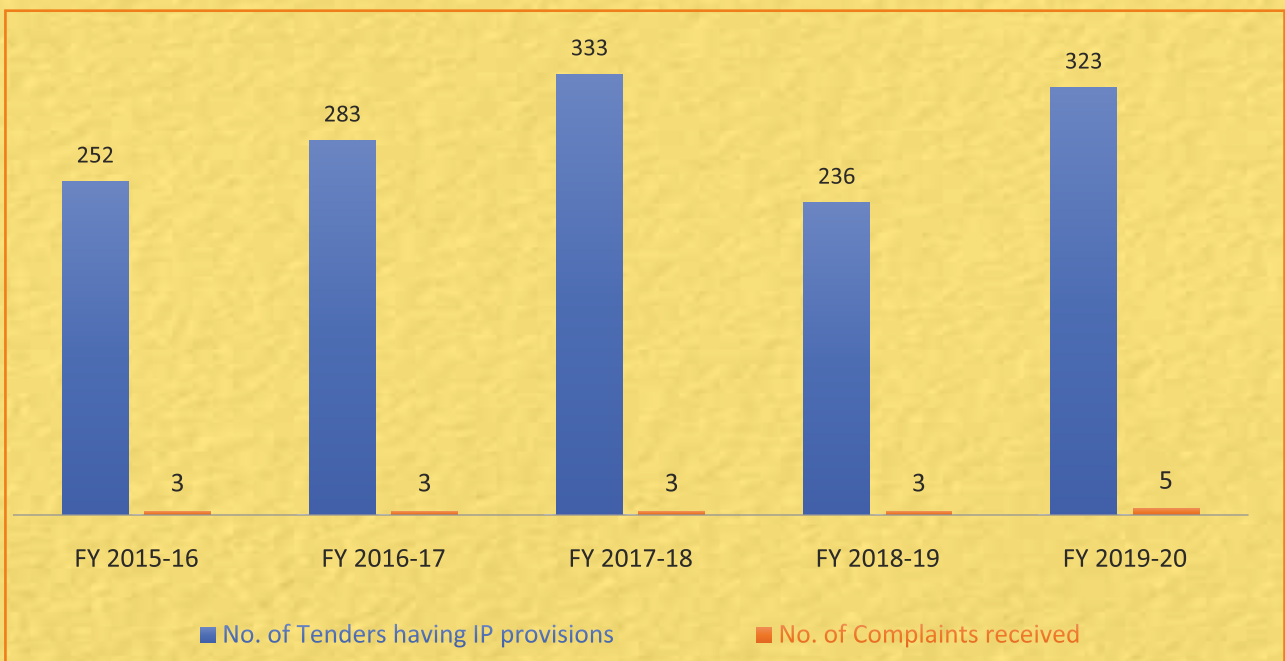
- vi) The Monitor will submit a written report to the Chairperson of the Board of the Principal within 10 days as far as possible from the date of reference or intimation to him by the 'Principal' and should the occasion arise, submit proposals for taking corrective measures.
- vii) If the Monitor has 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.
- viii) 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.
- ix) 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.
- x) The monitor has also signed declarations on 'Non-Disclosure of Confidential Information' and of 'Absence of Conflict of Interest'. In case of any conflict of interest arising at a later date, the IEM shall inform Chairperson of the Principal and recuse himself / herself from that case.
- xi) In case of any complaints referred under IP Program, the role of IEMs is advisory and would not be legally binding and it is restricted to resolving the issues raised by an intending bidder regarding any aspect of the tender which allegedly restricts competition or bias towards some bidder.
- xii) Issues like warranty / guarantee, etc. shall be outside the purview of IEMs.

(IV) Details of orders in IP in last years are as follows:

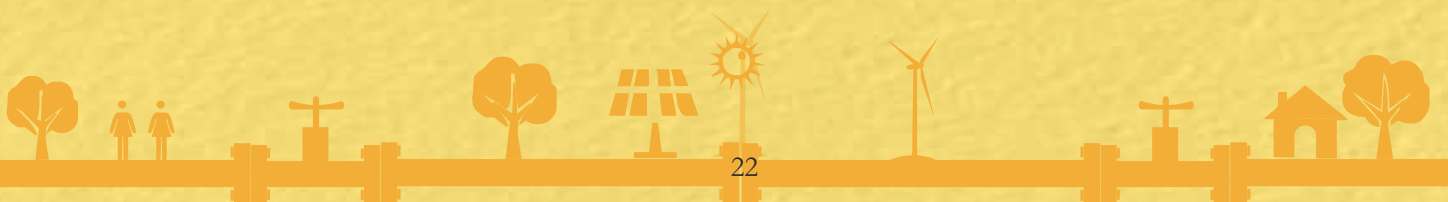


#	Period	Value of Orders with IP (Rs. in Cr.)	No. of orders with IP
1.	01.04.2016 to 31.03.2017	3623	335
2.	01.04.2017 to 31.03.2018	7012	409
3.	01.04.2018 to 31.03.2019	5298	354
4.	01.04.2019 to 31.03.2020	3535	385

(V) Details of complaints to IEMs



These complaints are generally related to rejection of bids against tender or delay/non-release of payment against contract.



INITIATIVES TAKEN BY GAIL UNDER ATMANIRBHAR BHARAT ABHIYAN FOR EASE OF DOING BUSINESS AND REDUCING COMPLIANCE BURDEN

A. EASE OF DOING BUSINESS

i. PRE-TENDER MEETING:

Pre-Tender meeting gives a better understanding of technical and financial qualification criteria, specifications / scope of work and other terms and conditions of tender, feedback from prospective bidders on the same, fair assessment of bidders' credentials, avoid technical and commercial queries during the tender process and reduces lead time for ordering. In GAIL, Pre-tender meetings are being conducted in most tenders and especially for first time/ complex /high value requirements.

A SoP for pre-tender meeting and standard proforma of presentation for Pre-tender meeting prepared for uniformity all across in GAIL. Further, details of Pre-tender meetings are also being uploaded on GAIL's website for wide publication.

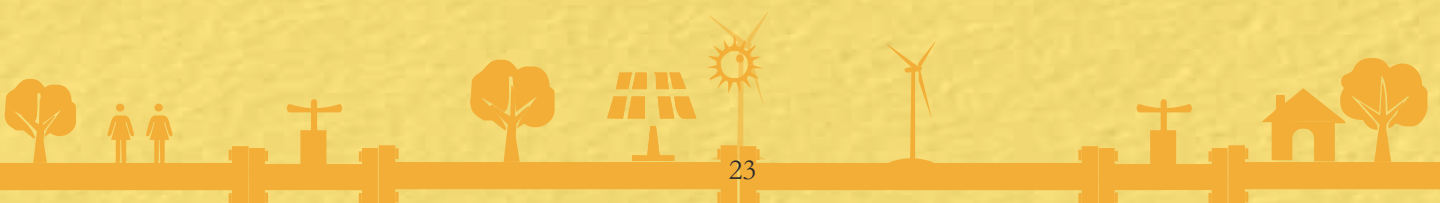
ii. MODEL INSTRUCTIONS TO BIDDERS (ITB) FOR ALL TENDERS:

The Instructions to Bidders (ITB) is a very important part of Tender Document. The successful and smooth finalization of any tender depends to a large extent on the terms and conditions contained in ITB.

Model ITB for all categories of tenders incorporating applicable Circulars/ Amendment/ Clarifications issued till date for incorporating the same in Tender Documents. The introduction of Model ITBs shall bring about uniformity in tendering to a large extent across all work centers of GAIL and also facilitate bidders in submitting their bid.

iii. DOCUMENT TRANSMITTAL SYSTEM:

GAIL has also introduced the Document Transmittal System for signing and countersigning of the bulky contract documents in Projects. Bulky documents are signed by the GAIL official via digital means without taking out the printout of the documents. This digitally signed contract document is transmitted online to the contractor, who in-turn countersigns the document and sends it back to GAIL.



iv. PROVISION FOR SUBMISSION OF SECURITY DEPOSIT/CONTRACT PERFORMANCE GUARANTEE AND EMD THROUGH ADDITIONAL MODE OF ONLINE BANK TRANSACTION:

For ease of doing business and facilitation to vendors to submit EMD and CPBG, provisions for submission of security deposit/CPBG through online transaction/wire transfer has been introduced in GAIL

v. QUALIFICATION OF INDIAN BIDDER BASED ON EXPERIENCE OF FOREIGN SUPPORTING COMPANY:

In order to boost Make in India and enhance the participation by Indian bidder, policy has been introduced in GAIL to qualify the Indian bidder against tender based on experience of foreign supporting bidders.

vi. RELAXATION NORMS FOR STARTUP :

Relaxation of Prior turnover and prior experience criteria for all Startups [whether Micro & Small Enterprises (MSEs) or otherwise] is provided in the procurement of goods/works/services (including consultancy services) subject to the meeting the quality and technical specifications specified in tender document.

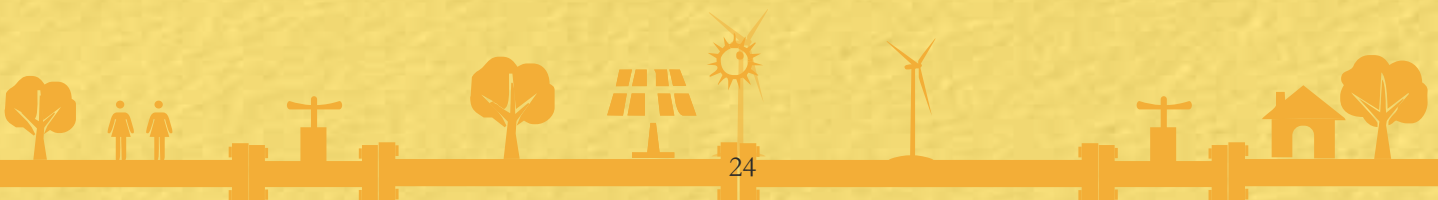
vii. BID CAPACITY OF PIPELINE PROJECTS AND CGD PROJECTS:

In order to avoid over booking of contractors and timely execution of projects of national important, provision of Bid Capacity has been introduced in case of tender for Pipeline Projects and CGD Projects (applicable in tender for procurement of Construction works (i.e. Pipeline laying, Terminal Works, Civil Works, etc.). Wherein any bidder whose available bid capacity is not optimum to take up the GAIL's work shall be rejected.

viii. KICK OFF MEETING:

Immediately after award of contract, EIC organises a kick off meeting with the Contractor. The following major aspects covered during the Kick off meeting:

- (i) Acceptance of Letter of Acceptance (LOA) and signing of agreement
- (ii) Submission of Security Deposit (SD)/ Performance Bank Guarantee (PBG)/Contract Performance Security (CPS)
- (iii) Power of Attorney of the authorized representative to be valid till complete execution of contract.
- (iv) Schedule for submission and approval of drawing/ document etc.



- (v) Work schedule and sub-milestones
- (vi) Compliance with Law / Insurance policies and Statutory approvals from Govt./ statutory agencies
- (vii) Owner's and Contractor obligations
- (viii) Any other salient details as per provision of contract.

ix. BILL WATCH SYSTEM :

Bill Watch System is GAIL's another step towards automation and commitment towards its Suppliers and Contractors. BWS helps in tracking Suppliers and Contractors bills and ensuring timely payment to them. Suppliers and Contractors can also keep watch on their bills. Suppliers and Contractors can know the status of their bill just by entering BWS receipt number at <https://gailebank.gail.co.in/billwatch/billwatch3.asp>

Further, Anjani portal has been implemented in GAIL for online submission and verification of Measurement against contracts.

x. REVIEW OF CPBG IN WORK CONTRACTS & TIME PERIOD FOR SUBMISSION OF CPBG:

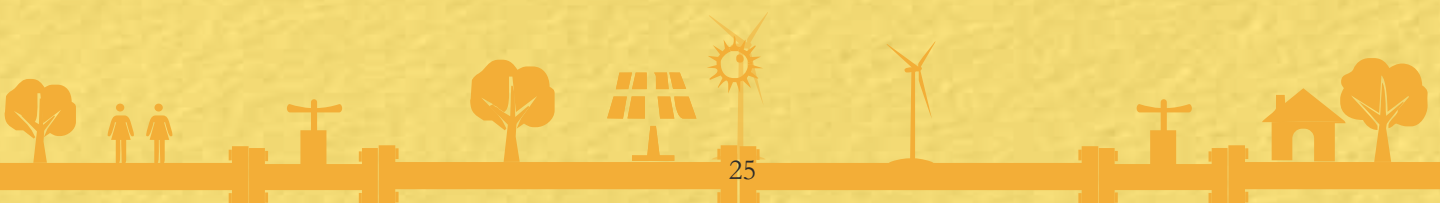
Provision of CPBG in work contracts have been modified as 5% initial CPBG and deduction of remaining 5% through Running Bill for ease in submission of CPBG by the contractor.

Further, time period of submission of CPBG has also been rationalized.

xi. MEASURES TAKEN IN PIPELINE LAYING CONTRACTS:

In tender of pipeline laying, the following provisions have been included to address the liquidity issues being faced by the contractors in the pipeline laying sector:

- (i) Mobilization advance in two installments of 5% each. The applicable rate of interest on Mobilization advance has been reduced to Marginal Cost of Fund based Lending Rate (MCLR) for one year charged by SBI (applicable on the date of disbursement of mobilization advance) plus 2.0% p.a. on reducing balance basis.
- (ii) Release of 70% Running bill payment within a period of 07 days from submission of certified bill to GAIL
- (iii) Defined amount towards Extended stay compensation to the contractor due to reasons attributable to GAIL.



xii. PRE-DISPUTE RESOLUTION (SAMADHAN) MECHANISM:

During execution of contracts/ orders of Projects and O&M, on number of occasions, contractual disputes arise between Vendors / Contractors and GAIL due to lack of clarity in contracts, different interpretations etc.

These contractual disputes, if not settled amicably during currency of contracts, will turn into much larger arbitrations & legal disputes later on.

Samadhan Mechanism was developed and adopted in GAIL so that the no. of disputes turning into arbitrations / legal disputes can be minimized to the extent possible. Samadhan Mechanism facilitates decision making at an appropriate time with a collaborative approach through the concerned departments within the organization.

Working Principle: IRR (Identify Report Resolve): Identify → Report → Resolve

20th/ 21st of each month is celebrated as Samadhan Day.

GAIL strives towards zero disputes in contracts.

GAIL has developed on line Vendor Grievance Portal for submission of grievance by vendors/ contractors

xiii. SETTLEMENT ADVISORY COMMITTEE (SAC):

GAIL has framed the Conciliation Rules 2010 in conformity with supplementary to Indian Arbitration and Conciliation Act for speedier, cost effective and amicable settlement of disputes through conciliation.

The issues/disputes, which are mutually resolved within a reasonable time, are referred to SAC. SAC consist of Conciliators who are persons of unquestionable integrity and good public standing.

Settlement Advisory Committee facilitate voluntary resolution of the dispute(s) and communicate the view of each party to the other(s), assist them in identifying issues, reducing misunderstandings, clarifying priorities, exploring areas of compromise and generating options in an attempt to solve the dispute(s).

xiv. REVISED DISPUTE RESOLUTION MECHANISM CLAUSE:

GAIL has revised and simplified its Dispute Resolution Mechanism provisions which includes terms of CONCILIATION, ARBITRATION, GOVERNING LAW AND JURISDICTION and DISPUTES BETWEEN CPSE'S/GOVERNMENT DEPARTMENT'S/ ORGANIZATIONS.



As per the revised mechanism the party invoking the Arbitration shall have the option to either opt for Ad-hoc Arbitration or Institutionalized Arbitration. The cost of arbitration proceedings shall be shared equally by the parties. List of Excepted matters:

- a) Dispute(s)/issue(s) involving claims below Rs 25 lakhs and above Rs 25 crores.
- b) Dispute(s)/issue(s) relating to indulgence of Contractor/Vendor/Bidder in corrupt/fraudulent/collusive/coercive practices and/or the same is under investigation by CBI or Vigilance or any other investigating agency or Government.
- c) Dispute(s)/issue(s) wherein the decision of Engineer-In-Charge/owner/GAIL has been made final and binding in terms of the Contract.

xv. UPLOADING THE PROCUREMENT PLAN OF NEXT FIVE YEAR:

The procurement plan of next five years of GAIL has been uploaded on GAIL's Website to facilitate Indian Manufacturer to plan their business prospectus accordingly.

xvi. PROCESSING OF INTERNATIONAL COMPETITIVE BIDDING (ICB) TENDERS UPTO RS. 200 CRORES:

In order to support the Government in "Atmanirbhar Bharat Abhiyan" and in line with Govt. guidelines, in GAIL tenders on International Competitive Bidding (ICB) basis are not being invited for tenders up to rs. 200 Crores except in case of exceptional circumstances with special reasons.

xvii. PROVISIONS FOR PROCUREMENT FROM A BIDDER WHICH SHARES A LAND BORDER WITH INDIA:

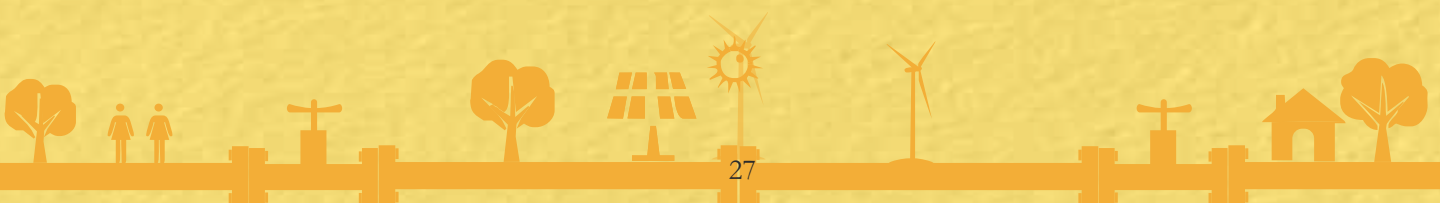
Any bidder from a country which shares a land border with India will be eligible to bid in only if the bidder is registered with the Competent Authority specified by Govt.

xviii. MEASURES TAKEN IN TENDERING/ PROCUREMENT UNDER PANDEMIC SITUATION OF COVID-19:

Since, the Novel Coronavirus (COVID-19) has been declared pandemic by World Health Organization (WHO) and whole country was under lock down and various restrictions were imposed. Accordingly, in tendering following measures were taken in GAIL:

1. Extension of Bid Due Date of tenders:

Due to the lockdown situation in the entire country and bidders were facing difficulty to submit their bids within the due date and time, therefore, the bid due date for tenders were extended upto 30.04.2020 then further extended upto 19.05.2020.



2. Authentication of BEC Documents:

It was decided to evaluate the bids based on the self-certified documents submitted by Bidders. The authenticated documents will be submitted by bidder, on whom order/ contract is placed, after normalization of situation. Bidders are required to furnish an undertaking to this effect in his Bid.

3. Pre-Tender Meeting and Pre- Bid Meeting:

Pre-Tender Meeting and Pre – Bid Meetings are being conducted through video Conferencing.

4. Tender Opening:

Tender openings (both un-priced and priced) are being conducted through video Conferencing where the bidders can witness the opening from their place without physical presence.

5. Submission of Original Integrity Pact (IP) and Power of Attorney (POA):

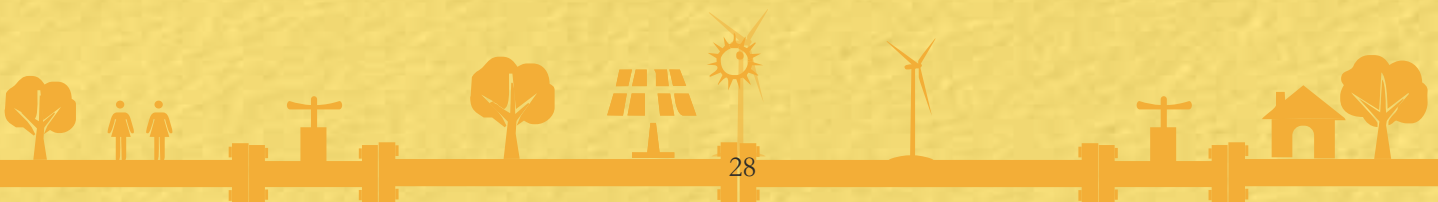
Bidder(s) is to upload/submit scanned copy of Integrity Pact (IP) and Power of Attorney (POA) in their bids or in response to TQ/CQ as the case may be. The same are being considered for evaluation of bid. The original Integrity Pact (IP) and Power of Attorney (POA) will be submitted by successful bidder(s) after normalization of situation.

6. Submission of EMD in Original:

- a) The period of submission of original EMD by bidder is extended to 30 days (from existing 7 days) or till the date of approval of PBO recommendation whichever is earlier.
- b) The Original copy of BG for EMD shall not be required when bank forwards the SWIFT message to GAIL confirming establishing of BG. In case bank confirms issuance of BG and transmit the soft copy of BG, the same will also be considered. However, the original BG will be submitted by bidder, on whom order/ contract is placed, after normalization of situation.

7. Affidavit of Self Certification regarding Domestic Value Addition as per extant Policy to provide Preference to Domestically Manufactured Iron and Steel Products:

Bidder is to submit self-certification in prescribed proforma of policy on company letter head along with bid or in response to TQ/CQ as the case may be. The Affidavit of Self Certification in original will be submitted by bidder, on whom order/ contract is placed, after normalization of situation.



8. Mill demonstration Fee in original with the Bid (specific to Line Pipe tender):

Bidders to submit the Mill Demonstration fee through direct wire transfer for conducting Demo. While remitting, the bidder must indicate Mill Demonstration Fee and tender/E-tender no. under remarks. Bidders is required to submit/ upload the successful transaction details along-with their bid/e-bid.

9. Reverse Auction Training and Demo auction (specific to Line Pipe tender):

Reverse Auction Training and Demo auction are being conducted through video Conferencing.

10. Submission of Audited Financial Statements:

For evaluation of Financial Criteria of BEC during this financial year i.e. 2020-21, the Financial Statement of bidder for year 2018-19 (in place of 2019-20) is being considered till 31st December 2020.

xix. MEASURES TAKEN IN CONTRACT MANAGEMENT UNDER PANDEMIC SITUATION OF COVID-19

The following measures were taken in GAIL in Contract Management:

1. Time period for submission of Contract Performance Security:

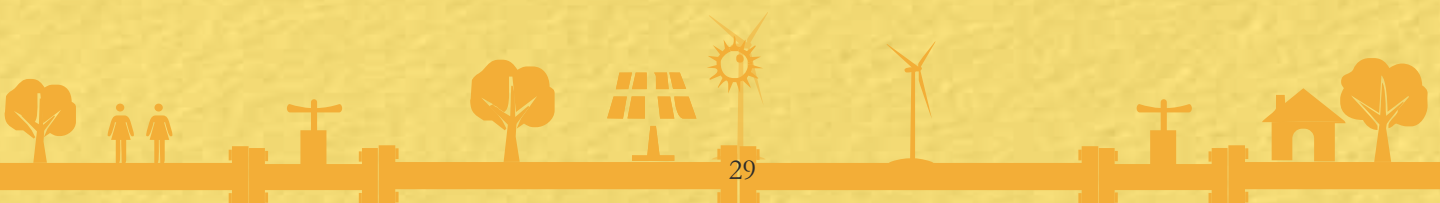
In case due date for submission of Contract Performance Security against order/ contract is falling within the lockdown period, the same was extended till 30.09.2020.

During the aforesaid period, in case any payment is to be made against such order/ contract, the payment to supplier/ contractor/ consultant/ service provider may be released after deduction of Security deposit/ Initial Security Deposit from due payment after getting confirmation from supplier/ contractor/ consultant/ service provider.

2. Consider COVID-19 situation under Force Majeure:

Due to restricted movement during the lockdown, suppliers / service providers were unable to deliver the ordered items / services within the stipulated time schedule. Ministry of Finance vide notification dated 19.02.2020, has stated that spread of COVID-19 should be considered as a case of natural calamity and Force Majeure Clause (FMC) may be invoked, wherever considered appropriate, following the due procedure.

Accordingly, COVID-19 is to be considered as a cause under the Force Majeure Clause under respective GCCs. Further, following is being considered:



- (i) In the event of invocation of Force Majeure by Supplier/ Contractor/ Service Provider/ Consultant and after fulfilling the due procedure, wherever applicable, the delivery period/ contractual completion period of orders/ contracts, where delivery period/ contractual completion period was on or after 20th February 2020, is to be extended for a period not less than three months and not more than six months without imposition of any cost or penalty including Price Reduction Schedule.
- (ii) The period of extension (between three and six months) may be decided based on the specific circumstances of the case and the period for which performance was affected by the Force Majeure events due to lockdown situation or restrictions imposed on account of COVID-19.
- (iii) The invocation of FMC would be held valid only in a situation where Supplier/ Contractor/ Service Provision/ Consultant were not in default of the contractual obligations as on 19th February, 2020. Further, invocation of FMC does not absolve all non-performances of Supplier/ Contractor/ Service Provider/ Consultant to the order/contract, but only in respect of such non-performance as is attributable to a lockdown situation or restrictions imposed under any Act or executive order of the Government/s on account of COVID-19 global pandemic.
- (iv) Subject to above stated, all contractual obligations shall revive on completion of the Force Majeure period.

B. REDUCING COMPLIANCE BURDEN

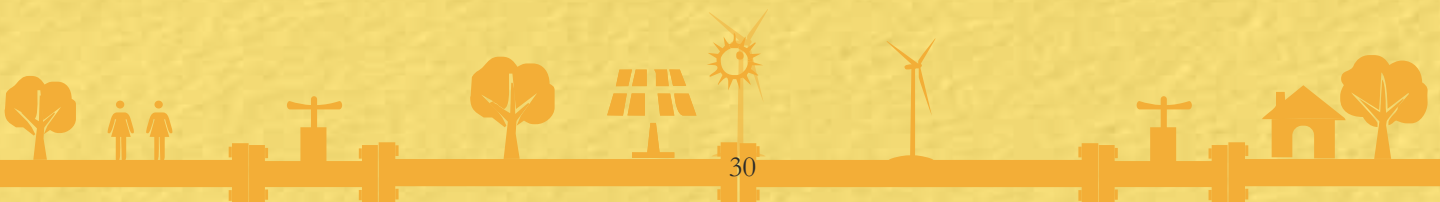
i. HEALTH MONITORING OF CONTRACTS:

A system of health monitoring of contracts at fixed intervals has been implemented in GAIL to ensure that the contracts are managed and executed with quality, within the timelines, without any cost over-run and with the satisfaction of all the stakeholders.

The health monitoring of the contracts includes various contract management aspects such as settlement of claims for extra/additional work, deviations, amendments, and issues/disputes etc. which are to be addressed promptly so that the disputes/issues do not pile up for resolution at the time of final closure of the contracts and become cumbersome and difficult to resolve due to long time gaps. The Health Monitoring reports in prescribed format are to be submitted on a monthly basis to Management.

ii. QUARTERLY CLOSURE OF CONTRACTS:

During execution of contracts/ orders, various deviations from the contract likely to happen on various



parameters are such as completion period, Extra/Abnormally High Rated (AHR) items, SOR quantities etc. In order to timely detect the deviation from the specified terms that may occur during the execution of contracts so as to be able to take remedial measures before they assume serious shape and difficult to resolve.

Considering the above objectives, system of Quarterly Closure of Contracts has been implemented in GAIL to resolve all the issues on quarterly basis.

This initiative ensure that the contracts are managed and executed with quality, within the timelines, without any cost over-run, satisfaction of all the stakeholders and finally resulting in ease in contract closure.

iii. MEETING WITH OEMS FOR STANDARDIZATION OF TERMS AND CONDITIONS WITH OEMS:

In order to bring uniformity in terms and conditions with OEM all across GAIL, this initiative was under taken. Agreement against GAIL's standard OEM GPC along with Integrity Pact (IP) has been reached with 25 OEMs.

iv. REVIEW OF THE PROCEDURE FOR VENDOR PERFORMANCE EVALUATION (YELLOW/RED CARD):

In order to strengthen the relations with our suppliers, the procedure for vendor performance evaluation for suppliers has been reviewed and concept of issuance of yellow card (watch list) has been introduced instead of Holiday provision.

v. CONTRACT MANAGEMENT DOCUMENT (COMAND):

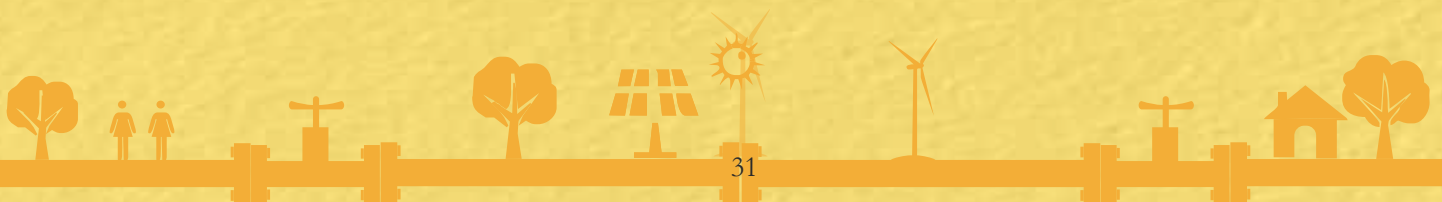
With an objective of better contract management, an in house document named COMAND has been launched for the various Engineer-In-Charges containing the various aspects and procedures for a better contract execution.

vi. DOs and DONTs BOOKLET :

A pocket booklet for Dos and Dont's during bidding and execution of contracts has been developed for our supplier and contractor community.

vii. VENDOR COACHING PROGRAM:

It has been observed experience of previous tenders and contracts/ orders that bids get rejected/ ordering gets delayed for non-intentional/ avoidable reasons.



Hence, Vendor Coaching Program are being organized for vendors to

- eliminate the gaps in understanding
- inform the consequences of Corrupt/ Fraudulent/ Collusive /Coercive Practices
- reduce the disputes, disagreements, arbitrations, etc.

Till date 20 such Vendor Coaching Programs have been conducted at various locations which have been actively participated by bidders/ vendors.

An online module for Vendor Caching has been developed. Any vendor can login and learn the tendering process of GAIL.

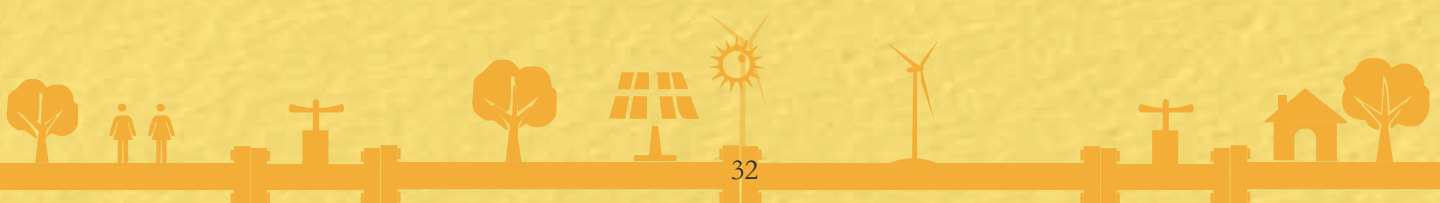
viii. EICs COACHING:

The responsibility for execution of Works/ Services contracts lies with Engineer-in-charges (EIC) nominated by site/ Project in charge based on the contract value.

To make Engineer-in-Charges (EICs) aware on various aspects of contracts and its management so as to make them better equipped to deal with different situations that may arise during the execution of the contracts, an EIC coaching program are being organized. The sessions were taken by experienced executives of various departments like C&P, F&A, Corporate Law, Vigilance Department, BIS-MM, O&M, Projects etc.

Till date 40 such EIC coaching program have been held which were attended by more than 1000 EICs of not only GAIL but its other subsidiary.

In addition to the EIC program conducted by various sites, a module of EIC coaching has been developed on the Learning Management System (LMS) of GAIL. Wherein the EIC can visit the module and go thru various presentations and assessments to enhance the skills to manage the contract more effectively and efficiently. The module has been assigned to all the executives of GAIL during the National Lockdown due to Corona (COVID-19) pandemic.



INNOVATIVE TECHNIQUES IN TENDERING/ PROCUREMENT

1. INDUSTRY MEET - MEETING WITH HEADS OF PSUs:

Corporate C&P department organized an Industry Meet of Contract and Procurement Heads of Central Public Sector Enterprises (CPSEs) on 20.12.2019 at Indian habitat Center, New Delhi with an objective to identify and adopt the best practices followed in other industry thereby bringing uniformity and consistency in our approach to achieve functional excellence.

The objective of holding the meet is to know the practices followed in other peer CPSEs related to the various Pre-award and Post-award contract activities etc.

ED (C&P), GAIL extended a warm welcome and special regards to the participants from other than oil PSUs.

All the participating CPSUs shared their best practices followed in Contracts and Procurement activities in form of brief presentations. Various provisions pertaining to Price Reduction Schedule (PRS), Reverse Auction (RA), Auctions, Concurrent Commitment, Sub-Contracting, etc were discussed during the meeting.

All the participants thanked GAIL (India) Limited for taking the lead and setting the stage for a common approach on the issued faced by various CPSEs.





2. PROCUREMENT THRU GEM PORTAL:

Government of India has introduced an online procurement portal – ‘Government e-Marketplace (GeM)’ with the aim to transform the way in which public procurement of goods and services is done by the Government Ministries/Departments, PSUs, autonomous bodies etc.

The objective of the Government to introduce GeM is to create a one stop Marketplace to facilitate online procurement of common user Goods & Services required by various Government Departments / Organizations / PSUs. GeM aims to enhance transparency, efficiency and speed in public procurement. It provides the tools of e-bidding, reverse e-auction and demand aggregation to facilitate the government users achieve the best value for their money.

Accordingly, GAIL has implemented the Policy for Procurement of Goods / Works/ Services from Government e-Marketplace (GeM). All the work-centres have obtained the login credentials (for Primary & Secondary users) and procurement for GeM portal is successfully implemented in GAIL. Also GAIL is continuously making the best efforts to maximize the procurement from the GeM Portal.

GAIL is also encouraging all the associated vendors / contractors to register themselves on the GeM Portal so that they can increase the visibility of their products / services to the complete horizon of the public procurement throughout the nation.

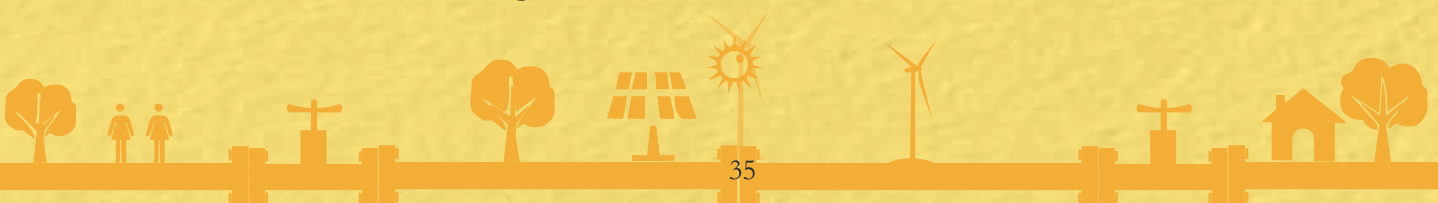
3. TRADE RECEIVABLE DISCOUNTING SYSTEM (TREDS):

In order to facilitate MSME vendors to get their Trade Receivables, Department of Financial Services has established Trade Receivable Discounting System (TReDS) platform. It is an online electronic institutional mechanism for facilitating the financing of trade receivables of MSMEs through multiple financiers. The TReDS Platform will enable discounting of invoices/bills of exchange of MSME, Sellers against large Corporates including Govt. Departments and PSUs, through an auction mechanism, to ensure prompt realization of trade receivables at competitive market rates.

TReDS is a digital platform for facilitating MSMEs to auction their trade receivables at competitive rates through transparent online bidding by multiple financiers. The main objective of the TReDS platform is to address the critical needs of MSMEs i.e. promptly finance the trade receivables and financing their trade receivables based on Buyers credit profile.

Presently, RBI has issued license to the following entities to provide the TReDS platform:

- (i) M/s Receivable Exchange of India (RXIL)



- (ii) M/s Mynd Solutions Private Limited (Mynd)
- (iii) M/s Invoicemart

Accordingly, GAIL has signed the Master Agreement with all the three TReDS platform owners and extending the bill discounting facilities to the MSEs whenever requested.

GAIL has also reached to all its MSE vendors to sensitize them regarding the discounting facility introduced by Govt. of India.

4. VERIFICATION AND CERTIFICATION OF DOCUMENTS PERTAINING TO BID EVALUATION CRITERIA (BEC):

Earlier bidders were required to furnish the documents pertaining to BEC (Technical) duly attested or certified by Chartered Engineer and Notary Public. Recently, GAIL has allowed the verification and certification of documents pertaining to Technical BEC for tenders valuing Rs. 50 Crores and above for Projects and Rs. 10 Crores and above for O&M (both excluding taxes and duties) to be carried out by any one of the following independent third party inspection agency:

1. Société Générale de Surveillance (SGS)
2. Gulf Lloyds Industrial Services (India) Pvt. Ltd (GLISPL)
3. International Certification Services (ICS)
4. Bureau Veritas (Ind.) Pvt. Ltd (BVIS)
5. DNV GL
6. TÜV Rheinland (India) Pvt. Ltd.
7. TÜV SÜD South Asia Pvt. Ltd.
8. TÜV India Pvt. Ltd. (TÜV Nord Group)
9. Intertek India Pvt. Ltd.
10. Moody International (India) Pvt. Ltd.
11. RINA India Pvt. Ltd.
12. Tata Projects Ltd.
13. Competent Inspectorate and Consultants LLP
14. ABS Industrial Verification (India) Pvt. Ltd.

5. PAYMENT TERMS:

In GAIL the payment to the vendors / contractors are done as per the terms and conditions of the contract. However, some of the salient features of the payment system in GAIL are as follows:

- a) E-payment on real time basis
- b) Payment against Monthly Running Bill (RA)
- c) In certain cases fortnightly payment
- d) 10% Mobilization advance in minimum two installments



- e) Rate of interest on Mobilization advance reduced to Marginal Cost of Fund based Lending Rate (MCLR)
- f) Release of 70% Running bill payment within a period of 07 days on case to case basis.

DIGITAL INITIATIVES IN TENDERING/PROCUREMENT

1. E-TENDERING:

“E-Tendering” is a process on a secure platform for sending and receiving tenders by electronic means, rather than the old Hard set based method and replicates the process of inserting the documents into an envelope securely via the Internet.

E-tendering was implemented in year 2007. Initially, E-Tendering was made mandatory for tenders having an estimated value of more than INR 50 lakhs. The threshold value of E-Tendering has been further lowered to INR 2 Lakhs

2. IMPLEMENTATION OF SAP:

SAP was implemented in GAIL in 2005. SAP allows all transactions on one platform and facilitate easy review of inventory, customer and vendor activities. Now all the ordering and their execution are SAP controlled and are regularly closed after execution in system.

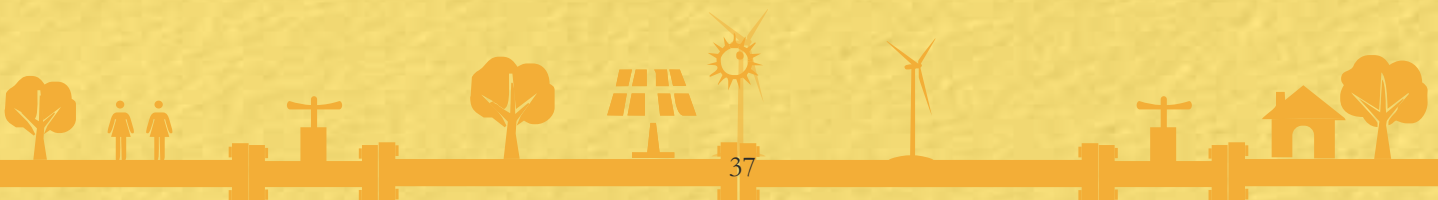
3. BILL WATCH SYSTEM:

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Further, Anjani portal has been implemented in GAIL for online submission and verification of Measurement against contracts.

4. UPLOADING OF TENDERS ON GAIL’S AND GOVT. WEBSITE:

In GAIL, all the tenders are uploaded on GAIL’s tender website (<http://www.gailtenders.in>), Govt. website (<http://eprocure.gov.in>) and GeM for wider circulation and participation by eligible bidders. Any bidder who meets the Bid Evaluation Criteria (BEC) can download the tender and can participate in the bidding process. The uploading of tenders on website ensures transparency, wide circulation and



equal opportunity to all the eligible bidder.

5. **UPLOADING OF GENERAL CONDITIONS OF CONTRACT ON WEBSITE OF GAIL AND NON INCLUSION IN TENDER DOCUMENTS:**

An effort to minimize the consumption of paper in terms of the size/volume of tenders/bids, the Contract and Procurement Department has taken an initiative to make general conditions of contract (GCC) not be a part of the tender documents. As GCC will be available on GAIL's tender website, stakeholders can simply upload the tender/bid in the e-tendering portal which has led to an increase in the ease of doing business.

6. **ONLINE VENDOR FEEDBACK MECHANISM:**

GAIL (India) Ltd always strives to meet the best industry standards by way of continuous improvements in the systems. In this regard, many initiatives such as pre-tender meeting, pre-bid meeting, vendor development meets, vendor coaching etc. are organized so as to have similar approach and understanding to various issues that come across. Further, GAIL focuses on fair & transparent processes, prompt responses to queries, resolving various issues of vendors/contractors, timely release of payments etc.

Considering its vendors / contractors as esteemed partners, GAIL requested them all to provide their valuable feedback on the experience they had while doing business with GAIL. For providing their feedback an online functionality is developed where vendor / contractor can login using its vendor code and furnish the feedback.

The response received against this initiative is huge and enormous feedbacks were posted on the portal.

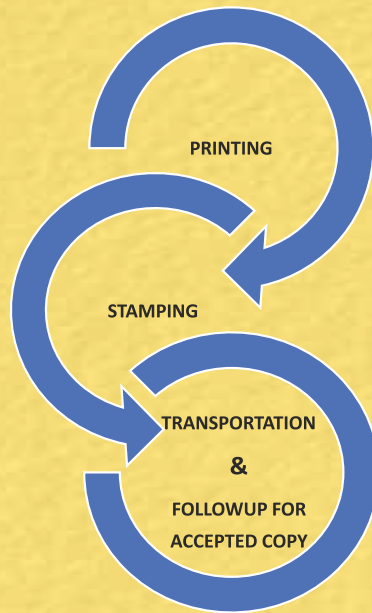
All vendors / contractors are requested to provide the feedback on the link given below:

<https://gailebank.gail.co.in/vendorfeedback/Login.aspx>

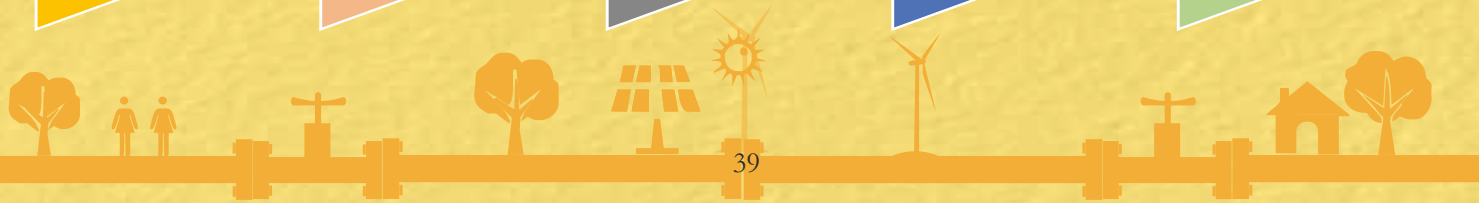
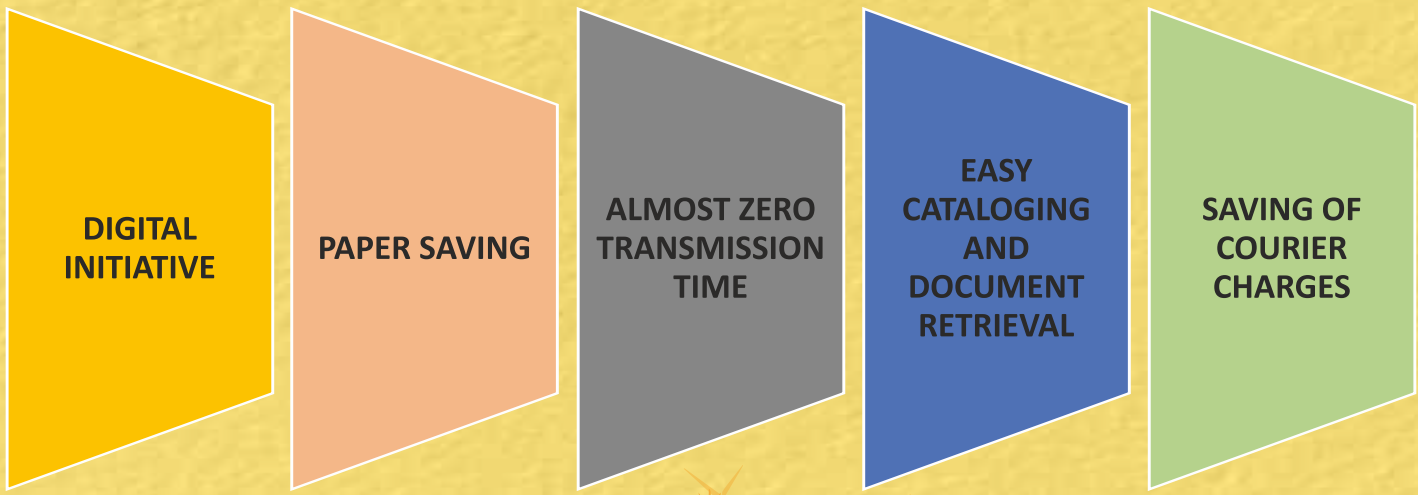


7. ONLINE DOCUMENT TRANSMISSION SYSTEM:

As per the existing system the voluminous orders awarded are printed in triplicate and signed by the issuing authority on each and every page before forwarding to the contractors. Which are further counter-signed by the contractor and returned back to GAIL. This activity includes printing of huge documents, stamping & signing on each and every page, forwarding, follow-up, etc which are time consuming as well as resource consuming.



In order to digitize this activity and to reduce the lead time, GAIL has introduced the Online Document Transmission System wherein the system generated order is digitally signed by the GAIL official is transmitted online to the contractor and he inturn counter-signed the order using digital signatures and forward back to GAIL thru the system. Currently, this system has been introduced in Project Department, slowly & gradually shall be implemented all across GAIL.



8. ONLINE VENDOR GRIEVANCE PORTAL-‘SAMADHAN’

In recent past various initiatives have been taken for transforming from “Reactive to Pro-active organization”. Our goal is to move towards “Zero Disputes”. With this objective, a Vendor Grievance Portal-“Samadhan” has been developed and implemented where Vendor/Supplier/ Contractor/Consultant can submit their issue (s) online.

The salient feature of Vendor Samadhan (Grievance) Portal is as under:

- (i) Vendor/Supplier/ Contractor/Consultant can submit their issue (s) to Vendor Samadhan Portal-“Samadhan”.
- (ii) The same is to be addressed by concerned officials within 15 days.
- (iii) There is provision of escalation to higher authority in GAIL.
- (iv) The escalation can be exercised by Vendor/Supplier/ Contractor/Consultant for two times. The first time the issue will be escalated to concerned higher officials.
- (v) After second escalation, the matter will be referred to Samadhan Committee.
- (vi) The above escalation option is also available to GAIL’s personnel.
- (vii) Further, issue (s) can only be submitted upto 1 month after closure of respective Order/ LoA/Contract.

The link of Online Vendor Grievance Portal-‘Samadhan’ is given below:

<https://gailebank.gail.co.in/grievance/welcome.aspx>



9. PROVISION FOR SUBMISSION OF EMD AND CPBG THROUGH ADDITIONAL MODE-ONLINE BANK TRANSACTION

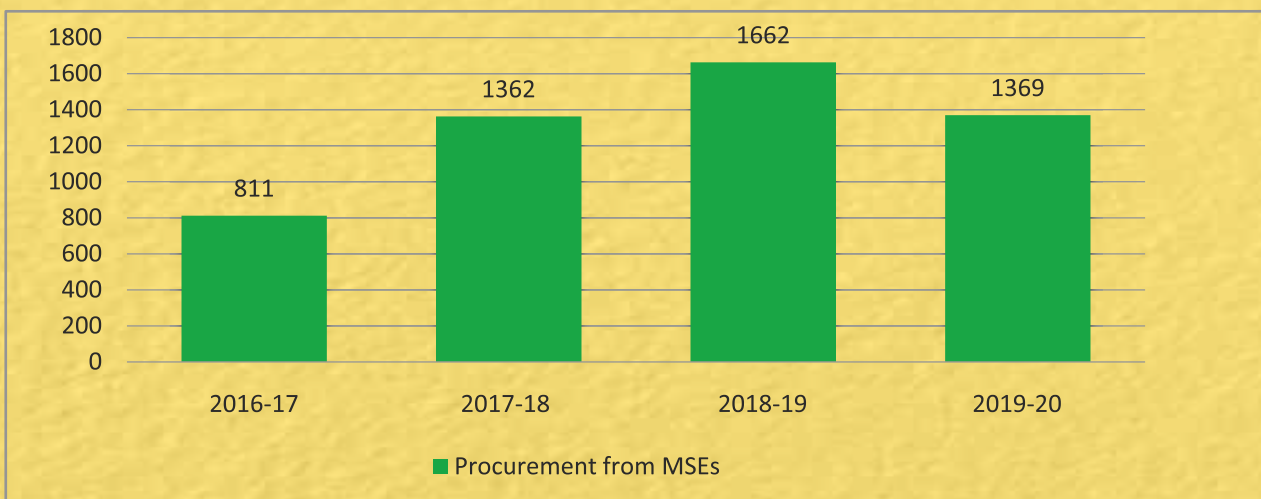
The Government of India has also launched 'Digital India' campaign to ensure that Government transactions are made available electronically by improved online infrastructure and by increasing Internet connectivity or by making the country digitally empowered in the field of technology. Further, with the advancement in the Banking Industry and introduction of Internet Banking / Mobile Banking the money can be transferred from one account to another digitally almost instantly. In view of above and to move ahead with the digital initiative of Govt. of India, GAIL has allowed submission of EMD/CPBG by utilizing the online transaction.

10. UPLOADING OF PRE-TENDER DETAILS ON WEBSITE:

A functionality for uploading the details of Pre-Tender Conference (PTC) on GAIL's tender website has been developed. The concerned are required to upload the detailed schedule of PTC on the website for wide publication.

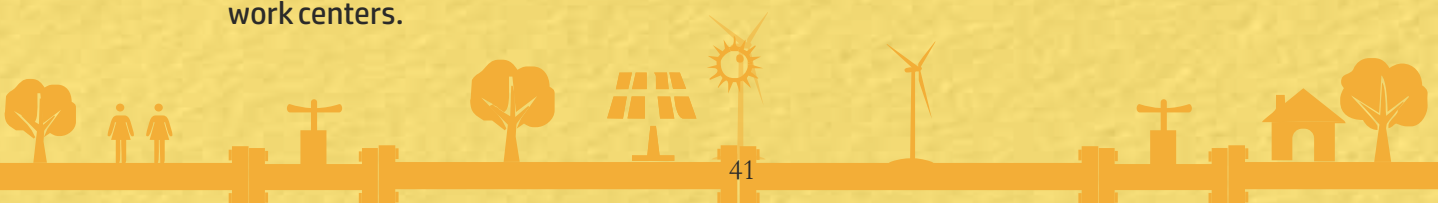
11. SPECIAL MENTION

11.1 PROCUREMENT FROM MSEs(in Rs. Crores):

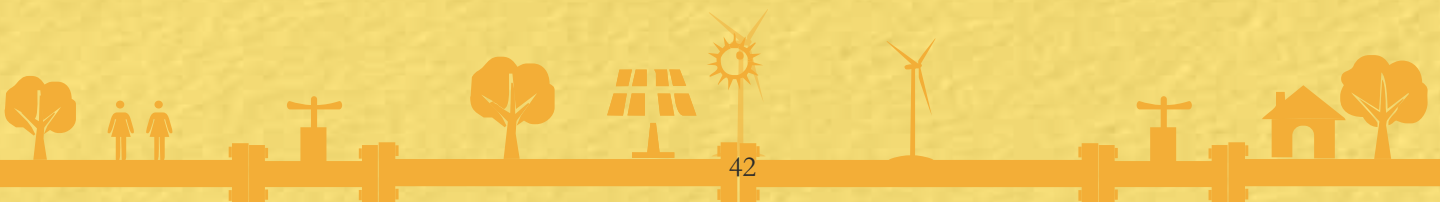


11.2 ACTION FOR ENHANCING PARTICIPATION OF MSEs :

- Task force has been formed at all C&P locations for finalization of annual procurement plan and conducting vendor meet with MSEs including those owned by SC/ST entrepreneurs.
- Till date, GAIL has conducted more than 80 Vendor Development Programs at GAIL's various work centers.

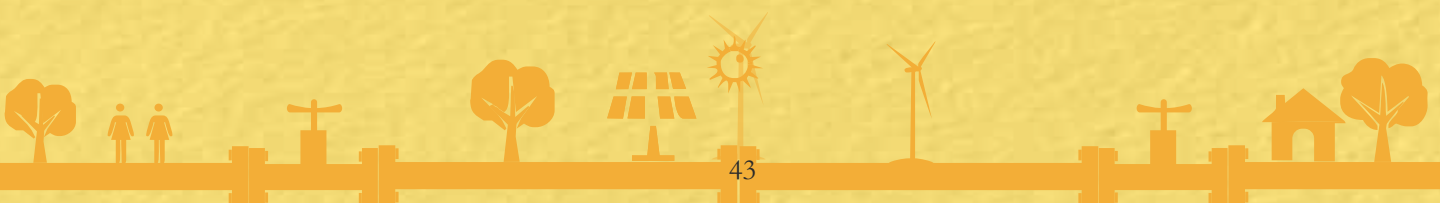


- c) In one of Vendor Development Programs, a camp was also organized in association with DIC for registration of MSEs and 59 vendors registered themselves as MSEs with DIC during this camp.
- d) GAIL is also participating in Vendor Development Program/ Conclave being organized by MSME/NSIC/ other PSUs etc. Where participating bidders are apprised, regarding the benefit extended to MSEs, procurement profile of GAIL etc. Till date, GAIL has attended more than 20 such meets held at Panipat, Guhawati, Indore, Bhopal, Karnal, Jaipur, Vadodara, Mumbai, Agartala etc.
- e) All procurement centres have been instructed to make concerted efforts with a focus on development of vendor especially for the MSEs and in particularly MSEs owned by SC/ST Entrepreneur.
- f) In addition, GAIL had made special stall at various forums to showcase the benefit and opportunity for MSEs in GAIL.
- g) GAIL's Annual Procurement Plan along with expected list of items/services where MSEs are likely to participate has been uploaded on GAIL's website.
- h) Nodal officers for each GAIL's procurement centers are designated and list of nodal officers has also been uploaded on GAIL's website along with Annual Procurement Plan.
- i) Common User ID for MSME data bank has been obtained from NSIC and circulated to all procurement centres of GAIL for utilizing data on these portals to reach out to prospective MSEs including SC/ST entrepreneur for procurement of goods and services.
- j) GAIL is regularly organizing Industry meet wherein the initiative taken in other CPSEs to enhance the procurement from MSEs and action plan for increase in participation of MSEs are discussed to have common platform for understanding.
- k) Inter unit audit of works centers to review the implementation of above initiatives all across GAIL and suggest corrective action (s).
- l) GAIL has requested Ministry of MSME for exemption in procurement of certain category of items and services in line with directive of Ministry of MSME.



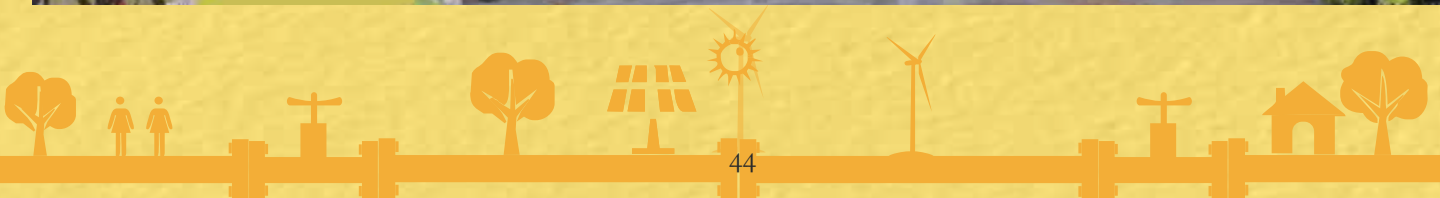
11.3 SPECIAL INITIATIVES FOR SC/ST OWNED MSEs:

- a) GAIL in association with M/s HPCL has organized an Entrepreneurship Development Project (EDP) for developing SC/ST entrepreneurs. 35 budding entrepreneurs were taught the skill of trade over a 35-days residential program. The program was inaugurated on 09.09.2017 at Skill Development Institute Visakhapatnam. During the program budding entrepreneurs were taught about the Entrepreneur basics, the business ideas & concept, finalization of business plan and funding process etc. It was a handholding residential program for 35 days where the skills of finance, accounting, marketing, human resource and sourcing etc were taught and 35 SC/ST startups were registered. GAIL's /HPCL's officials had taken sessions regularly on business opportunities and had also motivated the participants. The convocation program was held on 14.10.2017.
- b) For enhancing the participation by SC/ST owned MSEs, GAIL requested Dalit Indian Chamber of Commerce and Industry (DICCI) to either inform GAIL's/Govt. tender web links to all enterprises/ entrepreneurs registered with them or upload the same on their website, so that MSEs owned by SC/ST Entrepreneur can easily see details of GAIL's tender and participate against these tenders.
- c) Vendor Development Programs specifically for MSEs owned by SC/ST entrepreneurs are being conducted.
- d) A list of 48 numbers of MSEs owned by SC/ST entrepreneurs registered with M/s Hindustan Petroleum Corporation of India (HPCL) has been obtained and they have been invited to participate in published tenders by sharing the process for participating in our tenders.
- e) GAIL representative attended the Entrepreneurship Development Program for developing SC/ST entrepreneurs conducted by M/s HPCL and M/s BPCL. GAIL representative addressed the budding SC/ST entrepreneurs and informed them the business prospects in GAIL.
- f) National SC-ST Hub (NSSH) has forwarded a list of 96 SC-ST entrepreneurs firms. A communication has been sent to all SC-ST entrepreneurs regarding availability of GAIL tenders on its website and requested them to visit the aforesaid website and participate against GAIL's tenders. Further, all the work centers have been advised to forward the details of tenders to SC-ST entrepreneurs mentioned in the list for required items/ services.



g) Stall put up by Corporate-C&P at Special National Vendor Development Program on Petroleum & Steel sector for SC/ST Entrepreneurs

A Special National Vendor Development Program on Petroleum & Steel Sector for SC/ST Entrepreneurs was organized on 13th January 2020 at Bhim Hall, Dr. Ambedkar International Centre, 15 Janpath, New Delhi by DICCI wherein a stall was put up by Corporate-C&P. Sh. Dharmendra Pradhan, Hon. Minister of Petroleum & Natural Gas also visited the GAIL's stall.





h) Entrepreneurship Development Programme (EDP):

GAIL is in process of conducting the Entrepreneurship Development Programme (EDP) exclusively for the SC/ST youth in GTI, Jaipur. During the programme the SC/ST Youth shall be trained regarding the various aspects of the entrepreneurship and sessions shall be taken by various industry experts. The programme shall be completely residential in nature.

The process of shortlisting of the eligible candidates i.e written test and interview has already been done.

Earlier the programme was scheduled in the month on March-2020 and same has been postponed due to the nationwide lockdown to prevent the spread of Corona Virus (COVID-19).

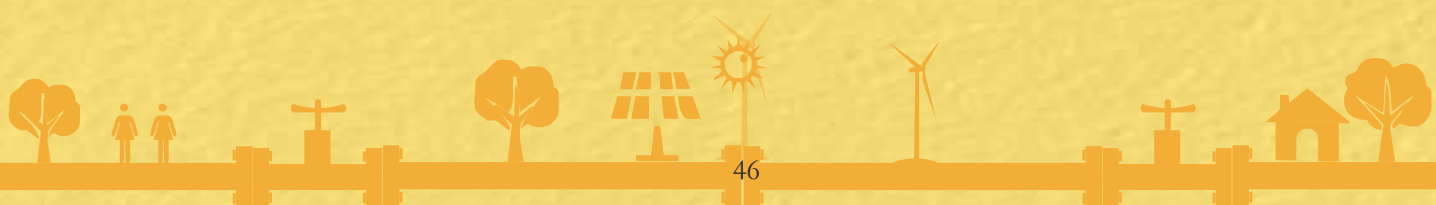
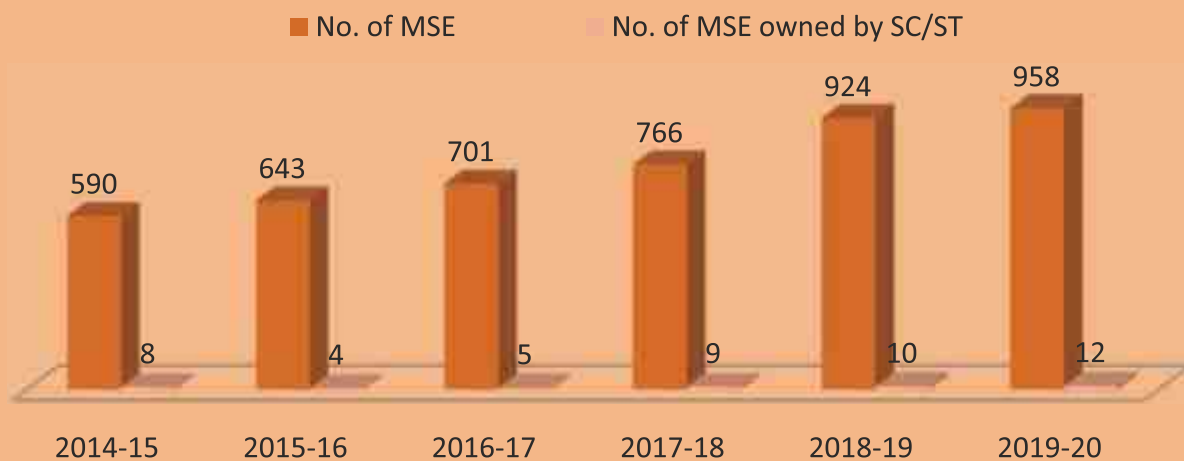




11.4. TRENDING OF MSE AND SC/ST PARTICIPATION

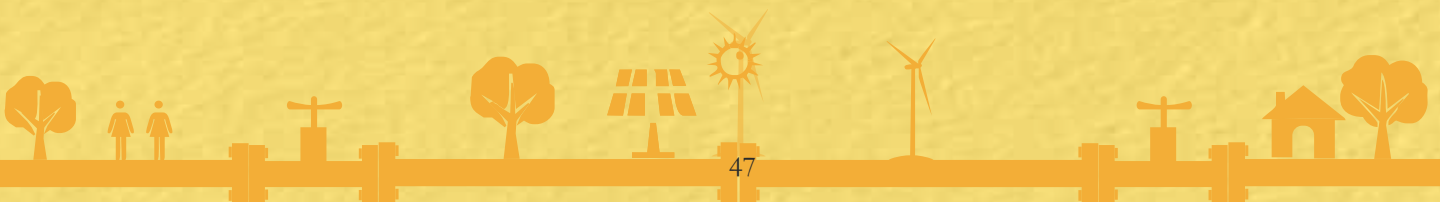
a) No. of MSEs and MSEs owned by SC/ST to whom order has been placed

Details of MSEs participated



GLIMPSES OF VARIOUS EVENT

ORGANISED BY GAIL



VENDOR MEET / VENDOR DEVELOPMENT PROGRAM

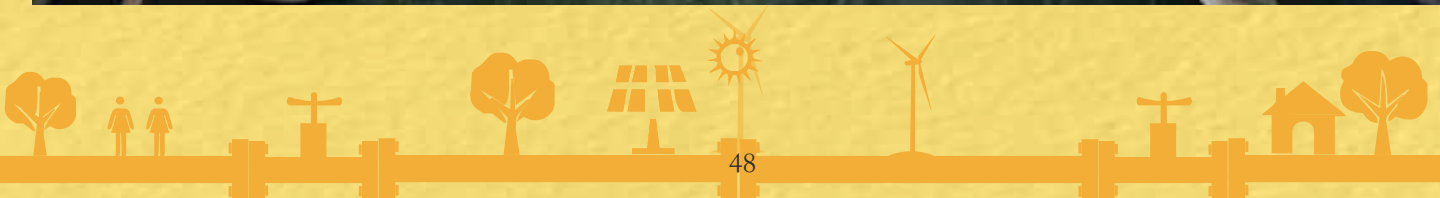
1. VENDOR INTERACTIVE MEET-2019:

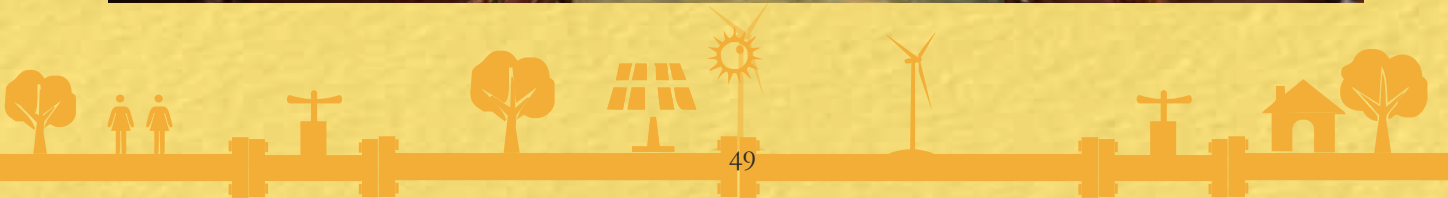
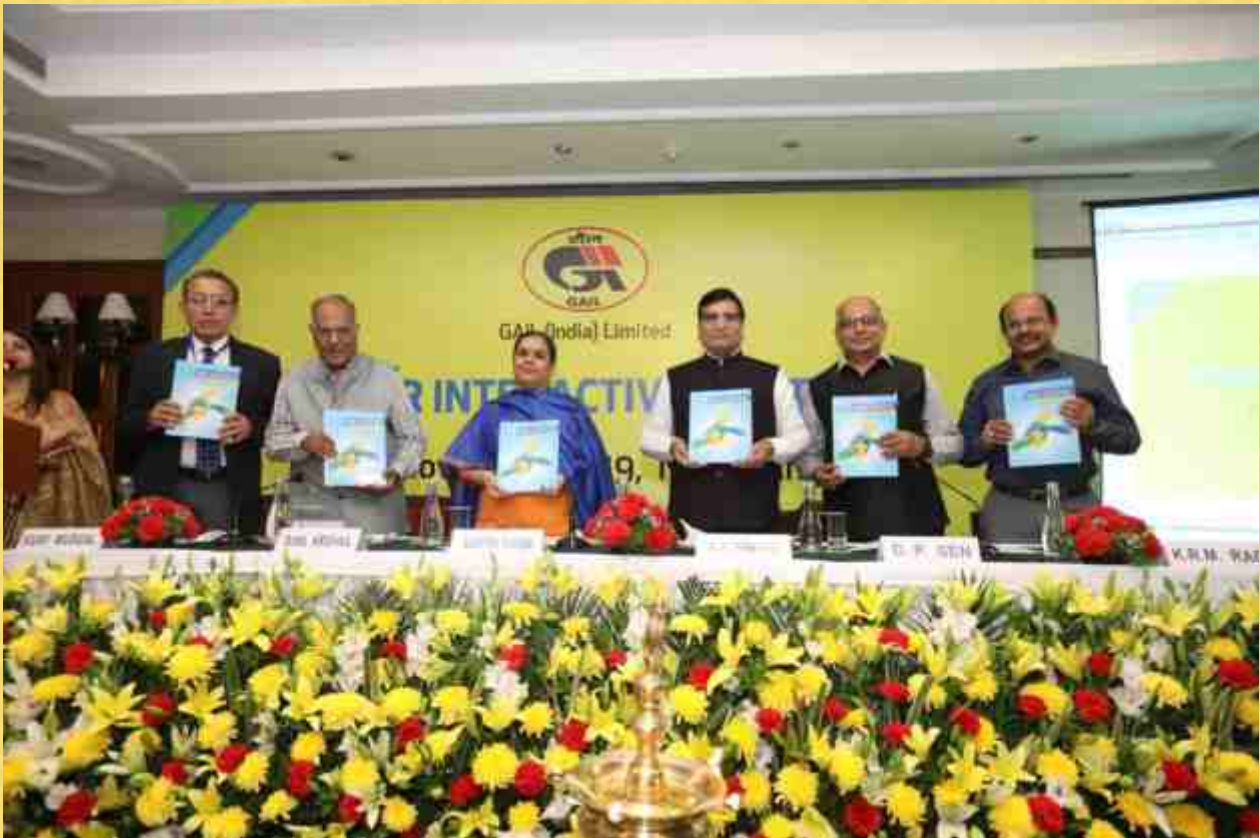
Corporate Contracts & Procurement Department organized a Vendor Meet on 01.11.2019 at India Habitat Centre during the Vigilance Awareness Week with the objective of making our business partners aware of the various initiatives taken by GAIL for ease of doing business and to capture and address the concerns/ issues faced by them while working with GAIL.

The meet was graced by Shri Sunil Krishna, **IEM-GAIL**, Ms. Suchitra Sharma, Chief Vigilance Officer, GAIL and the Chief Guest of the program Shri A K Tiwari, **Director (Finance)**.

A presentation was made by Shri K R M Rao, CGM (C&P) highlighting the initiatives taken in contract and procurement practices of GAIL on ease of doing business.

An open house for discussion on various issues/ suggestion of the vendors was held.



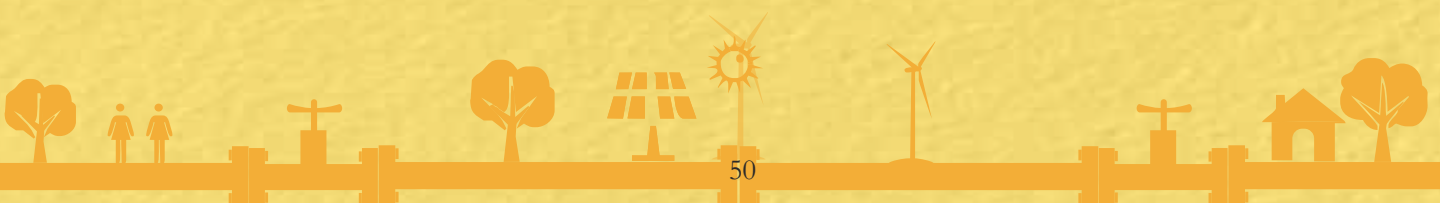


2. Vendor Interactive Meet, Vijaipur:

A Vendor Interactive Meet organized by Vijaipur Contracts & Procurement Department on 1st November 2019 at GAIL Complex Vijaipur on the occasion of Vigilance Awareness Week, 2019.

Welcome speech was given by Shri SS Agrawal, ED (O&M-CR). Meeting was also attended by representative from GeM and TReDS service providers.

Total 45 vendors including MSME & women entrepreneur and 15 secondary GeM users participated in the event along with GAIL officials.

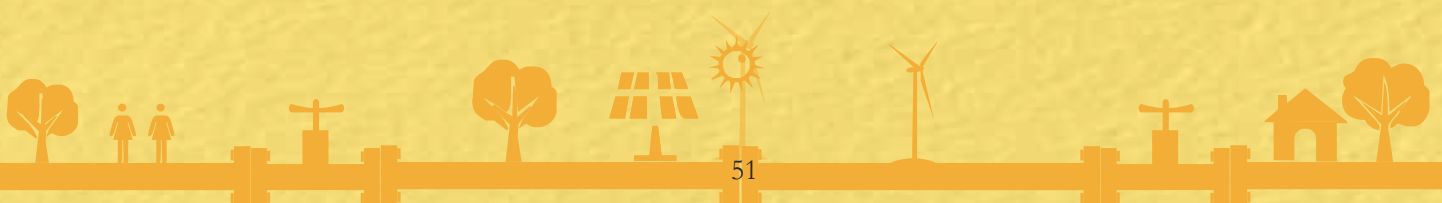


3. Vendor Development Program, Gandhar:

Vendor Development Program cum Handholding session for MSEs and Other vendors was organized by C&P Department, GAIL, GPU-Gandhar at Bharuch on 23rd December, 2019 - Monday.

The Program was started with inaugural speech by Shri TNM Rao HOD (C&P) and Shri S. K. Musalgaokar, CGM(O&M)/OIC GAIL, GPU-Gandhar, Shri M.K. Tiwari, CGM(O&M)/OIC. Vadodara and Shristatish Kumar Geda, CGM(O&M)/OIC. Hazira followed by presentations by TReDS and MSME Authorities.

Total 60+ vendors and representatives of C&P of Vadodara, Vaghodia&Hazira have also participated in the meet.





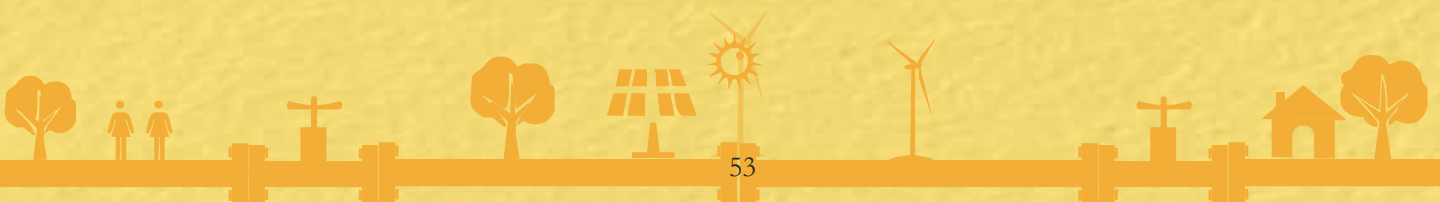
4. Vendor Development Program for MSEs, Jaipur:

MSE Vendor Meet was organized by C&P, Jaipur on 28.02.2020 with a focus on Vendor Development for MSEs. As many as 40 distinct MSE Vendors participated in the Meet.

In the Meet, representatives of MSME Development Institute, Jaipur , National Small Industries Corporation (NSIC), Jaipur and Government e-market place (GeM) also participated and addressed the MSE's and apprised them about their action plans.

Further on spot registration on GeM portal was also facilitated by GeM official to participant MSEs.

The Meet was followed by Question & Answer session (in which many doubts raised by the vendors were resolved by MSME, NSIC , GeM & GAIL officials for their entire satisfaction) and thereafter a Quiz session (in which vendors participated enthusiastically) was also organized.

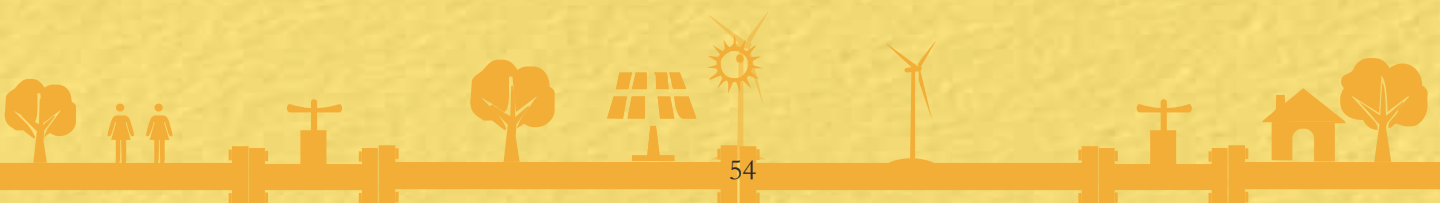


5. Vendor Development Program Cum Handholding Session for MSEs, Rajahmundry:

GAIL Rajahmundry had conducted a “Vendor Development Program Cum Handholding Session with MSEs including SC/ST enterprises and training on GeM” on 19th February, 2020 at Conference Hall GAIL (India) Limited Rajamahendravaram. The main objective to conduct “Vendor Development Program Cum Handholding Session with MSEs” including SC/ST enterprises and training on GeM was to provide a platform to the MSE vendors to discuss the Contract Management System in GAIL and benefits available to MSEs in GAIL tender in order to increase efficiency of contractors and to minimize disputes.

A brief presentation on GAIL’s procurement process for goods & services and emphasize on fairness and Transparency in procurement process. Equal opportunity given to all the bidders with reasonable time for bidding, Fast grievance redressal, Online payment Tracking, Interaction meets, Training of vendors, Bidding Process, single bid / two bid system, Benefits available for MSEs in GAIL tender, procurement through GeM , GST and billing process.

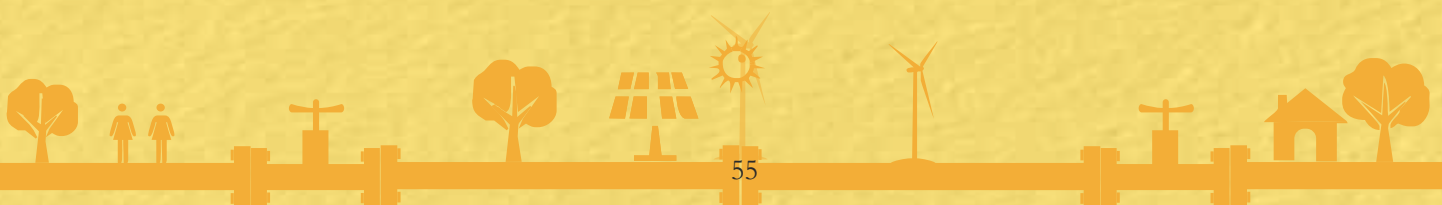
In open Q&A session, Vendors raised many questions mostly on e-tendering, post award, authentication of documents for MSEs, BEC etc. which were clarified.



6. Vendor Development Program, Ranchi:

Vendor Development Program cum Handholding session with MSEs was organized by GAIL Ranchi office on 05.02.2020 in order to ensure effective Implementation of Public Procurement Policy. Assistant Director, MSME-DI, Ranchi and official from Government e-Marketplace (GeM), Jharkhand state, were also invited as a guest who gave detailed presentation on MSME and GeM.

C&P department also gave the presentation on MSE Policy and procurement which was followed by Q&A session. C&P team at Ranchi extended all out support in organizing the Meet.



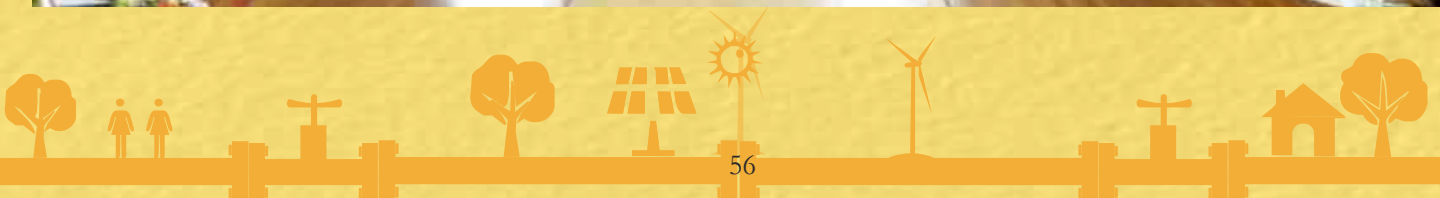
7. Vendor Interactive Meet, Noida:

Contracts & Procurement Department, Noida organized a Vendor Interactive Meet on 12.03.2020 at Jubilee Tower, Noida with the objective to discuss the issues arising during bidding process. The vendors/business partners associated with GAIL under BIS, GAILTEL and O&M department were invited in this meet. The objective of this meet was also to make our business partners aware of various new initiatives taken by GAIL, Minimizing the TQ-CQ and dispute in tendering process. More than 35 vendors associated with GAIL, Noida have attended the program.

The programme was graced by the presence of ED (O&M) – CO & OIC, CGM(GAILTEL), CGM(O&M-CO) and CGM (C&P), Noida and other GAIL senior officials.

CGM (C&P) welcomed the assemblage and the dignitaries to the meet. During the inaugural speech, ED (O&M) & OIC greeted the vendors/business partners. He also urged all the stakeholders to come up with the ideas to improve the performance and process.

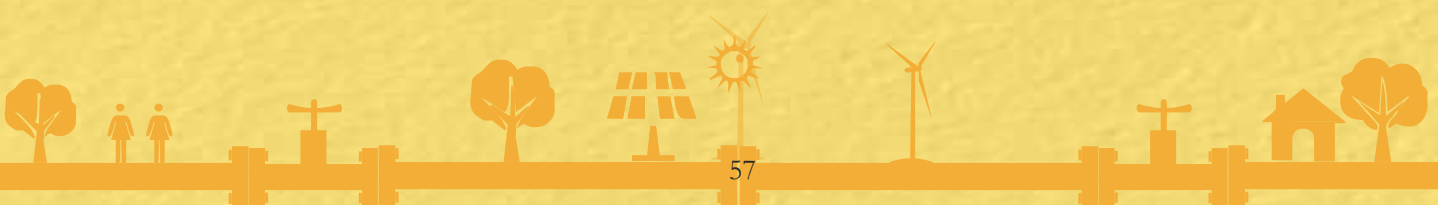
During the program, presentations were made on the latest development in procedures adopted by GAIL & business opportunities in GAIL, various initiatives taken by Noida C&P and implementation of Document Transmittal System. The Meet was followed by an interaction with vendors/Question & Answer session wherein participants have interacted actively by raising queries which were responded by GAIL.



8. Vendors' and Women Entrepreneurs Development Programme was organized by GAIL, PATA & Compressor Station, Dibiyapur:

A special MSME SC/ST Vendors' and Women Entrepreneurs Development Programme was organized by GAIL, PATA & Compressor Station, Dibiyapur on 8th Sept.,2020 in association with National SC-ST Hub (NSSH) (An Initiative of Ministry of MSME, Govt. of India), Agra and Dalit Indian Chamber of Commerce & Industry (DICCI),Kanpur. The Meet was primarily focused at disseminating awareness about the various MSME SC/ST support measures for increasing participation of SC, ST and Women Entrepreneurs in GAIL procurements. The meet was organized by Shri. PushendraSuryavanshi, Branch Manager, National SC-ST Hub (NSSH) (An Initiative of Ministry of MSME, Govt. of India) and Shri.K.Prem Kumar (CGM(C&P),Pata has informed participating vendors with respect to GAIL procurement and services and the efforts being made in encouraging SC/ST entrepreneurs by GAIL and elaborated the focused areas wherein SC/ST entrepreneurs could patronize with GAIL.

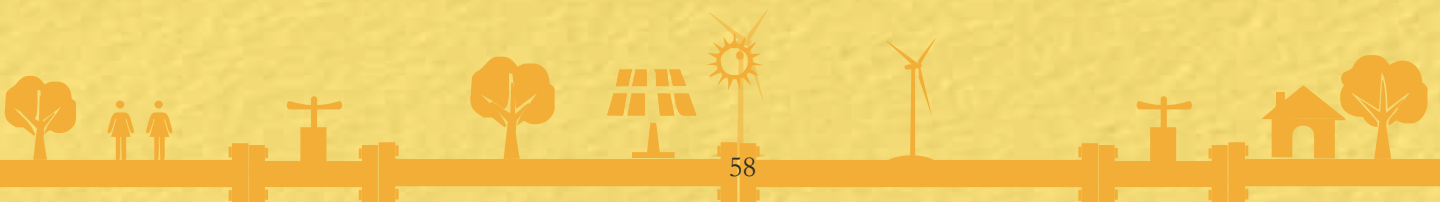
Thereupon, a presentation was given highlighting the procurement procedures and the purpose of holding this meet to bring in awareness among the Entrepreneurs about public procurement procedures and preferences available to SC/ST entrepreneurs in GAIL.



9. Vendor Development Program, Vijaipur:

Vendor Development Program cum Handholding session for GAIL's Business Associates with a focus on MSEs was organised by C&P, Vijaipur through virtual mode (Microsoft Teams platform) on 25.09.2020 (Friday). As many as 24 vendors participated on line. In the Program, Mr. D.C. Sahu, Director and Mr. Raj Kumar Mohnani, Assist. Director, MSME-Development Institute, Indore addressed the participants and briefed them about the role of MSME Development Institute and benefits extended to MSEs. Mr. Sumeet Sharma, State Manager-Government e-Marketplace (GeM) also explained the participants about the registration procedure for vendors as seller on the portal. Participating vendors were also apprised about the registration procedure for MSEs, benefits extended to them in the business under PPP-2012 and what provisions GAIL in particular, have for MSEs during the tendering process. Vendors were also introduced with the recently launched E-billing & E-measurement system in GAIL.

The Meet was followed by Question & Answer session (in which lot many doubts raised by the vendors were cleared by MSME, GeM and GAIL for their entire satisfaction).







**GAIL Bhawan, 16, R.K. Puram, Bhikaji Cama Place,
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